

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	311,109,701		311,109,701	236,382,934
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$1,926,049 , Schedule E, Part 1), cash equivalents (\$73,998,705 , Schedule E, Part 2) and short-term investments (\$78,193,687 , Schedule DA).....	154,118,441		154,118,441	124,649,396
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	465,228,142	0	465,228,142	361,032,330
11. Title plants less \$charged off (for Title Insurers only)			0	0
12. Investment income due and accrued	3,489,631		3,489,631	2,643,048
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	17,702,790		17,702,790	11,341,100
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....	5,033,653		5,033,653	4,820,668
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	1,000,466		1,000,466	467,076
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans	8,795,639		8,795,639	1,301,736
16.1 Current federal and foreign income tax recoverable and interest thereon	2,278,454		2,278,454	5,738,617
16.2 Net deferred tax asset.....	52,553,874	45,926,743	6,627,131	6,650,641
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software			0	0
19. Furniture and equipment, including health care delivery assets (\$)			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$3,412,538) and other amounts receivable.....	4,670,372	1,257,834	3,412,538	0
23. Aggregate write-ins for other than invested assets	8,458	0	8,458	3,086,971
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	560,761,479	47,184,577	513,576,902	397,082,187
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	560,761,479	47,184,577	513,576,902	397,082,187
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Other Assets.....			0	62,500
2302. Medicare Part D Receivable.....			0	2,899,471
2303. State Income Taxes Receivable.....	8,458		8,458	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	125,000
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	8,458	0	8,458	3,086,971

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	207,546,551	16,998,024	224,544,575	171,753,087
2. Accrued medical incentive pool and bonus amounts	2,062,000		2,062,000	958,000
3. Unpaid claims adjustment expenses	2,273,488		2,273,488	1,483,483
4. Aggregate health policy reserves	3,824,671		3,824,671	3,640,823
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves	366,608		366,608	407,484
8. Premiums received in advance	6,237,379		6,237,379	6,842,159
9. General expenses due or accrued	10,124,245		10,124,245	9,903,307
10.1 Current federal and foreign income tax payable and interest thereon (including \$0 on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittance and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	38,593,059		38,593,059	25,343,272
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans			0	8,251,417
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	271,028,001	16,998,024	288,026,025	228,583,032
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	610,000	610,000
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	37,441,000	37,441,000
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	1,500,000	1,500,000
29. Unassigned funds (surplus)	XXX	XXX	185,999,877	128,948,155
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24 \$)	XXX	XXX		0
30.2 shares preferred (value included in Line 25 \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	225,550,877	168,499,155
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	513,576,902	397,082,187
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	0	0	0	0
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801. Reserve and Restricted Funds	XXX	XXX	1,500,000	1,500,000
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	1,500,000	1,500,000

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	4,390,043	3,536,903
2. Net premium income (including \$0 non-health premium income).....	XXX	1,438,002,359	1,110,200,134
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	1,438,002,359	1,110,200,134
Hospital and Medical:			
9. Hospital/medical benefits	71,910,370	1,107,868,002	849,511,132
10. Other professional services		3,066,411	371,509
11. Outside referrals			0
12. Emergency room and out-of-area			0
13. Prescription drugs		85,235,696	79,882,866
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		2,727,861	386,516
16. Subtotal (Lines 9 to 15)	71,910,370	1,198,897,970	930,152,023
Less:			
17. Net reinsurance recoveries		1,141,657	612,280
18. Total hospital and medical (Lines 16 minus 17)	71,910,370	1,197,756,313	929,539,743
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$9,629,950 cost containment expenses.....		38,125,705	27,518,383
21. General administrative expenses.....		135,687,168	111,672,958
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	71,910,370	1,371,569,186	1,068,731,084
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	66,433,173	41,469,050
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		14,347,412	17,273,349
26. Net realized capital gains (losses) less capital gains tax of \$		1,855,876	333,433
27. Net investment gains (losses) (Lines 25 plus 26)	0	16,203,288	17,606,782
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	(16,139)	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	82,620,322	59,075,832
31. Federal and foreign income taxes incurred	XXX	25,625,111	12,882,078
32. Net income (loss) (Lines 30 minus 31)	XXX	56,995,211	46,193,754
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Fines & Penalties - Regulatory Authorities.....		(16,139)	0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	(16,139)	0

STATEMENT OF REVENUE AND EXPENSES (continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior-reporting period	168,499,155	157,938,400
34. Net income or (loss) from Line 32	56,995,211	46,193,754
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	(3,334,105)	57,427,197
39. Change in nonadmitted assets	4,485,978	(51,560,196)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		(41,500,000)
47. Aggregate write-ins for gains or (losses) in surplus	(1,095,362)	0
48. Net change in capital & surplus (Lines 34 to 47)	57,051,722	10,560,755
49. Capital and surplus end of reporting period (Line 33 plus 48)	225,550,877	168,499,155
DETAILS OF WRITE-INS		
4701. Corrections subsequent to issuance of the 2007 annual statement.....	(1,052,553)	0
4702. Income Taxes to Surplus Adj.....	(42,809)	0
4703.		0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	(1,095,362)	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,430,822,904	1,104,448,549
2. Net investment income.....	15,914,225	13,616,502
3. Miscellaneous income.....	0	0
4. Total (Lines 1 through 3).....	1,446,737,129	1,118,065,051
5. Benefit and loss related payments.....	1,145,562,951	844,675,484
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	173,608,074	131,721,878
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$0 tax on capital gains (losses).....	22,164,948	21,318,695
10. Total (Lines 5 through 9).....	1,341,335,973	997,716,057
11. Net cash from operations (Line 4 minus Line 10).....	105,401,156	120,348,994
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	194,006,828	99,927,655
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	194,006,828	99,927,655
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	268,772,174	169,000,683
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	268,772,174	169,000,683
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(74,765,346)	(69,073,028)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	41,500,000
16.6 Other cash provided (applied).....	(1,166,765)	(93,670,648)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,166,765)	(135,170,648)
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).....	29,469,045	(83,894,682)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	124,649,396	208,544,078
19.2 End of year (Line 18 plus Line 19.1).....	154,118,441	124,649,396

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,438,002,359	362,912,279	0	0	0	10,144,645	401,167,718	663,777,717	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	1,438,002,359	362,912,279	0	0	0	10,144,645	401,167,718	663,777,717	0	0
8. Hospital/medical/ benefits	1,107,868,003	255,913,386				13,998,393	277,315,374	560,640,850		XXX
9. Other professional services	3,066,410	708,329				38,745	767,567	1,551,769		XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	0									XXX
12. Prescription Drugs	85,235,696	44,085,958				1,076,990	33,287,389	6,785,359		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	2,727,861	85,000					2,556,174		86,687	XXX
15. Subtotal (Lines 8 to 14)	1,198,897,970	300,792,673	0	0	0	15,114,128	313,926,504	568,977,978	86,687	XXX
16. Net reinsurance recoveries	1,141,657	1,141,657								XXX
17. Total hospital and medical (Lines 15 minus 16)	1,197,756,313	299,651,016	0	0	0	15,114,128	313,926,504	568,977,978	86,687	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 9,629,950 cost containment expenses	38,125,706	12,494,204				154,027	5,605,529	19,871,946		
20. General administrative expenses	135,687,167	44,538,082				476,236	19,949,750	70,723,099		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	1,371,569,186	356,683,302	0	0	0	15,744,391	339,481,783	659,573,023	86,687	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	66,433,173	6,228,977	0	0	0	(5,599,746)	61,685,935	4,204,694	(86,687)	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	363,344,324		432,045	362,912,279
2. Medicare Supplement .....				.0
3. Dental Only.....				.0
4. Vision Only.....				.0
5. Federal Employees Health Benefits Plan	10,144,645			10,144,645
6. Title XVIII - Medicare	401,426,125		258,407	401,167,718
7. Title XIX - Medicaid.....	664,153,253		375,536	663,777,717
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	1,439,068,347	.0	1,065,988	1,438,002,359
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	1,439,068,347	0	1,065,988	1,438,002,359

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	1,143,419,495	306,024,350				14,670,475	316,366,715	506,357,955		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	1,141,657	1,141,657								
1.4 Net	1,142,277,838	304,882,693	0	0	0	14,670,475	316,366,715	506,357,955	0	0
2. Paid medical incentive pools and bonuses	1,623,861						1,623,861			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	224,544,575	29,029,755	0	0	0	1,771,425	40,265,907	153,477,488	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	224,544,575	29,029,755	0	0	0	1,771,425	40,265,907	153,477,488	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	366,608	366,608								
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	366,608	366,608	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	2,062,000	85,000					1,977,000			
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	171,753,088	34,305,558	0	0	0	1,327,772	45,262,292	90,857,466	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	171,753,088	34,305,558	0	0	0	1,327,772	45,262,292	90,857,466	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	407,484	407,484	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	407,484	407,484	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	958,000	0	0	0	0	0	1,044,687	0	(86,687)	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	1,196,170,106	300,707,671	0	0	0	15,114,128	311,370,330	568,977,977	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	1,141,657	1,141,657	0	0	0	0	0	0	0	0
12.4 Net	1,195,028,449	299,566,014	0	0	0	15,114,128	311,370,330	568,977,977	0	0
13. Incurred medical incentive pools and bonuses	2,727,861	85,000	0	0	0	0	2,556,174	0	86,687	0

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	0									
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	0									
1.4. Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	204,604,669	27,850,204				1,771,425	32,011,224	142,971,816		
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	0									
2.4. Net	204,604,669	27,850,204	0	0	0	1,771,425	32,011,224	142,971,816	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	19,939,906	1,179,551					8,254,683	10,505,672		
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	19,939,906	1,179,551	0	0	0	0	8,254,683	10,505,672	0	0
4. TOTALS:										
4.1. Direct	224,544,575	29,029,755	0	0	0	1,771,425	40,265,907	153,477,488	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4. Net	224,544,575	29,029,755	0	0	0	1,771,425	40,265,907	153,477,488	0	0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 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)	46,122,581	258,760,111		29,396,364	46,122,581	34,713,041
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan Premiums	1,513,456	13,157,019		1,771,425	1,513,456	1,327,772
6. Title XVIII - Medicare	38,907,815	277,458,900		40,265,907	38,907,815	45,262,292
7. Title XIX - Medicaid.....	87,195,810	419,162,145	1,918,574	151,558,914	89,114,384	90,857,466
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	173,739,662	968,538,175	1,918,574	222,992,610	175,658,236	172,160,571
10. Healthcare receivables (a).....					0	
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts	341,861	1,282,000		2,062,000	341,861	958,000
13. Totals (Lines 9 - 10 + 11 + 12)	174,081,523	969,820,175	1,918,574	225,054,610	176,000,097	173,118,571

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	1,226,687	1,226,524	1,226,224	708,334	708,334
2. 2004	423,436	487,706	487,706	487,706	487,706
3. 2005	XXX	325,792	376,679	376,679	376,679
4. 2006	XXX	XXX	321,786	364,556	364,556
5. 2007	XXX	XXX	XXX	253,090	325,337
6. 2008	XXX	XXX	XXX	XXX	235,913

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	1,226,687	1,226,687	1,226,524	708,334	708,334
2. 2004	423,436	487,706	487,706	487,706	487,706
3. 2005	XXX	325,792	376,679	376,679	376,679
4. 2006	XXX	XXX	321,786	364,556	364,556
5. 2007	XXX	XXX	XXX	253,090	325,337
6. 2008	XXX	XXX	XXX	XXX	265,310

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	465,129	487,706	9,259	1.9	496,965	106.8			496,965	106.8
2. 2005	479,008	376,679	10,401	2.8	387,080	80.8			387,080	80.8
3. 2006	446,338	364,556	5,890	1.6	370,446	83.0			370,446	83.0
4. 2007	380,056	325,337	9,845	3.0	335,181	88.2			335,181	88.2
5. 2008	363,344	235,913	8,645	3.7	244,558	67.3	31,458	574	276,591	76.1

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

Section A – Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	26,973	26,973	26,973	16,819	16,819
2. 2004	8,224	9,674	9,674	9,674	9,674
3. 2005	XXX	10,040	11,280	11,280	11,280
4. 2006	XXX	XXX	10,741	11,958	11,958
5. 2007	XXX	XXX	XXX	9,980	11,494
6. 2008	XXX	XXX	XXX	XXX	13,157

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	26,973	26,973	26,973	16,819	16,819
2. 2004	8,224	9,674	9,674	9,674	9,674
3. 2005	XXX	10,040	11,280	11,280	11,280
4. 2006	XXX	XXX	10,741	11,958	11,958
5. 2007	XXX	XXX	XXX	9,980	11,494
6. 2008	XXX	XXX	XXX	XXX	14,928

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	8,862	9,674	176	1.8	9,850	111.1			9,850	111.1
2. 2005	10,514	11,280	228	2.0	11,508	109.5			11,508	109.5
3. 2006	13,103	11,958	173	1.4	12,131	92.6			12,131	92.6
4. 2007	11,927	11,494	309	2.7	11,803	99.0			11,803	99.0
5. 2008	15,466	13,157	8	0.1	13,165	85.1	1,771	16	14,953	96.7

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	316,433	316,433	316,433	226,121	226,121
2. 2004	127,009	146,178	146,178	146,178	146,178
3. 2005	XXX	148,927	168,518	168,518	168,518
4. 2006	XXX	XXX	211,866	242,298	242,298
5. 2007	XXX	XXX	XXX	221,231	303,622
6. 2008	XXX	XXX	XXX	XXX	233,976

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	316,433	316,433	316,433	226,121	226,121
2. 2004	127,009	146,178	146,178	146,178	146,178
3. 2005	XXX	148,927	168,518	168,518	168,518
4. 2006	XXX	XXX	211,866	242,298	242,298
5. 2007	XXX	XXX	XXX	221,231	303,622
6. 2008	XXX	XXX	XXX	XXX	274,242

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	125,290	146,178	2,494	1.7	148,672	118.7			148,672	118.7
2. 2005	176,398	168,518	3,830	2.3	172,348	97.7			172,348	97.7
3. 2006	276,967	242,298	3,655	1.5	245,953	88.8			245,953	88.8
4. 2007	341,157	303,622	8,837	2.9	312,459	91.6			312,459	91.6
5. 2008	401,426	233,976	9,551	4.1	243,527	60.7	40,266	634	284,427	70.9

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	362,780	362,599	362,599	153,086	153,086
2. 2004	6,294	6,170	6,170	6,170	6,170
3. 2005	XXX	.0	.0	.0	.0
4. 2006	XXX	XXX	.0	.0	.0
5. 2007	XXX	XXX	XXX	273,241	148,456
6. 2008	XXX	XXX	XXX	XXX	357,902

Section B – Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	362,780	362,599	362,599	153,086	153,086
2. 2004	6,294	6,170	6,170	6,170	6,170
3. 2005	XXX	.0	.0	.0	.0
4. 2006	XXX	XXX	.0	.0	.0
5. 2007	XXX	XXX	XXX	.0	150,374
6. 2008	XXX	XXX	XXX	XXX	509,461

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	43,266	6,170	861	14.0	7,031	16.3			7,031	16.3
2. 2005	59	.0	.1	0.0	.1	2.2			.1	2.2
3. 2006 .....	.0	.0	.0	0.0	.0	0.0			.0	0.0
4. 2007	377,672	148,456	9,783	6.6	158,238	41.9	1,919		160,157	42.4
5. 2008	664,153	357,902	15,802	4.4	373,705	56.3	151,559	1,049	526,313	79.2

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	1,932,873	1,932,529	1,932,230	1,104,359	1,104,360
2. 2004	564,963	649,728	649,728	649,728	649,728
3. 2005	XXX	484,760	556,476	556,476	556,476
4. 2006	XXX	XXX	544,392	618,812	618,812
5. 2007	XXX	XXX	XXX	757,542	788,908
6. 2008	XXX	XXX	XXX	XXX	840,948

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	1,932,873	1,932,692	1,932,529	1,104,360	1,104,360
2. 2004	564,963	649,728	649,728	649,728	649,728
3. 2005	XXX	484,759	556,476	556,476	556,476
4. 2006	XXX	XXX	544,392	618,812	618,812
5. 2007	XXX	XXX	XXX	484,301	790,827
6. 2008	XXX	XXX	XXX	XXX	1,063,941

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	642,546	649,728	12,791	2.0	662,518	103.1	.0	.0	662,518	103.1
2. 2005	665,978	556,476	14,461	2.6	570,937	85.7	.0	.0	570,937	85.7
3. 2006	736,407	618,812	9,718	1.6	628,530	85.4	.0	.0	628,530	85.4
4. 2007	1,110,812	788,908	28,773	3.6	817,681	73.6	1,919	.0	819,600	73.8
5. 2008	1,444,390	840,948	34,007	4.0	874,955	60.6	225,055	2,273	1,102,283	76.3

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	.0								
2. Additional policy reserves (a) .....	.0								
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$0 for investment income)	3,824,671					3,824,671			
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (Gross)	3,824,671	.0	.0	.0	.0	3,824,671	.0	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	3,824,671	.0	.0	.0	.0	3,824,671	.0	.0	.0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits	366,608	366,608							
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (Gross)	366,608	366,608	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	366,608	366,608	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$0 for occupancy of own building).....	122,075	352,533	1,234,987		1,709,595
2. Salaries, wages and other benefits.....	6,394,916	18,805,803	71,416,047	171,227	96,787,993
3. Commissions (less \$0 ceded plus \$0 assumed).....			19,490,625		19,490,625
4. Legal fees and expenses.....	24,744	80,764	315,961		421,469
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....	215,774	821,189	3,965,791		5,002,754
7. Traveling expenses.....	262,568	722,526	2,621,864		3,606,958
8. Marketing and advertising.....	1,275,070	3,241,527	9,726,300		14,242,897
9. Postage, express and telephone.....	469,300	1,373,648	5,042,507		6,885,455
10. Printing and office supplies.....	37,236	124,702	526,537		688,475
11. Occupancy, depreciation and amortization.....	101,454	487,490	4,722,914		5,311,858
12. Equipment.....	2,625	8,158	22,211		32,994
13. Cost or depreciation of EDP equipment and software.....	83,983	580,113	3,462,727		4,126,823
14. Outsourced services including EDP, claims, and other services.....	73,093	179,016	327,130		579,239
15. Boards, bureaus and association fees.....	6,670	26,236	143,773		176,679
16. Insurance, except on real estate.....	137,789	415,074	2,343,757		2,896,620
17. Collection and bank service charges.....	1,310	22,869	140,882		165,061
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....			(14,036,010)		(14,036,010)
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			116,329		116,329
23.2 State premium taxes.....			17,504,005		17,504,005
23.3 Regulatory authority licenses and fees.....	2,706	46,374	21,360		70,440
23.4 Payroll taxes.....	418,637	1,207,733	4,614,632		6,241,002
23.5 Other (excluding federal income and real estate taxes).....			1,962,839		1,962,839
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	9,629,950	28,495,755	135,687,168	171,227	(a) 173,984,100
27. Less expenses unpaid December 31, current year.....		2,273,488	10,124,245		12,397,733
28. Add expenses unpaid December 31, prior year.....	0	1,483,483	9,903,307	0	11,386,790
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	1,301,736	0	1,301,736
30. Amounts receivable relating to uninsured plans, current year.....			8,795,639		8,795,639
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	9,629,950	27,705,750	142,960,133	171,227	180,467,060
DETAIL OF WRITE-INS					
2501.					
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$139,849,099 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 2,848,431	2,507,954
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 6,010,001	7,204,327
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 4,813,615	4,806,350
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	13,672,047	14,518,631
11. Investment expenses		(g) 171,227
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		171,227
17. Net investment income (Line 10 minus Line 16)		14,347,404
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		0

(a) Includes \$ 446,502 accrual of discount less \$ 2,135,553 amortization of premium and less \$ 2,655,244 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 1,138,515 accrual of discount less \$ 6,985 amortization of premium and less \$ paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	1,583,599		1,583,599		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	678,280	(611,410)	66,870		
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	205,407		205,407		
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	2,467,286	(611,410)	1,855,876	0	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule-E Part 1), cash equivalents (Schedule-E Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	45,926,743	49,237,336	3,310,593
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	0	0	0
19. Furniture and equipment, including health care delivery assets.....	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	1,257,834	2,035,269	777,435
23. Aggregate write-ins for other than invested assets	0	397,950	397,950
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	47,184,577	51,670,555	4,485,978
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	47,184,577	51,670,555	4,485,978
DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0
2301. Prepaid Commission.....	0	397,950	397,950
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	397,950	397,950

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	336,916	334,546	335,091	334,023	506,485	4,390,043
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	336,916	334,546	335,091	334,023	506,485	4,390,043
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

EXHIBIT 4 – 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
Claims Unpaid (Reported)						
0199999 Individually listed claims unpaid	0	0	0	0	0	0
0299999 Aggregate accounts not individually listed-uncovered						0
0399999 Aggregate accounts not individually listed-covered						0
0499999 Subtotals	0	0	0	0	0	0
0599999 Unreported claims and other claim reserves						204,604,669
0699999 Total amounts withheld						19,939,906
0799999 Total claims unpaid						224,544,575
0899999 Accrued medical incentive pool and bonus amounts						2,062,000

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:							
NONE							
0199999 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

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT 7 PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	.0	.0		.0		
2. Intermediaries	8,668,638	.8	506,485	100.0	8,668,638	
3. All other providers	21,723,762	1.9		.0		21,723,762
4. Total capitation payments	30,392,400	2.7	506,485	100.0	8,668,638	21,723,762
Other Payments:						
5. Fee-for-service	33,153,128	2.9	XXX	XXX		33,153,128
6. Contractual fee payments	1,012,216,686	88.3	XXX	XXX		1,012,216,686
7. Bonus/withhold arrangements - fee-for-service	.0	.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	70,149,794	6.1	XXX	XXX		70,149,794
9. Non-contingent salaries	.0	.0	XXX	XXX		
10. Aggregate cost arrangements	.0	.0	XXX	XXX		
11. All other payments	.0	.0	XXX	XXX		
12. Total other payments	1,115,519,608	97.3	XXX	XXX	0	1,115,519,608
13. Total (Line 4 plus Line 12)	1,145,912,008	100 %	XXX	XXX	8,668,638	1,137,243,370

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
	United Behavioral Health	6,230,594	519,216		
	American WholeHealth Network	176,010	14,668		
	Optum Nurseline	1,412,032	117,669		
	Dental	158,717	13,226		
	United Resource Network	691,285	57,607		
9999999 Totals		8,668,638	XXX	XXX	XXX

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EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment	NONE					
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operation – United Healthcare Plan of the River Valley, Inc. (“Plan”) is a wholly-owned subsidiary of United Healthcare Services Company of the River Valley, Inc. (“UHS-RV”). UHS-RV is a wholly owned subsidiary of UnitedHealthcare, Inc. (“UHC”), which is a wholly owned subsidiary of UnitedHealthcare Services, Inc. (“UHS”). UHS is a wholly owned subsidiary of UnitedHealth Group, Inc. (“UHG”).

On December 6, 2005, Deere & Company entered into a stock purchase agreement with United Healthcare, Inc. for the sale of John Deere Health Care, Inc. (“JDHC”) and its subsidiaries. Effective February 24, 2006, JDHC became a wholly-owned subsidiary of United Healthcare, Inc.

The Plan was incorporated on August 5, 1985 as a Health Maintenance Organization (“HMO”). Operations commenced in July 1986. The Plan is certified as an HMO by the Illinois Department of Financial and Professional Regulation Division of Insurance (“IDOI”), by the Iowa Department of Commerce-Division of Insurance, by the State of Tennessee Department of Commerce and Insurance and by the Commonwealth of Virginia Bureau of Insurance. The Plan has contracted with physicians, hospitals and other health care provider organizations to deliver health care services for all enrollees.

The Plan is designated as a Competitive Medical Plan and has contracts with the Department of Health and Human Services Centers for Medicare and Medicaid Services (“CMS”) to provide healthcare to Medicare qualified HMO enrollees. The Plan also participates as a managed care organization in the State of Tennessee’s Medicaid program, TennCare.

The Plan serves as a plan sponsor offering the Medicare Part D prescription drug insurance coverage under a contract with CMS. Under the Medicare Part D program, there are six separate elements of payment received by the Plan during the plan year, these payment elements are: CMS premium, member premium, low-income premium subsidy, catastrophic reinsurance subsidy, low-income member cost sharing subsidy, CMS risk share.

Basis of Presentation – The Plan prepares its financial statements on the basis of accounting practices prescribed or permitted by the Illinois Department of Financial and Professional Regulation Division of Insurance (statutory basis). These practices differ from accounting principles generally accepted in the United States of America (“generally accepted accounting principles”) as certain assets, including certain aged premium and health care receivables, are considered nonadmitted assets for statutory purposes and are excluded from the statements of admitted assets, liabilities, capital and surplus – statutory basis. The change in nonadmitted assets has been reflected in accumulated surplus in the accompanying statutory basis financial statements. Under generally accepted accounting principles, these amounts would be included in total assets on the balance sheet. In addition, certain debt investments that would be shown at market value under generally accepted accounting principles are presented in the accompanying statements of admitted assets, liabilities, capital and surplus – statutory basis at amortized cost.

The IDOI recognizes only statutory accounting practices prescribed or permitted by the state of Illinois for determining and reporting the financial condition and results of operations of an HMO and for determining its solvency under Illinois insurance law. The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”) has been adopted with modifications as a component of prescribed or permitted practices by the state of Illinois. No significant differences exist between the statutory practices prescribed or permitted by the state of Illinois and those prescribed or permitted by the NAIC SAP.

Use of Estimates – These statutory basis financial statements include certain amounts that are based on the Plan’s estimates and judgments. These estimates require the Plan to apply complex assumptions and judgments, often because the Plan must make estimates about the effects of matters that are inherently uncertain and will change in subsequent periods. The most significant estimates relate to total hospital and medical expenses and claims unpaid. The Plan adjusts these estimates each period, as more current information becomes available. The impact of any changes in estimates is included in the determination of income in the period in which the estimate is adjusted.

Cash, Cash Equivalents, and Short-term Investments — Cash, cash equivalents, and short-term investments represent cash held by the Plan in disbursement accounts, money market instruments, commercial paper, and bonds with a maturity of three months or less at the time of purchase. Claims and other payments are made from the disbursement accounts daily. Cash equivalents are reported at cost or amortized cost depending on the nature of the underlying security, which approximates market value. Cash overdrafts are a result of timing differences in funding disbursement accounts for claims payments.

Short-term investments also consist of the Plan’s share of an investment pool sponsored and administered by UHS for the benefit of the UHS-owned health plans. The investment pool consists principally of investments with original maturities of less than one year with the average life of the individual investments being less than 60 days. The Plan’s share of the pool represents an undivided ownership interest in the pool and is immediately convertible to cash at no cost or penalty. The investments within the pool have an individual fund number to track those investments owned by the Plan. The pool is primarily invested in governmental obligations, commercial

NOTES TO FINANCIAL STATEMENTS

paper, certificates of deposit, and short-term agency notes and are recorded at cost. Interest income from the pool accrues daily to participating members based upon ownership percentage.

Bonds and Short-term Investments — Bonds and short-term investments include government obligations and are stated at amortized cost if they meet NAIC designation of one or two and stated at the lower of amortized cost or market value if they meet an NAIC designation of three or higher. Amortization of bond premium or discount is calculated using the constant-yield interest method. Bonds and short-term investments are valued and reported using market prices published by the SVO in accordance with the NAIC Valuations of Securities manual prepared by the SVO or external pricing service if NAIC values are not available.

Corporate bonds and government obligations include mortgage-backed securities, which are valued using the retrospective adjustment methodology. Prepayment assumptions for the determination of the amortized cost of mortgage-backed securities are based on a three-month constant prepayment rate history. The Plan's investment policy limits investments in other residential mortgage-backed securities, including home equity and subprime mortgages, to 10% of total cash and invested assets, and total investments in mortgage-backed securities to 30% of total cash and invested assets. As of December 31, 2008, these investment holdings have NAIC credit ratings of 1 and 2.

The Plan continually monitors the difference between the cost and estimated fair value of its investments. If any of the Plan's investments experience a decline in value that the Plan believes is other than temporary, the Plan records a realized loss net realized capital gains (losses) less capital gains tax in the statutory basis statements of operations. The new cost basis is not changed for subsequent recoveries in fair value. The prospective adjustment method is utilized for mortgage-backed securities for periods subsequent to the loss recognition. No such losses were incurred during the years ended December 31, 2008 or December 31, 2007.

Hospital and Medical Expenses and Claims Unpaid and Aggregate Health Policy Reserves — Hospital and medical expenses and corresponding liabilities include claims paid, claims processed but not yet paid, estimates for claims received but not yet processed, and estimates for the costs of health care services enrollees have received, but for which claims have not yet been submitted.

Liability for Amounts Held Under Uninsured Plans — Liabilities for amounts held under uninsured plans represents the cost reimbursement under the Medicare Part D program for the Catastrophic Reinsurance Subsidy and the Low-Income Member Cost Sharing Subsidy. The Plan is fully reimbursed by CMS for costs incurred for these contract elements and, accordingly, there is no insurance risk to the Plan. Amounts received for these subsidies are not reflected as premium income, but rather are accounted for as deposits, with the related liability recorded in amounts held under uninsured plans in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Related cash flows are presented within operating expenses paid within cash provided by operations in the statutory basis statements of cash flows.

Income Taxes — Statutory accounting requires an amount to be recorded for deferred taxes on temporary differences between the financial reporting and tax bases of assets and liabilities, subject to limitations on deferred tax assets. The Plan's operations are included in the consolidated federal income tax return of UnitedHealth Group. Federal income taxes are paid to or refunded by UnitedHealth Group pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis. Income taxes incurred in the current and prior years will be available for recoupment by the Plan only in the event of future net losses of consolidated UnitedHealth Group. The Plan receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal income tax return of UnitedHealth Group (see Note 9). UnitedHealth Group currently files income tax returns in the U.S. federal jurisdiction, various states, and foreign jurisdictions. The U.S. Internal Revenue Service (IRS) has completed exams on UnitedHealth Group's consolidated income tax returns for fiscal years 2007 and prior. UnitedHealth Group's 2008 tax return is under advance review by the IRS under its Compliance Assurance Program (CAP). With the exception of a few states, UnitedHealth Group is no longer subject to income tax examinations prior to 2002 in major state and foreign jurisdictions. The Plan does not believe any adjustments that may result from these examinations will be material to the Plan.

Claims Adjustment Expense — Claims adjustment expenses (CAE) as defined by Statement of Statutory Accounting Principles (SSAP) No. 85, *Claim Adjustment Expenses, Amendments to SSAP No. 55 — Unpaid Claims, Losses, and Loss Adjustment Expenses*, are those costs expected to be incurred in connection with the adjustment and recording of accident and health claims. Pursuant to the terms of the management agreement (see Note 10), the Plan pays a management fee to UHS-RV in exchange for administrative and management services. A detailed review of UHS-RV's and the Plan's administrative expenses is performed to determine the allocation between CAE and general administrative expenses in accordance with SSAP No. 85. It is the responsibility of UHS-RV to pay claims adjustment expenses in the event the Plan ceases operations. The Plan has recorded an estimate of unpaid claims adjustment expenses associated with incurred but unpaid claims. Management believes the amount of the liability for unpaid claims adjustment expenses as of December 31, 2008 and 2007, is adequate to cover the Plan's cost for the adjustment and recording of unpaid claims; however, actual expenses may differ from those established estimates. The method used for determining CAE is periodically reviewed and updated, and any adjustments are reflected in the accompanying statutory basis statements of admitted assets, liabilities,

NOTES TO FINANCIAL STATEMENTS

and capital and surplus and the statutory basis statements of operations in the period in which the change in methodology is identified.

Premiums — Net premium income is recognized in the period in which enrollees are entitled to receive health care services. Premiums received prior to the period of service are recorded premiums received in advance in the accompanying statutory basis statements of admitted assets, liabilities, and capital and surplus.

Net premium income includes the Medicare Advantage CMS premium, and the CMS premium, member premium, and low-income premium subsidy for the Plan's insurance risk coverage under the Medicare Part D program. Net premium income is recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits. The Plan estimates retrospective premiums adjustments based on guidelines determined by CMS.

The Plan recorded \$32,876,977 and \$27,753,693 of net premium income during 2008 and 2007 respectively, for the CMS premium, the member premium, and the low-income premium subsidy for the Plan's insurance risk coverage under the Medicare Part D program. Net premium income is recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits. The Plan has estimated accrued retrospective premiums based on guidelines determined by CMS. The Plan records premium payments received in advance of the applicable service period as aggregate health policy reserves in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

The Plan also has an arrangement with CMS for certain Medicare products whereby periodic changes in member risk factor adjustment scores, for certain diagnoses codes, result in changes to its Medicare revenues. The Plan recognizes such changes when the amounts become determinable and supportable, and collectability is reasonably assured. The estimated risk adjusted payments due to the Plan at December 31, 2008 and 2007, were \$8,442,585 and \$1,976,325, respectively, and are recorded as premium receivables in the statutory statement of admitted assets, liabilities, and capital and surplus. The Plan recognized \$3,539,299 and \$4,581,221 for changes in Medicare risk factor estimates for the years ended December 31, 2008 and 2007, respectively, which are recorded as Medicare revenues within the statutory statement of operations.

Administrative fee revenues are recognized in the period in which the related services are performed based upon the fee charged to the customer for Administrative Services Only (ASO) contracts, for which the employer retains all health care service risk, while the Plan assumes administrative risk. Administrative fee revenue is netted against general administrative expenses in the statutory basis statements of operations.

Reinsurance Ceded — The Plan has an insolvency-only reinsurance agreement. Reinsurance premiums paid are deducted from premium income in the accompanying statutory basis financial statements. The Plan has no risk associated with this coverage.

Incentive Pool — The Plan has agreements with certain independent physicians and physician network organizations that provide for the establishment of a fund into which the Plan places monthly premiums payable for members assigned to the physician. The Plan manages the disbursement of funds from this account as well as reviews the utilization of non-primary care medical services of members assigned to the physicians. Any surpluses or deficits in the fund are shared by the Plan and the physician based upon predetermined risk-sharing percentages and liability or receivable is included in accrued medical incentive pool and bonus amounts or health care and other receivables in the statutory basis statements of assets, liabilities, and capital and surplus, and the corresponding expense or reduction to expense is included in incentive pool, withhold adjustments, and bonus amounts in the statutory basis statements of operations.

Medical Risk Share — The Plan has settlements with CMS that is based on whether the ultimate per-member, per-month benefit costs of any Medicare Part D regional plan varies more than two and one half (2.5) percentage points above or below the level estimated in the original bid submitted by the Plan and approved by CMS. The estimated risk share adjustment, a payable of \$5,321,850 in 2008 and a receivable of \$2,272,256 in 2007, is recorded as an adjustment to premium income in the statutory basis statements of operations and aggregate health policy reserves in the statutory basis statements of admitted assets, liabilities and capital and surplus.

Health Care Receivables — Health care receivables consist of pharmacy rebate receivables estimated based on the most currently available data from the Plan's claims processing systems and from data provided by the Plan's unaffiliated pharmaceutical benefit managers and affiliated pharmaceutical benefit manager, Rx Solutions, Inc. (Rx Solutions). Pharmacy rebate receivables are considered nonadmitted assets for statutory purposes if they do not meet the criteria established in SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*. Accordingly, the Plan has excluded the receivables that do not meet the SSAP No. 84 criteria from the statutory basis statements of admitted assets, liabilities, and capital and surplus.

Premium Deficiency Reserve — Premium deficiency reserves and the related expense, as defined by SSAP No. 54, *Individual and Group Accident Health Contracts*, as well as actuarial practice guidelines, are recognized when it is probable that expected future health care expenses, claim adjustment expenses, and administration costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries considered over the remaining lives of the contracts. The methods for making such estimates and for establishing

NOTES TO FINANCIAL STATEMENTS

the resulting reserves are periodically reviewed and updated, and any adjustments are reflected in increase (decrease) in reserves for life and accident and health contracts in the accompanying statutory basis statements of operations in the period in which the change in estimate is identified. The Plan anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54 (see Note 29).

Vulnerability Due to Certain Concentrations — The Plan is subject to substantial federal and state government regulation, including licensing and other requirements relating to the offering of the Plan's existing products in new markets and offerings of new products, both of which may restrict the Plan's ability to expand its business.

The Plan has one customer that accounted for approximately 39% and 77% of uncollected premiums and 46% and 34% of net premium income as of December 31, 2008 and 2007, respectively. Total net premium income from CMS related to the Medicare Part D program as a percentage of total revenues are 26% and 27% for the years ending December 31, 2008 and 2007, respectively.

Restricted Cash Reserves — The Illinois Department of Financial and Professional Regulation Division of Insurance requires the Plan to maintain a minimum regulatory deposit (equal to the minimum capital and surplus requirements). This restricted cash reserve consists principally of government obligations and is stated at amortized cost. This reserve is included in bonds in the accompanying statutory basis statements of admitted assets, liabilities, and capital and surplus. Interest earned on this reserve is accrued by the Plan.

Minimum Capital and Surplus — Under the laws of the state of Illinois, the Illinois Department of Financial and Professional Regulation Division of Insurance requires the Plan to provide a contingency reserve based on 2% of the net capitation revenue from risk contracts limited to \$1,500,000. The Plan's accumulated reserve reached \$1,500,000 during 1989 and such reserve has been recorded as a part of capital and surplus.

Risk-based capital (RBC) is a regulatory tool for measuring the minimum amount of capital appropriate for a managed care organization to support its overall business operations in consideration of its size and risk profile. Additionally, there are minimum capital and surplus requirements relating to risk based capital of \$91,128,448 and \$72,580,658 and to providing point of service products of \$136,692,672 and \$108,870,987 at December 31, 2008 and 2007, respectively. The actual capital and surplus as of December 31, 2008 and 2007 was \$225,550,877 and \$168,499,155 respectively.

Recently Issued Accounting Standards — In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements," (FAS 157). FAS 157 establishes a framework for measuring fair value. It does not require any new fair value measurements, but does require expanded disclosures to provide information about the extent to which fair value is used to measure assets and liabilities, the methods and assumptions to measure fair value, and the effect of fair value measures on earnings. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. GAAP pronouncements do not become part of Statutory Accounting Principles until and unless adopted by the NAIC. On adoption, the Plan will evaluate the impact on its statutory basis financial statements.

In January 2009, the NAIC issued SSAP No. 98, *Treatment of Cash Flows When Quantifying Changes in Valuation and Impairments, an, Amendment to SSAP No. 43 —Loan-backed and Structured Securities (SSAP 98)*. SSAP 98 establishes statutory accounting principles for impairment analysis and subsequent valuation of loan-backed and structured securities. This statement is effective for quarterly and annual reporting periods beginning on or after January 1, 2009, with early adoption permitted and encouraged. A change resulting from the adoption of this statement shall be accounted for prospectively. No cumulative effect adjustments or application of the new guidance to prior events or periods are required, similar to a change in accounting estimate. The Plan adopted SSAP 98 as of December 31, 2008. The Plan has assessed the impact of SSAP 98 on its financial condition, results of operations and cash flows and has determined the result was not material to the statutory basis financial statements.

2. ACCOUNTING CHANGES AND CORRECTIONS

No changes in accounting principles have been recorded during the year ended December 31, 2008.

3. BUSINESS COMBINATIONS AND GOODWILL

The Plan was not party to a business combination during the years ended December 31, 2008 and 2007 and does not carry goodwill on its statutory basis statements of admitted assets, liabilities and capital and surplus.

4. DISCONTINUED OPERATIONS

The Plan did not discontinue any operations during the years ended December 31, 2008 and 2007.

NOTES TO FINANCIAL STATEMENTS

5. INVESTMENTS

At December 31, 2008 and 2007, certain long-term investments included in Bonds in the statements of admitted assets, liabilities, capital and surplus – statutory basis totaling \$37,111,064 and \$20,576,956 respectively, were held on deposit with trustees as required by Illinois, Tennessee, and Virginia insurance regulations.

The Plan has no mortgage loans, restructured debt, reverse mortgages, repurchase agreements, or investments in low-income housing tax credits. For purposes of calculating the realized gains and losses on sales of investments, the amortized cost of each investment sold is used. The gross realized gains and losses on sales of investments totaled \$2,989,000 and \$1,133,000 for the year ended December 31, 2008. The gross realized gains and losses on sales of investments totaled \$615,000 and \$282,000 for the year ended December 31, 2007. The realized gains and losses are included in net realized capital gains (losses) less capital gains tax in the accompanying statutory basis statements of operations.

As of December 31, 2008 and 2007, the amortized cost, fair value, gross unrealized holding gains and losses, and contractual maturities of the Plan's investments, excluding cash and cash equivalents of \$75,924,754 and \$53,625,399 in 2008 and 2007, respectively, were as follows (in thousands):

	2008				Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses < 1 Year	Gross Unrealized Losses > 1 Year	
U.S. government and agency Corporate bonds	272,051	9,394	(70)		281,375
	117,252	379	(733)	(276)	116,622
	<u>389,303</u>	<u>9,773</u>	<u>(803)</u>	<u>(276)</u>	<u>397,997</u>
Due in one year or less	123,002	607	(141)	(39)	123,429
Due one to five years	100,559	2,637	(430)	(127)	102,639
Due five to ten years	90,941	3,586	(24)	-	94,503
Over ten years	74,801	2,943	(208)	(110)	77,426
	<u>389,303</u>	<u>9,773</u>	<u>(803)</u>	<u>(276)</u>	<u>397,997</u>

	2007				Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses < 1 Year	Gross Unrealized Losses > 1 Year	
U.S. government and agency Corporate bonds	172,936	2,100		(38)	174,998
	134,471	265	(136)	(124)	134,476
	<u>307,407</u>	<u>2,365</u>	<u>(136)</u>	<u>(162)</u>	<u>309,474</u>
Due in one year or less	113,238	62	(8)	(63)	113,229
Due one to five years	152,394	1,842	(71)	(55)	154,110
Due five to ten years	7,639	155		(13)	7,781
Over ten years	34,136	306	(57)	(31)	34,354
	<u>307,407</u>	<u>2,365</u>	<u>(136)</u>	<u>(162)</u>	<u>309,474</u>

Included within the tables for U.S. government and agency securities are mortgage-backed securities, which do not have a single maturity date. For the 2008 years to maturity table above, these securities have been presented in the maturity group based on the securities' final maturity date and at an amortized cost of \$42,411,000 and a fair value of \$43,302,052.

The tables above show the gross unrealized losses and fair value of investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment type and length of time that individual securities have been in a continuous unrealized loss position.

The unrealized losses on investments in U.S. government and agency obligations, municipalities and local agency obligations, and corporate obligations at December 31, 2008 and 2007, were mainly caused by interest rate increases and not on unfavorable changes in the credit ratings associated with these securities. The Plan evaluates impairment at each reporting period for each of the securities whereby the fair value of the investment is less than its amortized cost. The contractual cash flows of the U.S. government and agency obligations are either guaranteed by the U.S. government or an agency of the U.S. government. It is expected that the securities would not be settled at a price less than the cost of the investment, as the Plan has the ability to hold, and does not intend to sell the investment until the unrealized loss is fully recovered. The Plan evaluated the credit ratings of the municipalities and local agency obligations and corporate obligations, noting whether a significant deterioration since purchase or other factors which may indicate an other-than-temporary impairment, such as the length of time and extent to which market value has been less than cost, the financial condition and near-term prospects of

NOTES TO FINANCIAL STATEMENTS

the issuer as well as specific events or circumstances that may influence the operations of the issuer, and our intent and ability to hold the investment for a sufficient time in order to enable recovery of our cost.

FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosure about fair value measurements. The fair value hierarchy is as follows:

Level 1 – Quoted (unadjusted) prices for identical assets in active markets.

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in non-active markets (few transactions, limited information, non-current prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.); and
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

Fair values of short-term investments and bonds are based on quoted market prices, where applicable. The Plan obtains one price for each security primarily from the NAIC SVO or an independent pricing service, which generally uses Level 1 or Level 2 inputs for the determination of fair value in accordance with FAS 157. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, non-binding broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds. As the Plan is responsible for the determination of fair value, it performs quarterly analysis on the prices received from the pricing service to determine whether the prices are reasonable estimates of fair value. As a result of these reviews, the Plan has not historically adjusted the prices obtained from the pricing service.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Plan's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the assets.

6. VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

The Plan has no investments in joint ventures, partnerships, or limited liability companies.

6. INVESTMENT INCOME

The Plan has admitted all investment income due and accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

7. DERIVATIVE INSTRUMENTS

The Plan has no derivative instruments.

8. INCOME TAXES

The components of the net deferred tax assets for the years ended December 31, are as follows:

Description	2008	2007
Total gross deferred tax assets	52,600,335	56,749,088
Total gross deferred tax liabilities	<u>(46,461)</u>	<u>(861,111)</u>
Net deferred tax asset	52,553,874	55,887,977
Deferred tax assets nonadmitted	<u>(45,926,743)</u>	<u>(49,237,336)</u>
Net admitted deferred tax asset	<u>6,627,131</u>	<u>6,650,641</u>

NOTES TO FINANCIAL STATEMENTS

Increase (decrease) in nonadmitted deferred tax assets	<u>(3,310,593)</u>	<u>49,237,336</u>
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There are no unrecognized deferred tax liabilities.

The current provision for incurred taxes on earnings for the years ended December 31, are as follows:

Description	2008	2007
Current income tax expense	24,620,333	16,863,747
Tax on capital gains/(losses)	677,211	162,635
Prior year underaccrual/(overaccrual)	<u>327,567</u>	<u>(4,144,304)</u>
Total current federal income tax provision	<u>25,625,111</u>	<u>12,882,078</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, are as follows:

Deferred tax assets	2008	2007	Change
Bad debt	134,769	134,622	147
Unpaid losses and CAE	1,580,816	1,133,963	446,853
Unearned premiums	383,386	407,109	(23,723)
Intangibles	50,096,123	54,221,767	(4,125,645)
Nonadmitted assets	<u>405,241</u>	<u>851,627</u>	<u>(446,385)</u>
Total deferred tax assets	52,600,335	56,749,088	(4,148,753)
Nonadmitted deferred tax assets	<u>(45,926,743)</u>	<u>(49,237,336)</u>	<u>3,310,593</u>
Admitted deferred tax assets	6,673,592	7,511,752	(838,160)

Deferred tax liabilities	2008	2007	Change
Accrued expenses	0	(139,283)	139,283
Investments	(46,461)	(721,828)	675,367
Fixed assets	0	0	0
Internally developed software	0	0	0
Intangibles	0	0	0
FAS 123R	0	0	0
NOL	0	0	0
Nonadmitted assets	0	0	0
Other surplus items	0	0	0
Other items	0	0	0
Unrealized gain/loss	0	0	0
Unrecognized tax benefits	<u>0</u>	<u>0</u>	<u>0</u>
Total deferred tax liabilities	(46,461)	(861,111)	814,650
Net admitted deferred tax asset	<u>6,627,131</u>	<u>6,650,641</u>	<u>(23,511)</u>

The change in net deferred income taxes for the years ended December 31, comprises the following:

	2008	2007
Change in deferred tax assets	(4,148,753)	56,815,302
Change in deferred tax liabilities	<u>814,650</u>	<u>611,894</u>
Net deferred tax asset/(liability)	<u>(3,334,103)</u>	<u>57,427,196</u>

NOTES TO FINANCIAL STATEMENTS

Less: Change in deferred on unrealized gain/(loss)	0	0
Change in net deferred income tax	(3,334,103)	57,427,196

Reconciliation of Federal income Tax Rate to Actual Effective Rate (Q&A 12.31)

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate of 35% to income before income taxes. The significant items causing this difference are as follows:

Description	2008		Effective Tax Rate
	Amount	Tax Effect	
Tax provision at the federal statutory rate	82,620,325	28,917,114	35.00%
Tax-exempt interest	(1,353,948)	(473,882)	-0.57%
Other current year items	639	224	0.00%
Tax effect of nonadmitted assets	1,275,387	446,385	0.54%
Prior year true-up	668,028	233,810	0.28%
Deferred corrections	(469,819)	(164,437)	-0.20%
Total	82,740,611	28,959,214	35.05%
Current federal income tax provision		24,947,900	30.20%
Tax on capital gains/(losses)		677,211	0.82%
Change in net deferred income tax		3,334,103	4.04%
Total statutory income taxes		28,959,214	35.05%

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

Administrative services including claims processing, broker fees, marketing, quality assurance, financial, accounting, insurance, legal, and data processing, are provided to the Plan by its parent. Under the terms of agreements between the Plan and the parent, and approved by the IDOI, the parent charges the Plan for such services based on a percentage of premiums for each line of business. Expenses charged to the Plan by the parent for the years ended December 31, 2008 and 2007 were \$139,849,099 and \$112,324,183, respectively, and are reported as claims adjustment expenses and general administrative expenses.

Effective January 1, 2008, RxSolutions collects rebates on certain pharmaceutical products based on member utilization. Rebates related to these agreements of \$3,721,313 in 2008, are included as a reduction of prescription drugs in the accompanying statutory basis statements of operations.

The Plan has a contract with United Behavioral Health, a wholly owned subsidiary of UHS, to provide mental health and substance abuse services for its enrollees. Fees related to this agreement, which are calculated on a per-member per-month basis, of \$6,230,594 for 2008 and \$6,852,279 for 2007 are included in medical services expenses in the accompanying statements of revenue and expenses – statutory basis.

The Plan has an agreement with OPTUM, a division of UHS, to provide a 24-hour call-in service, called Care24, to its enrollees. Fees related to this agreement, which are calculated on a per member per month basis, of \$141,203 for 2008 and \$1,196,539 for 2007 are included in medical services expenses in the accompanying statements of revenue and expenses – statutory basis.

The Plan contracts with United Resource Network, a division of UHS, to provide access to a network of transplant providers for its enrollees. Fees related to this agreement, which are calculated on a per member per month basis, of \$691,285 for 2008 and \$371,509 for 2007 are included in medical services expenses in the accompanying statutory basis statements of revenue and expenses – statutory basis.

Effective January 1, 2007, the Plan has a contract with ACN Group, Inc., a wholly owned subsidiary of UHS, to provide chiropractic and physical therapy services for its enrollees. Fees related to this agreement, which are calculated on a per member per month basis, were \$176,010 in 2008 and \$49,373 in 2007 and are included in medical services expenses in the accompanying statements of revenue and expenses – statutory basis.

NOTES TO FINANCIAL STATEMENTS

The Plan has a contract with Spectera, Inc., a wholly owned subsidiary of UHS, to provide administrative services related to vision benefit management and claims processing for its enrollees. Fees related to this agreement of approximately \$34,818 in 2008 and \$147,689 in 2007, are included in medical services expenses in the accompanying statutory basis statements of operations.

The Plan has an agreement with Dental Benefit Providers, Inc. (DBP), a wholly owned subsidiary of UHS, to provide dental care and assistance for its enrollees. Fees related to this agreement, which are calculated on a per-member, per-month basis, of approximately \$28,719 in 2008 and \$26,431 in 2007 are included in other professional services in the accompanying statutory basis statements of operations. Additionally, the Plan reimbursed DBP approximately \$357,987 in 2008 and \$347,720 in 2007 for claims not covered by the agreement above, which are also included in other professional services in the accompanying statutory basis statements of operations.

The Plan has an insolvency-only reinsurance agreement with United HealthCare Insurance Company ("UHIC"), a wholly owned subsidiary of UHIC Holdings, Inc., which is a wholly owned subsidiary of UHS, to provide insolvency protection for its enrollees. Reinsurance premiums, which are calculated on a percentage of member premium revenues, of \$306,258 in 2008 and \$611,933 in 2007 are netted against premium revenues in the accompanying statement of revenue and expenses – statutory basis. Reinsurance recoveries of \$1,141,657 in 2008 and \$612,280 in 2007 are netted against medical services expenses in the accompanying statutory basis statements of income. There was \$1,000,466 and \$467,076 of reinsurance receivables related to this agreement at December 31, 2008 and 2007, respectively. Reinsurance contracts do not relieve the Plan from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Plan.

At December 31, 2008 and 2007, the Plan reported \$38,593,059 as amounts due from parent, subsidiaries and affiliates and \$25,343,272 as amount due from parent, subsidiaries and affiliates, respectively, which are included in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The balances are generally settled within 90 days from incurred date. Any balances due to the Plan that are not settled within 90 days are considered nonadmitted assets.

11. DEBT

The Plan had no outstanding debt during 2008 and 2007 with third parties.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS

The Plan has no retirement plan, deferred compensation, and other benefit plans, since all personnel are employees of UHS, which provides services to the Plan under the terms of a management agreement (see Note 10).

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS, AND QUASI-REORGANIZATION

Capital stock consists of common stock at stated value with no par value and no stated dividend rate. One thousand shares are authorized; ten shares are issued and outstanding.

The Plan may make an ordinary dividend payment to its stockholder in an amount not to exceed the greater of ten percent of the Plan's capital and surplus or the Plan's net income for the previous year.

No dividend was granted in 2008. The Plan paid an ordinary dividend to UHC of \$41,500,000 on September 17, 2007, which required no approval.

Unassigned surplus was increased \$ 4,485,978 in 2008 by the change in nonadmitted asset values. Unassigned surplus was decreased by \$51,560,196 in 2007 for the change in the nonadmitted asset values.

The Plan is required to provide a contingency reserve based on 2% of the net capitation revenue from risk contracts limited to \$1,500,000. The Plan's accumulated reserve reached \$1,500,000 during 1989 and such reserve has been recorded as a part of capital and surplus.

14. CONTINGENCIES

Because of the nature of our business, we are routinely made party to a variety of legal actions related to the design and management of our service offerings. The Plan records liabilities for estimates of probable costs resulting from these matters. These matters include, but are not limited to, claims relating to health care benefits coverage, medical malpractice actions, contract disputes, and claims related to disclosure of certain business practices. Although the outcomes of any such legal actions cannot be predicted, in the opinion of management, the resolution of any currently pending or threatened actions will not have a material adverse effect on the accompanying statutory basis statements of admitted assets, liabilities, and capital and surplus or statutory basis statements of operations of the Plan. The Plan believes there are no assets that it considers to be impaired at December 31, 2008 and 2007.

NOTES TO FINANCIAL STATEMENTS

15. LEASES

According to the management agreement (see Note 10) between the Plan and UHS-RV, operating leases for the rental of office facilities and equipment are the responsibility of UHS. Fees associated with the agreement are included in the Plan's management fee.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL CONCENTRATIONS OF CREDIT RISK

The Plan does not hold any financial instruments with off-balance-sheet risk or concentrations of credit risk.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

The Plan did not participate in any transfer of receivables, financial assets, or wash sales.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF INSURED PLANS

Medicare Part D is a partially insured plan. The Plan recorded a receivable of \$2,319,446 in 2008 and a payable of \$5,251,418 in 2007 for deposits under the Medicare Part D program for the catastrophic reinsurance and low-income member cost sharing subsidies as described above in Summary of Significant Accounting Policies.

In eastern Tennessee, the Plan operates under Administrative Services Only ("ASO") contract. The Plan received \$13,373,404 and \$12,681,304 in administrative service revenue in 2008 and 2007 respectively, under this arrangement, which is recognized as a reduction of general administrative expenses. Total membership at December 31, 2008 and 2007 under the ASO arrangement is 97,548 and 85,130, respectively. There was no net gain or loss from the ASO arrangement in 2008 or 2007. The claim payment volume for 2008 and 2007 under the ASO arrangement totaled \$185,218,461 and \$165,698,669, respectively.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD-PARTY ADMINISTRATORS

The Plan did not have any direct premiums written or produced by managing general agents or third-party administrators.

20. OTHER ITEMS

Subprime Mortgage Related Risk Disclosure

- 1) The Plan's investment policy limits investments in Asset Backed Securities, which includes subprime issuers. Further, the policy limits investments in private-issuer mortgage securities to 10% of the portfolio, which also includes subprime issuers. The Plan's exposure to unrealized losses on subprime issuers is due only to changes in market prices. There were no realized losses due to a change in receiving anticipated cashflows. The Plan's holdings have maintained AAA credit ratings.
- 2) Direct exposure through investments in subprime mortgage loans: None
- 3) Direct exposure through other investments: None
- 4) Underwriting exposure: None

Other Disclosures — The Plan elected to use rounding in reporting amounts in the statutory basis financial statements.

21. EVENTS SUBSEQUENT

In 2008, the Plan was awarded a risk agreement for the TennCare programs eastern region. The contract covers approximately 166,000 TennCare members.

22. REINSURANCE

Ceded Reinsurance Report —

Section 1 — General Interrogatories

NOTES TO FINANCIAL STATEMENTS

- 1) Are any of the reinsurers, listed in Schedule S as affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Plan or by any representative, officer, trustee, or director of the Plan?
Yes () No (X)
- 2) Have any policies issued by the Plan been reinsured with a company chartered in a country other than the United States (excluding U.S. branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor, or an insured or any other person not primarily engaged in the insurance business?
Yes () No (X)

Section 2 — Ceded Reinsurance Report — Part A

- 1) Does the Plan have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?
Yes () No (X)
- 2) Does the reporting entity have any reinsurance agreements in effect that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes () No (X)

Section 3 — Ceded Reinsurance Report — Part B

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

The Plan estimates there should be no aggregate reduction in surplus for termination of all reinsurance agreements as of December 31, 2008.
- 2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Plan as of the effective date of the agreement?
Yes () No (X)

Unsecured Reinsurance Recoverables — The Plan does not have an unsecured aggregate reinsurance recoverable with any individual reinsurers, authorized or unauthorized, that exceeds 3% of the Plan's policyholder surplus.

Reinsurance Recoverable in Dispute — The Plan does not have a reinsurance recovery receivable balance that is being disputed by any individual reinsurer.

Reinsurance Assumed and Ceded — The Plan does not have a provision in its reinsurance contract to return commissions to the reinsurer in the event that the Plan cancels its reinsurance policy.

Uncollectible Reinsurance — During 2008 and 2007, there were no uncollectible reinsurance recoverables.

Commutation of Reinsurance — The Plan has an insolvency-only reinsurance agreement with UHIC to provide insolvency protection for its enrollees. There was no commutation of reinsurance in 2008 or 2007.

Retroactive Reinsurance — The Plan did not have a retroactive reinsurance agreement in 2008 or 2007.

23. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

The Plan has Medicare business which is subject to a retrospective rating feature related to Part D premiums. The Plan has estimated accrued retrospective premiums related to Part D premiums based on guidelines determined by CMS. The formula is tiered and based on bid medical loss ratio. The amount of Part D premium subject to

NOTES TO FINANCIAL STATEMENTS

retrospective rating was \$30,363,523 and \$22,829,599 representing 2% and 2% of total net premium income as of December 31, 2008 and 2007, respectively.

During 2008 and 2007, the Plan contracted with the federal government through the Office of Personnel Management to administer the FEHBP (Federal Employees Health Benefit Program). The Plan is subject to rate adjustments through audits of by the Office of Personnel Management. The amount of earned premiums subject to retrospective rating was \$14,640,900 and \$13,444,384 representing 1.0% and 1.2% of total net premium income as of December 31, 2008 and 2007, respectively.

Estimated accrued retrospective premiums due to (from) the Plan are recorded in uncollected premiums or aggregate health policy reserves on the statutory basis statements of admitted assets, liabilities, and capital and surplus and as an adjustment to change in unearned premium reserves and reserve for rate credits or net premium income on the statutory basis statements of operations.

The Plan does not have any other retrospectively rated contracts subject to redetermination as of December 31, 2008 or 2007.

24. CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSE

Changes in estimates related to prior year incurred claims are included in total hospital and medical expenses in the current year in the accompanying statutory basis statements of operations. The following tables disclose paid claims, incurred claims, and the balance in the claims unpaid liability for the years ended December 31, 2008 and 2007 (in thousands):

	2008		
	Current Year	Prior Year	Total
	Incurred Claims	Incurred Claims	
Beginning of year claim reserve	-	173,118,570	173,118,570
Paid claims	969,820,175	174,081,523	1,143,901,698
End of year claims reserve	225,054,609	1,918,574	226,973,183
Incurred claims	<u>1,194,874,784</u>	<u>2,881,527</u>	<u>1,197,756,311</u>

	2007		
	Current Year	Prior Year	Total
	Incurred Claims	Incurred Claims	
Beginning of year claim reserve	-	90,677,432	90,677,432
Paid claims	772,111,022	74,987,583	847,098,605
End of year claims reserve	173,098,946	19,625	173,118,571
Incurred claims	<u>945,209,968</u>	<u>(15,670,224)</u>	<u>929,539,744</u>

The liability for claims unpaid at December 31, 2008, was less than actual claims incurred in 2008 related to prior years by approximately \$2,881,527. The primary drivers consist of unfavorable development as a result of ongoing analysis of loss development trends and changes to the provider settlement reserves.

The Plan incurred claims adjustment expenses of approximately \$34,342,149 in 2008 and \$27,552,172 in 2007. These costs are included in the management service fees paid by the Plan to UHS as a part of its management agreements (Note 10). The reserve for claims adjustment expenses was approximately \$2,273,488 for 2008 and \$1,483,483 for 2007. The following tables disclose paid claims adjustment expenses, incurred claims adjustment expenses, and the balance in unpaid claim adjustment expenses reserve for the years ended December 31, 2008 and 2007:

	2008	2007
Total expenses incurred	34,342,149	27,552,172
Less current year unpaid claims eadjustment expenses	(2,273,488)	(1,483,483)
Add prior year unpaid claims adjustment expenses	1,483,483	665,917
Total expenses paid	<u>33,552,144</u>	<u>26,734,606</u>

25. INTERCOMPANY POOLING ARRANGEMENTS

The Plan did not have any intercompany pooling arrangements in 2008 or 2007.

26. STRUCTURED SETTLEMENTS

The Plan did not have any structured settlements in 2008 or 2007.

NOTES TO FINANCIAL STATEMENTS

27. HEALTH CARE RECEIVABLES

Of the amount reported as healthcare and other receivables \$44,824 and \$0 relates to pharmaceutical rebate receivables as of December 31, 2008 and 2007, respectively.

28. PARTICIPATING POLICIES

The Plan did not have any participating contracts in 2008 or 2007.

29. PREMIUM DEFICIENCY RESERVE

The Plan had no premium deficiency reserves, as of December 31, 2008 and 2007, respectively. If applicable, premium deficiency reserves are included in aggregate health policy reserves in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The Plan did consider anticipated investment income when calculating its premium deficiency reserves.

30. ANTICIPATED SALVAGE AND SUBROGATION

Due to the type of business being written, the Plan has no salvage. As of December 31, 2008 and 2007, the Plan had no specific accruals established for outstanding subrogation, as it is considered a component of the actuarial calculations used to develop the estimates of incurred but not yet reported claims.

31. GOVERNMENT CONTRACTS

Medicare - Revenues are based on a budgeted amount reimbursed monthly by CMS and then adjusted to actual based on a year-end cost report. CMS has the option to audit the cost reports filed by the Plan and thus adjustments to recorded amounts may occur based on these audits. All cost reports for 2003 and prior have been settled with CMS.

The Plan operates under a Medicare Advantage contract, including Medicare Part D coverage (see Note 1), in all states. Under the contracts, CMS makes a single monthly capitation payment to the Plan for each of its enrollees. The Plan provides services through an organized delivery system of contracted physicians, hospitals, and ancillary providers.

Medicare premium revenue, including Medicare Part D, recognized for the years ended December 31, 2008 and 2007, was \$401,426,125 and \$341,157,126, respectively.

TennCare - The Plan participates as a contracted managed care organization ("MCO") in the TennCare program. TennCare is a project authorized through a conditional waiver by CMS that replaced the State of Tennessee's Medicaid program on January 1, 1994. Uninsured individuals and Medicaid eligible individuals who enroll in the TennCare program receive prepaid health care through participating MCO's.

In eastern Tennessee, the Plan operates under Administrative Services Only ("ASO") contract. The Plan received \$13,373,404 and \$12,681,304 in administrative service revenue in 2008 and 2007 respectively, under this arrangement, which is recognized as a reduction of general administrative expenses. Total membership at December 31, 2008 and 2007 under the ASO arrangement is 97,548 and 85,130, respectively. There was no net gain or loss from the ASO arrangement in 2008 or 2007. The claim payment volume for 2008 and 2007 under the ASO arrangement totaled \$185,218,461 and \$165,698,669, respectively.

On April 1, 2007, the Plan entered into a risk agreement with TennCare servicing individuals in the Middle Tennessee region. At risk premium revenue recognized for 2007 was \$377,672,130.

Federal Employees Health Benefits Program - On January 1, 2005, the Plan entered into a retrospectively rated contract with the Federal Employees Health Benefits Program ("FEHBP"). A retrospective premium adjustment was calculated by comparing the earned premium to the estimated incurred medical, administrative, and service fee expenses. These incurred expenses included paid and unpaid expenses. The incurred but not reported ("IBNR") expenses were estimated using the actuarial methods described in Note 9. In 2008 and 2007, the Plan recorded a retrospective premium adjustment and a corresponding liability of \$3,824,671 and \$3,640,823, respectively, which is included in aggregate health policy reserves in the statement of admitted assets, liabilities, capital and surplus – statutory basis. The net premium written in this retrospectively rated contract was \$14,640,900 and \$13,444,384 in 2008 and 2007, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] NA []
- 1.3 State Regulating? Illinois.....
- 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:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2007
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2002
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).04/23/2004
- 3.4 By what department or departments? Illinois Department of Insurance.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [X] No [] NA []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity
.....
.....
.....
.....

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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
OptumHealth Bank, Inc.....	Salt Lake City, Utah.....				Yes.....	

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche LLP, Minneapolis, MN
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....
David O. Thoen, Deloitte Consulting LLP, Minneapolis, MN
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 11.11 Name of real estate holding company
- 11.12 Number of parcels involved.....
- 11.13 Total book/adjusted carrying value..... \$.....
- 11.2 If yes, provide explanation
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 13.1 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.
- 13.11 If the response to 13.1 is No, please explain:
- 13.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

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

GENERAL INTERROGATORIES

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.11 To directors or other officers .. \$0
 - 18.12 To stockholders not officers ... \$0
 - 18.13 Trustees, supreme or grand (Fraternal only) \$0
- 18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.21 To directors or other officers ... \$0
 - 18.22 To stockholders not officers \$0
 - 18.23 Trustees, supreme or grand (Fraternal only) \$0
- 19.1 Were any assets reported in the statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 19.2 If yes, state the amount thereof at December 31 of the current year:
- 19.21 Rented from others \$
 - 19.22 Borrowed from others \$
 - 19.23 Leased from others \$
 - 19.24 Other \$
- 20.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [X] No []
- 20.2 If answer is yes:
- 20.21 Amount paid as losses or risk adjustment \$
 - 20.22 Amount paid as expenses \$ 2,285,206
 - 20.23 Other amounts paid \$
- 21.1 Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 22.3)..... Yes [X] No []
- 22.2 If no, give full and complete information relating thereto:
- 22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provide)
N/A
- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?..... Yes [] No []
- 22.5 If answer to 22.4 is YES, report amount of collateral \$
- 22.6 If answer to 22.4 is NO, report amount of collateral..... \$
- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3) Yes [X] No []
- 23.2 If yes, state the amount thereof at December 31 of the current year:
- 23.21 Subject to repurchase agreements \$
 - 23.22 Subject to reverse repurchase agreements..... \$
 - 23.23 Subject to dollar repurchase agreements..... \$
 - 23.24 Subject to reverse dollar repurchase agreements.... \$
 - 23.25 Pledged as collateral..... \$
 - 23.26 Placed under option agreements..... \$
 - 23.27 Letter stock or securities restricted as to sale..... \$
 - 23.28 On deposit with state or other regulatory body..... \$ 37,111,064
 - 23.29 Other..... \$
- 23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA []
If no, attach a description with this statement.
- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES

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

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

1 Name of Custodian(s)	2 Custodian's Address
State Strret Bank.....	801 Pennsylvania, Kansas City, MO.....

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

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

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [] No []
 26.04 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository Number(s)	2 Name	2 Address
113972.....	Standish Mellon Asset Management Company.....	One Boston Place, Suite 024-0344, Boston, MA 02108.....

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No []
 27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
27.2999	TOTAL	0

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

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

GENERAL INTERROGATORIES

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
28.1 Bonds.....	463,302,093	471,728,526	8,426,433
28.2 Preferred stocks.....	0	0	0
28.3 Totals	463,302,093	471,728,526	8,426,433

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

For those securities that had prices in the NAIC SVO ISIS database, those prices were used; otherwise GAAP pricing was used. GAAP pricing was obtained from HUB which is an external data sources vendor. HUB data utilizes various pricing sources.....

29.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [X] No []

29.2 If no, list exceptions:

OTHER

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$0

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

1 Name	2 Amount Paid
.....	
.....	
.....	

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

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

1 Name	2 Amount Paid
.....	
.....	
.....	

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

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

1 Name	2 Amount Paid
.....	
.....	
.....	

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$0
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives 0
- All years prior to most current three years:
- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives 0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives 0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives 0

2. Health Test:

	1 Current Year		2 Prior Year	
2.1 Premium Numerator	\$	1,438,002,359	\$	1,110,200,134
2.2 Premium Denominator	\$	1,438,002,359	\$	1,110,200,134
2.3 Premium Ratio (2.1/2.2)		1.000		1.000
2.4 Reserve Numerator	\$	230,797,854	\$	176,759,394
2.5 Reserve Denominator	\$	230,797,854	\$	176,759,394
2.6 Reserve Ratio (2.4/2.5)		1.000		1.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
- 5.2 If no, explain:
Stop Loss for IL POS business per state law.
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$0
- 5.32 Medical Only \$0
- 5.33 Medicare Supplement \$0
- 5.34 Dental and vision \$0
- 5.35 Other Limited Benefit Plan \$0
- 5.36 Other \$100,000
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
Hold harmless clauses in provider agreements and continuation of coverage endorsements in reinsurance agreement.
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date base? Yes [X] No []
- 7.2 If no, give details:
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year 42,375
- 8.2 Number of providers at end of reporting year 56,337
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months 0
- 9.22 Business with rate guarantees over 36 months 0

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contract? Yes No
- 10.2 If yes:
- | | |
|---|--------------------|
| 10.21 Maximum amount payable bonuses | \$1,282,000 |
| 10.22 Amount actually paid for year bonuses | \$0 |
| 10.23 Maximum amount payable withholds | \$18,889,080 |
| 10.24 Amount actually paid for year withholds | \$0 |
- 11.1 Is the reporting entity organized as:
- | | |
|---|---|
| 11.12 A Medical Group/Staff Model, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.13 An Individual Practice Association (IPA), or, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.14 A Mixed Model (combination of above) ? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such net worth. Illinois
- 11.4 If yes, show the amount required. \$137,249,340
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No
- 11.6 If the amount is calculated, show the calculation.
See 12/31/2008 Risk Based Capital Report
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Illinois Counties: Bureau, Carroll, DeWitt, Fulton, Henderson, Henry, Jo Daviess, Knox, La Salle, Lee, Livingston, Marshall, McLean, Mercer, Ogle (PPO only), Peoria, Putnam, Rock Island, Stark, Tazewell, Warren, Whiteside, Woodford...
Iowa Counties: Adair, Adams, Appanoose, Audubon, Benton, Blackhawk, Boone, Bremer, Buchanan, Butler, Calhoun, Carroll, Cass, Cedar, Cerro Gordo, Chickasaw, Clarke, Clayton, Clinton, Crawford, Dallas, Davis, Decatur, Delaware, Des Moines, Dubuque...
Fayette, Floyd, Franklin, Fremont, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Henry, Howard, Humboldt, Iowa, Jackson, Jasper, Jefferson, Johnson, Jones, Keokuk, Kossuth, Lee, Linn, Louisa, Lucas, Madison, Mahaska,.....
Marion, Marshall, Mills, Mitchell, Monona, Monroe, Montgomery, Muscatine, Page, Palo Alto, Polk, Pottawattamie, Poweshiek, Ringgold, Sac, Scott, Shelby, Story, Tama, Taylor, Union, Van Buren, Wapello, Warren, Washington, Wayne, Winnebago, Worth,.....
Wright.....
TN Counties: Anderson, Bedford, Bledsoe, Blount, Bradley, Campbell, Cannon, Carter, Claiborne, Clay, Cocke, Coffee, Cumberland, DeKalb, Fentress, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jackson, Jefferson, Johnson,.....
Knox, Loudon, Macon, Marion, Marshall, McMinn, Meigs, Monroe, Moore, Morgan, Overton, Pickett, Polk, Putnam, Rhea, Roane, Scott, Sequatchie, Sevier, Smith, Sullivan, Trousdale, Unicoi, Union, Van Buren, Warren, Washington, White.....
Virginia Counties: Bedford, Bland, Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd, Franklin, Giles, Grayson, Henry, Lee, Montgomery, Pulaski, Roanoke, Rockbridge, Russell, Scott, Smyth, Tazewell, Washington, Wise, Wythe.....
Virginia Cities: Bedford, Bristol, Buena Vista, Galax, Lexington, Martinsville, Norton, Radford, Roanoke, Salem.....

FIVE-YEAR HISTORICAL DATA

	1 2008	2 2007	3 2006	4 2005	5 2004
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	513,576,902	397,082,187	387,465,127	223,441,412	218,281,560
2. Total liabilities (Page 3, Line 22)	288,026,025	228,583,032	229,526,728	108,049,070	122,817,180
3. Statutory surplus	37,441,000	37,441,000	37,441,000	37,441,000	37,441,000
4. Total capital and surplus (Page 3, Line 31)	225,550,877	168,499,155	157,938,399	115,392,342	95,464,380
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,438,002,359	1,110,200,134	735,716,060	664,290,228	725,611,304
6. Total medical and hospital expenses (Line 18)	1,197,756,313	929,539,743	609,671,651	554,108,191	645,689,605
7. Claims adjustment expenses (Line 20)	38,125,705	27,518,383	15,522,757	14,460,974	12,790,575
8. Total administrative expenses (Line 21)	135,687,168	111,672,958	54,901,674	70,863,164	67,580,517
9. Net underwriting gain (loss) (Line 24)	66,433,173	41,469,050	55,619,978	24,857,899	(449,393)
10. Net investment gain (loss) (Line 27)	16,203,288	17,606,782	9,502,390	9,406,373	9,251,095
11. Total other income (Lines 28 plus 29)	(16,139)	0	0	(6,042)	(102,751)
12. Net income (loss) (Line 32)	56,995,211	46,193,754	41,527,571	22,430,613	5,625,286
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	105,401,156	120,348,994	39,002,312	21,322,391	(4,653,733)
Risk - Based Capital Analysis					
14. Total adjusted capital	225,550,877	168,499,155	157,938,399	115,392,342	95,464,380
15. Authorized control level risk-based capital	45,749,780	36,290,329	22,544,314	21,875,996	25,294,419
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	506,485	336,916	178,582	185,971	220,903
17. Total member months (Column 6, Line 7)	4,390,043	3,536,903	2,187,705	2,215,111	2,758,495
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus 19)	83.3	83.7	82.9	83.4	89.0
20. Cost containment expenses	0.7	0.3	0.2	0.6	XXX
21. Other claims adjustment expenses	2.0	2.1	1.9	1.6	1.5
22. Total underwriting deductions (Line 23)	95.4	96.3	92.4	96.3	100.1
23. Total underwriting gain (loss) (Line 24)	4.6	3.7	7.6	3.7	(0.1)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	176,000,097	75,007,208	71,623,118	91,662,320	100,095,745
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	173,118,571	90,677,432	90,079,999	93,429,228	93,570,306
Investments In Parent, Subsidiaries And Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 53, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 7)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

UnitedHealthcare Plan of the River Valley, Inc.

2.

(LOCATION)

NAIC Group Code 0707

BUSINESS IN THE STATE OF Illinois

DURING THE YEAR 2008

NAIC Company Code

95378

	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	13,889		13,889							
2. First Quarter	12,483		12,483							
3. Second Quarter	11,895		11,895							
4. Third Quarter	11,253		11,253							
5. Current Year	11,142		11,142							
6. Current Year Member Months	141,811		141,811							
Total Member Ambulatory Encounters for Year:										
7. Physician	59,699		59,699							
8. Non-Physician	12,941		12,941							
9. Total	72,640	0	72,640	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	3,529		3,529							
11. Number of Inpatient Admissions	728		728							
12. Health Premiums Written (b).....	44,118,126		44,118,126							
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	44,118,126		44,118,126							
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services	34,504,551		34,504,551							
18. Amount Incurred for Provision of Health Care Services	34,235,894		34,235,894							

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

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

29.1L



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

UnitedHealthcare Plan of the River Valley, Inc.

2.

(LOCATION)

NAIC Group Code 0707

BUSINESS IN THE STATE OF Iowa

DURING THE YEAR 2008

NAIC Company Code 95378

	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	65,344		63,013					2,331		
2. First Quarter	66,019		62,852					3,167		
3. Second Quarter	64,087		61,223					2,864		
4. Third Quarter	64,087		61,223					2,864		
5. Current Year	66,019		62,852					3,167		
6. Current Year Member Months	776,785		740,609					36,176		
Total Member Ambulatory Encounters for Year:										
7. Physician	776,130		307,380					468,750		
8. Non-Physician	102,251		59,345					42,906		
9. Total	878,381	0	366,725	0	0	0	0	511,656	0	0
10. Hospital Patient Days Incurred	110,961		17,729					93,232		
11. Number of Inpatient Admissions	15,803		4,221					11,582		
12. Health Premiums Written (b).....	215,409,823		177,287,189				10,144,597	27,978,037		
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	215,409,823		177,287,189				10,144,597	27,978,037		
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services	188,589,223		152,461,509				14,699,976	21,427,738		
18. Amount Incurred for Provision of Health Care Services	185,257,439		148,435,923				15,114,128	21,707,388		

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes of fees \$ 27,978,037

29.1A



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

UnitedHealthcare Plan of the River Valley, Inc.

2.

(LOCATION)

NAIC Group Code 0707

BUSINESS IN THE STATE OF Tennessee

DURING THE YEAR 2008

NAIC Company Code 95378

	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	249,568		33,725					33,702	182,141	
2. First Quarter	247,489		30,768					33,412	183,309	
3. Second Quarter	250,373		32,994					35,674	181,705	
4. Third Quarter	250,279		32,281					37,734	180,264	
5. Current Year	420,800		32,605					38,280	349,915	
6. Current Year Member Months	3,369,798		395,706					428,862	2,545,230	
Total Member Ambulatory Encounters for Year:										
7. Physician	1,323,690		177,114					54,958	1,091,618	
8. Non-Physician	194,947		18,045					5,132	171,770	
9. Total	1,518,637	0	195,159	0	0	0	0	60,090	1,263,388	0
10. Hospital Patient Days Incurred	193,101		8,443					9,153	175,505	
11. Number of Inpatient Admissions	35,564		1,558					1,629	32,377	
12. Health Premiums Written (b).....	1,148,625,167		111,347,598					373,124,316	664,153,253	
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	1,148,625,167		111,347,598					373,124,316	664,153,253	
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services	895,925,959		95,640,442					294,243,636	506,041,881	
18. Amount Incurred for Provision of Health Care Services	951,274,194		90,216,900					291,992,629	568,977,978	86,687

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes of fees \$ 373,124,316

29.TN



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

UnitedHealthcare Plan of the River Valley, Inc.

2.

(LOCATION)

NAIC Group Code 0707

BUSINESS IN THE STATE OF Virginia

DURING THE YEAR 2008

NAIC Company Code 95378

	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	8,115		8,094					21		
2. First Quarter	8,555		8,524					31		
3. Second Quarter	8,736		8,704					32		
4. Third Quarter	8,404		8,366					38		
5. Current Year	8,524		8,485					39		
6. Current Year Member Months	101,649		101,228					421		
Total Member Ambulatory Encounters for Year:										
7. Physician	48,808		47,855					953		
8. Non-Physician	7,620		7,501					119		
9. Total	56,428	0	55,356	0	0	0	0	1,072	0	0
10. Hospital Patient Days Incurred	2,315		2,118					197		
11. Number of Inpatient Admissions	665		643					22		
12. Health Premiums Written (b).....	30,915,231		30,591,459					323,772		
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	30,915,231		30,591,459					323,772		
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services	26,892,275		26,665,788					226,487		
18. Amount Incurred for Provision of Health Care Services	28,130,443		27,903,956					226,487		

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes of fees \$ 373,772

29.VA



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

UnitedHealthcare Plan of the River Valley, Inc.

2.

(LOCATION)

NAIC Group Code 0707

BUSINESS IN THE STATE OF Consolidated

DURING THE YEAR 2008

NAIC Company Code 95378

	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	336,916	0	118,721	0	0	0	0	36,054	182,141	0
2. First Quarter	334,546	0	114,627	0	0	0	0	36,610	183,309	0
3. Second Quarter	335,091	0	114,816	0	0	0	0	38,570	181,705	0
4. Third Quarter	334,023	0	113,123	0	0	0	0	40,636	180,264	0
5. Current Year	506,485	0	115,084	0	0	0	0	41,486	349,915	0
6. Current Year Member Months	4,390,043	0	1,379,354	0	0	0	0	465,459	2,545,230	0
Total Member Ambulatory Encounters for Year:										
7. Physician	2,208,327	0	592,048	0	0	0	0	524,661	1,091,618	0
8. Non-Physician	317,759	0	97,832	0	0	0	0	48,157	171,770	0
9. Total	2,526,086	0	689,880	0	0	0	0	572,818	1,263,388	0
10. Hospital Patient Days Incurred	309,906	0	31,819	0	0	0	0	102,582	175,505	0
11. Number of Inpatient Admissions	52,760	0	7,150	0	0	0	0	13,233	32,377	0
12. Health Premiums Written (b).....	1,439,068,347	0	363,344,372	0	0	0	10,144,597	401,426,125	664,153,253	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written.....	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned.....	1,439,068,347	0	363,344,372	0	0	0	10,144,597	401,426,125	664,153,253	0
16. Property/Casualty Premiums Earned.....	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	1,145,912,008	0	309,272,290	0	0	0	14,699,976	315,897,861	506,041,881	0
18. Amount Incurred for Provision of Health Care Services	1,198,897,970	0	300,792,673	0	0	0	15,114,128	313,926,504	568,977,978	86,687

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes of fees \$ 401,476,125

29.GT

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsured	5 Location	6 Type of Reinsurance Assumed	7 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
NONE											
0399999 Totals											

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Reserve Credit Taken	6 Paid and Unpaid Losses Recoverable (Debit)	7 Other Debits	8 Total (Cols. 5+6+7)	9 Letters of Credit	10 Trust Agreements	11 Funds Deposited by and Withheld from Reinsurers	12 Other	13 Miscellaneous Balances (Credit)	14 Sum of Cols 9+10+11+12+13 But Not in Excess of Col. 8
NONE													
1199999 Total													

33

Schedule S-Part 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2008	2 2007	3 2006	4 2005	5 2004
A. OPERATIONS ITEMS					
1. Premiums.....	432	493	583	597	499
2. Title XVIII-Medicare.....	258	118	108	74	61
3. Title XIX-Medicaid.....	376	.0	.0	.0	39
4. Commissions and reinsurance expense allowance.....		.0	.0	.0	.0
5. Total hospital and medical expenses.....	1,142	612	595	105	369
B. BALANCE SHEET ITEMS					
6. Premiums receivable.....		.0	.0	.0	.0
7. Claims payable.....		.0	.0	.0	.0
8. Reinsurance recoverable on paid losses.....	1,000	467	.0	74	177
9. Experience rating refunds due or unpaid.....		.0	.0	.0	.0
10. Commissions and reinsurance expense allowances unpaid.....		.0	.0	.0	.0
11. Unauthorized reinsurance offset.....	.0	.0	.0	.0	.0
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F).....	.0	.0	.0	.0	.0
13. Letters of credit (L).....	.0	.0	.0	.0	.0
14. Trust agreements (T).....	.0	.0	.0	.0	.0
15. Other (O).....	.0	.0	.0	.0	.0

SCHEDULE S-PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10).....	465,228,142		465,228,142
2. Accident and health premiums due and unpaid (Line 13).....	22,736,443		22,736,443
3. Amounts recoverable from reinsurers (Line 14.1).....	1,000,466		1,000,466
4. Net credit for ceded reinsurance.....	XXX	1,000,466	1,000,466
5. All other admitted assets (Balance).....	24,611,851		24,611,851
6. Total assets (Line 26)	513,576,902	1,000,466	514,577,368
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	224,544,575	0	224,544,575
8. Accrued medical incentive pool and bonus payments (Line 2).....	2,062,000		2,062,000
9. Premiums received in advance (Line 8).....	6,237,379		6,237,379
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 17).....	0		0
11. Reinsurance in unauthorized companies (Line 18).....	0		0
12. All other liabilities (Balance).....	55,182,071		55,182,071
13. Total liabilities (Line 22).....	288,026,025	0	288,026,025
14. Total capital and surplus (Line 31).....	225,550,877	XXX	225,550,877
15. Total liabilities, capital and surplus (Line 32)	513,576,902	0	513,576,902
NET CREDIT FOR CEDED REINSURANCE			
16. Claims unpaid.....	0		
17. Accrued medical incentive pool.....	0		
18. Premiums received in advance.....	0		
19. Reinsurance recoverable on paid losses.....	1,000,466		
20. Other ceded reinsurance recoverables.....	0		
21. Total ceded reinsurance recoverables.....	1,000,466		
22. Premiums receivable.....	0		
23. Funds held under reinsurance treaties with authorized and unauthorized reinsurers.....	0		
24. Unauthorized reinsurance.....	0		
25. Other ceded reinsurance payables/offsets.....	0		
26. Total ceded reinsurance payables/offsets.....	0		
27. Total net credit for ceded reinsurance	1,000,466		

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefit Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL								0	0
2. Alaska	AK								0	0
3. Arizona	AZ								0	0
4. Arkansas	AR								0	0
5. California	CA								0	0
6. Colorado	CO								0	0
7. Connecticut	CT								0	0
8. Delaware	DE								0	0
9. District of Columbia	DC								0	0
10. Florida	FL								0	0
11. Georgia	GA								0	0
12. Hawaii	HI								0	0
13. Idaho	ID								0	0
14. Illinois	IL	L	44,118,077						44,118,077	0
15. Indiana	IN								0	0
16. Iowa	IA	L	177,287,190	27,978,037		10,144,645			215,409,872	0
17. Kansas	KS								0	0
18. Kentucky	KY								0	0
19. Louisiana	LA								0	0
20. Maine	ME								0	0
21. Maryland	MD								0	0
22. Massachusetts	MA								0	0
23. Michigan	MI								0	0
24. Minnesota	MN								0	0
25. Mississippi	MS								0	0
26. Missouri	MO								0	0
27. Montana	MT								0	0
28. Nebraska	NE								0	0
29. Nevada	NV								0	0
30. New Hampshire	NH								0	0
31. New Jersey	NJ								0	0
32. New Mexico	NM								0	0
33. New York	NY								0	0
34. North Carolina	NC								0	0
35. North Dakota	ND								0	0
36. Ohio	OH								0	0
37. Oklahoma	OK								0	0
38. Oregon	OR								0	0
39. Pennsylvania	PA								0	0
40. Rhode Island	RI								0	0
41. South Carolina	SC								0	0
42. South Dakota	SD								0	0
43. Tennessee	TN	L	111,347,598	373,124,316	664,153,253				1,148,625,167	0
44. Texas	TX								0	0
45. Utah	UT								0	0
46. Vermont	VT								0	0
47. Virginia	VA	L	30,591,459	323,772					30,915,231	0
48. Washington	WA								0	0
49. West Virginia	WV								0	0
50. Wisconsin	WI								0	0
51. Wyoming	WY								0	0
52. American Samoa	AS								0	0
53. Guam	GU								0	0
54. Puerto Rico	PR								0	0
55. U.S. Virgin Islands	VI								0	0
56. Northern Mariana Islands	MP								0	0
57. Canada	CN								0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		363,344,324	401,426,125	664,153,253	10,144,645	0	0	1,439,068,347	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 4		363,344,324	401,426,125	664,153,253	10,144,645	0	0	1,439,068,347	0
DETAILS OF WRITE-INS										
5801.	XXX									
5802.	XXX									
5803.	XXX									
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.

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

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

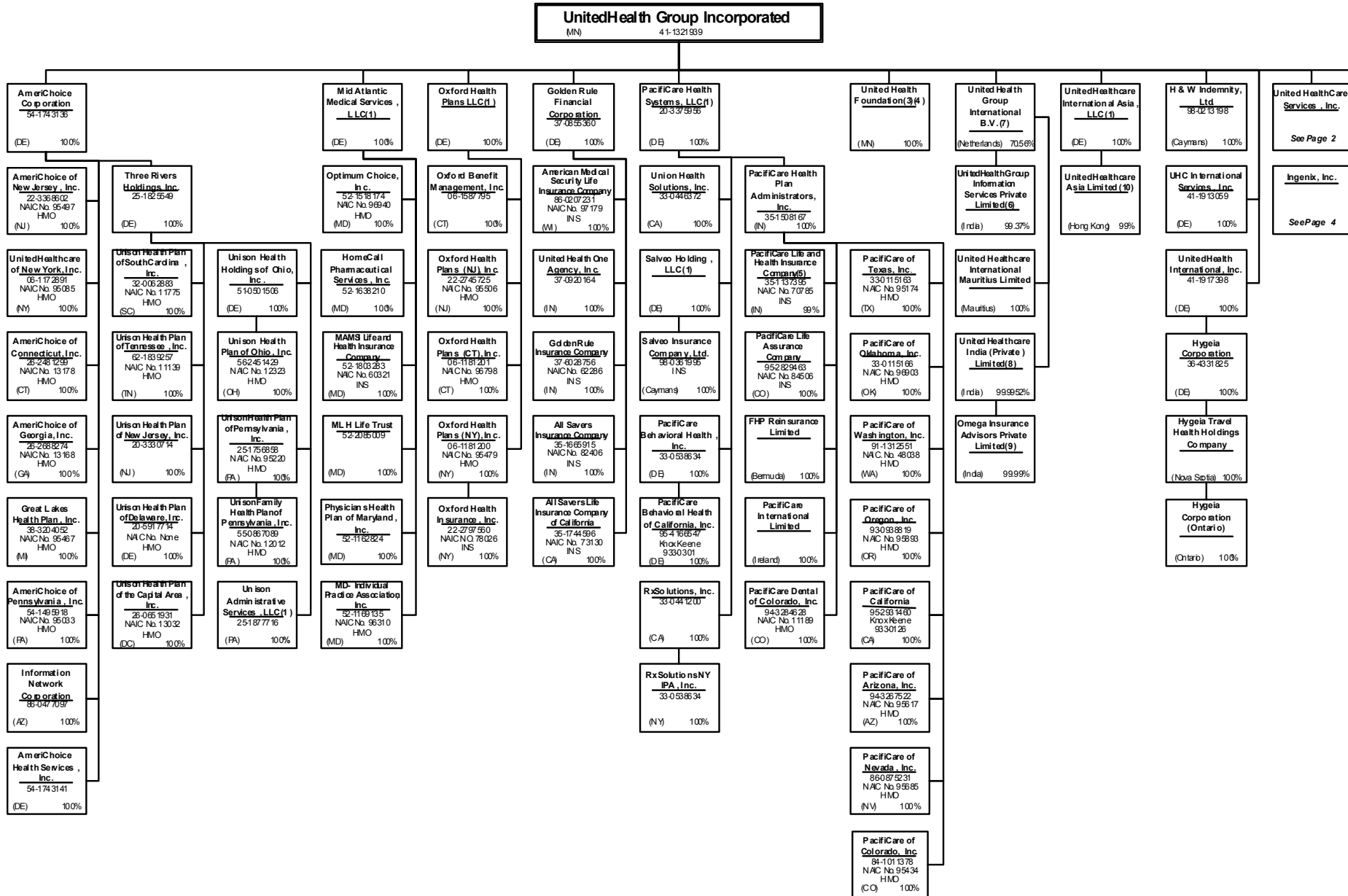
Allocated by States and Territories

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

NONE

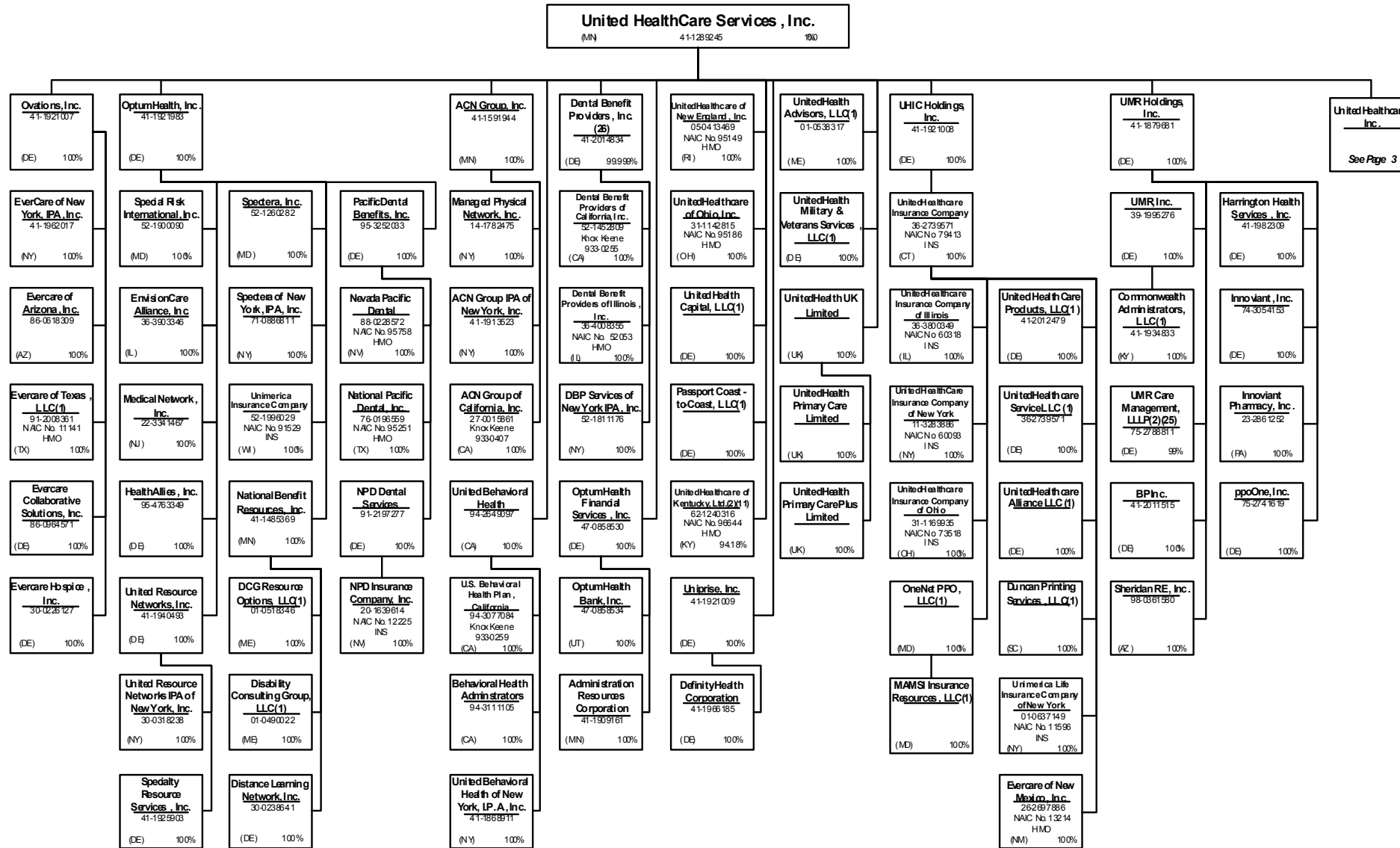
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



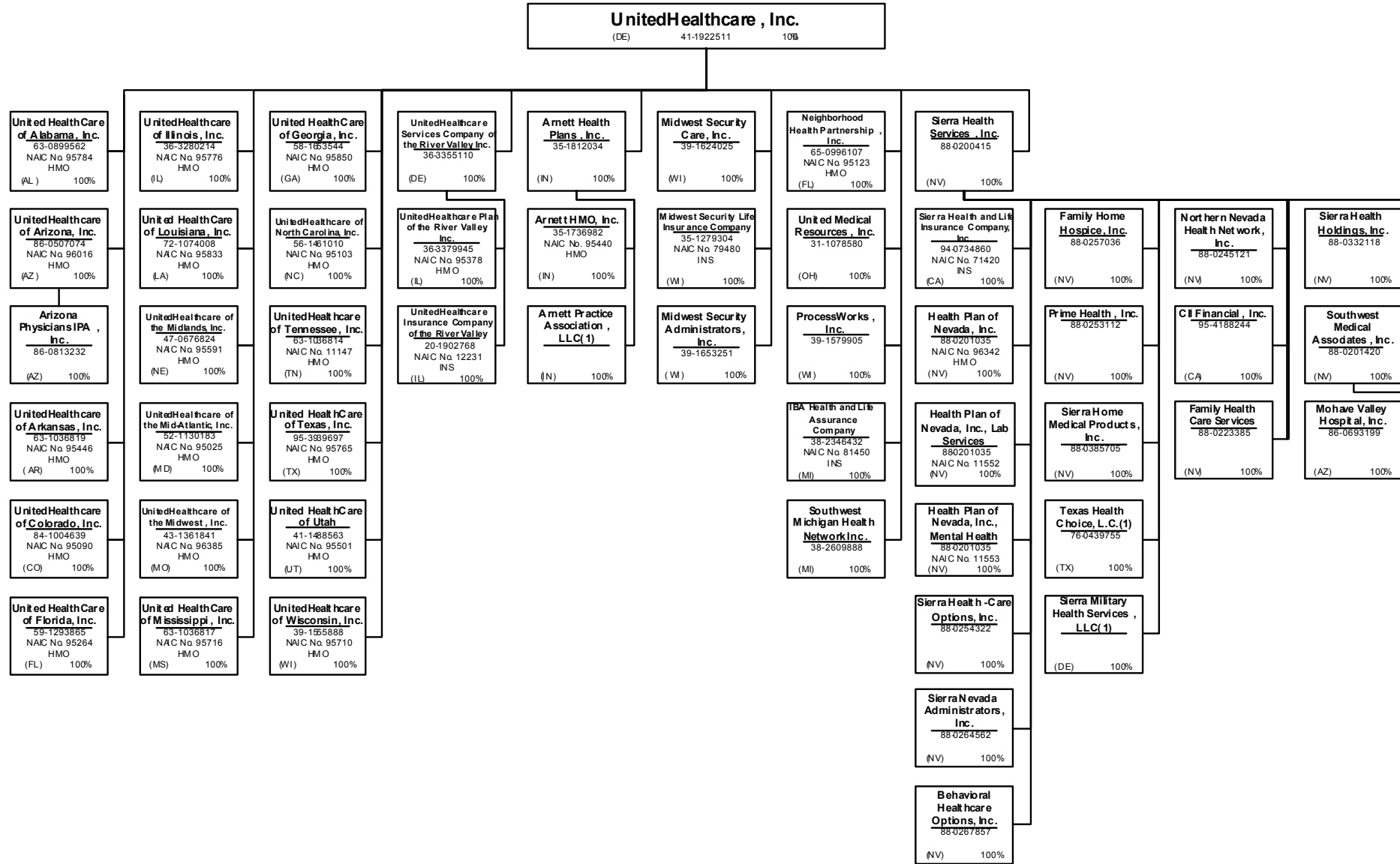
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



38.1

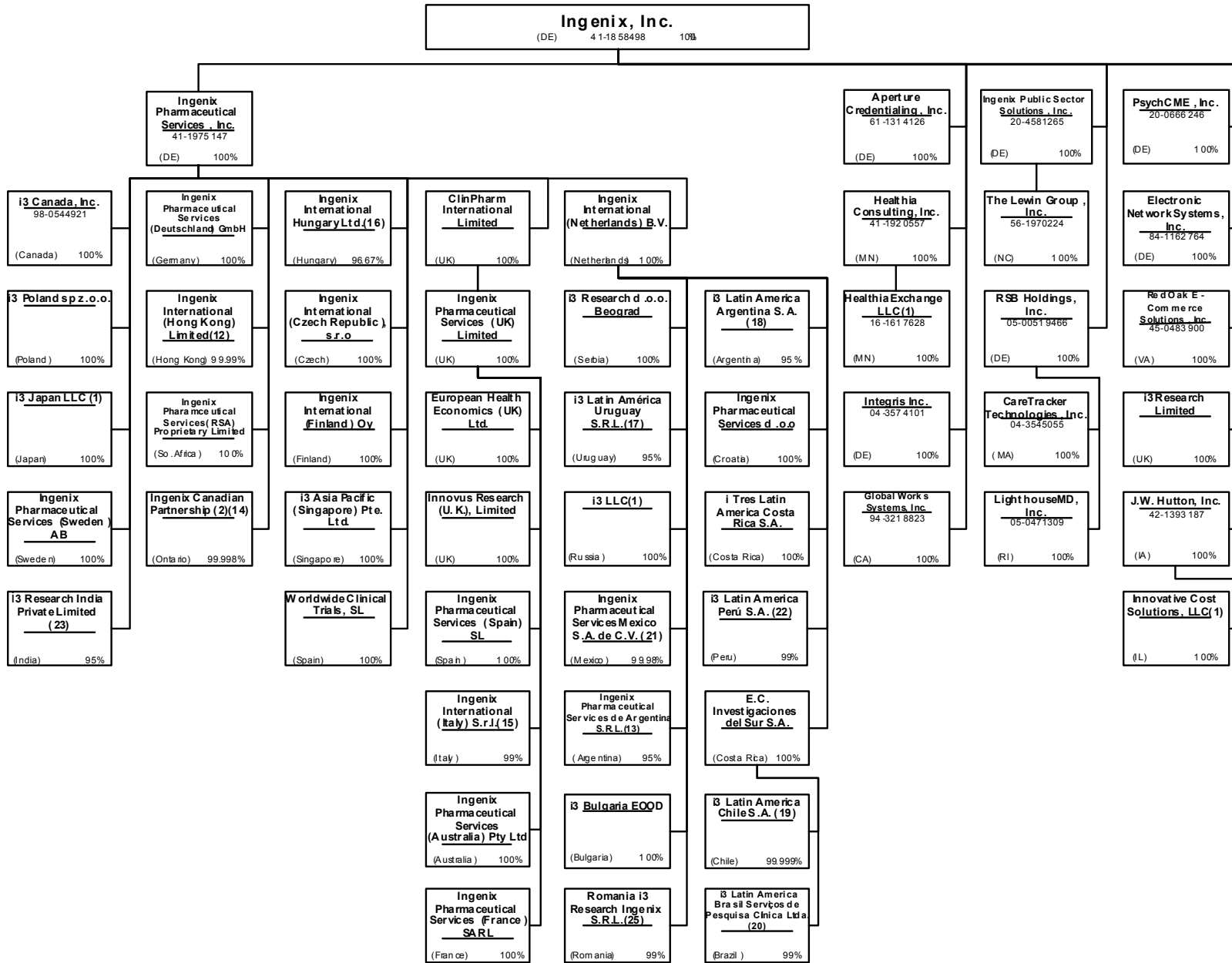
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



38.2

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

PART 1 - ORGANIZATIONAL CHART



38.3

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

PART 1 - ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated

(1) Entity is a Limited Liability Company

(2) Entity is a Partnership

(3) Entity is a Non-Profit Corporation

(4) Control of the Foundation is based on sole membership, not the ownership of voting securities

(5) PacificCare Life and Health Insurance Company is 99% owned by PacificCare Health Plan Administrators, Inc. and 1% owned by PacificCare Health Systems, LLC

(6) UnitedHealth Group Information Services Private Limited is 99.37% owned by UnitedHealth Group International B.V.. The remaining 0.63% is owned by UnitedHealth International Inc.

(7) UnitedHealth Group International B.V. is 70.56% owned by UnitedHealth Group Incorporated and 29.44% owned by United HealthCare Services, Inc.

(8) United Healthcare India (Private) Limited is 99.9952% owned by UnitedHealth Group International B.V. and 0.0048% owned by UnitedHealth International, Inc.

(9) Omega Insurance Advisors Private Limited is 99.99% owned by United Healthcare India (Private) Limited and 0.01% owned by an individual shareholder

(10) UnitedHealthcare Asia Limited is 99% owned by UnitedHealthcare International Asia, LLC and 1% owned by UnitedHealth International, Inc.

(11) General partnership interests are held by United HealthCare Services, Inc. (89.77%) and by UnitedHealthcare, Inc. (10.23%). United HealthCare Services, Inc. also holds 100% of the limited partnership interests. When combining general and limited partner interests, United HealthCare Services, Inc. owns 94.18% and UnitedHealthcare, Inc. owns 5.83%.

(12) Ingenix International (Hong Kong) Limited is 99.99% owned by Ingenix Pharmaceutical Services, Inc. and 0.01% owned by Ingenix, Inc.

(13) Ingenix Pharmaceutical Services de Argentina S.R.L is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix, Inc.

(14) Ingenix Canada Partnership is 99.998% owned by Ingenix Pharmaceutical Services, Inc. and 0.002% owned by Ingenix, Inc.

(15) Ingenix International (Italy) S.r.l. is 99% owned by Ingenix Pharmaceutical Services (UK) Limited and 1% owned by Ingenix Pharmaceutical Services, Inc.

(16) Ingenix International Hungary Ltd. is 96.67% owned by Ingenix Pharmaceutical Services, Inc. and 3.33% owned by Ingenix, Inc.

(17) i3 Latin America Uruguay S.R.L. is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix Pharmaceutical Services, Inc.

(18) i3 Latin America Argentina S.A. is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix Pharmaceutical Services, Inc.

(19) i3 Latin America Chile S.A. is 99.999% owned by E.C. Investigaciones del Sur S.A. and 0.0001% owned by Ingenix Pharmaceutical Services, Inc.

(20) i3 Latin America Brasil Serviços de Pesquisa Clínica Ltda. is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by Ingenix Pharmaceutical Services, Inc.

(21) Ingenix Pharmaceutical Services Mexico S.A. de C.V. is 99.98% owned by Ingenix International (Netherlands) B.V. and 2.36% owned by E.C. Investigaciones del Sur S.A.. The remaining 0.02% is owned by i3 Latin America Argentina S.A..

(22) i3 Latin America Perú S.A. is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by i3 Latin America Argentina S.A.

(23) i3 Research India Private Limited is 95% owned by Ingenix Pharmaceutical Services, Inc. and 5% owned by Ingenix, Inc.

(24) Limited partnership interest is held by UMR Holdings Inc. (99%). General partnership interest is held by UMR, Inc. (1%)

(25) Romania i3 Research Ingenix S.R.L. is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by Ingenix Pharmaceutical Services (UK) Limited

(26) Dental Benefit Providers, Inc. is 99.999% owned by United HealthCare Services, Inc. and 0.001% owned by PacificDental Benefits, Inc.

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	27-0015861	ACN Group of CA				(44,527)	1,640,194				1,595,667	
	41-4591944	ACN Group				89,488	70,183,381				70,272,869	
82406	35-1665915	All Savers Ins Co				(7,152)		16,575			9,423	(24,348)
73130	35-1744596	All Savers Life Ins Co of CA				(5,981)					(5,981)	
97179	86-0207231	American Med Security Life Ins Co	(140,000,000)				10,906,215	996,045			(128,097,740)	(108,593)
	54-1743141	AmeriChoice Health Services					119,886,642				119,886,642	
13178	26-2481299	AmeriChoice of Connecticut		1,500,000			(152,995)				1,347,005	
13168	26-2688274	AmeriChoice of Georgia		3,000,000							3,000,000	
95497	22-3368602	AmeriChoice of New Jersey	(16,000,000)				(60,844,614)				(76,844,614)	
95033	54-1495918	AmeriChoice of PA	(6,900,000)				(12,355,445)	(11,156,498)			(30,411,943)	29,183,573
	86-0813232	Arizona Physicians IPA	(15,000,000)								(15,000,000)	
95440	35-1736982	Arnett HMO				(645,792)	(2,107,943)	(36,553)			(2,790,288)	
	00-0000000	Arnett Practice Association LLC				645,792					645,792	
	94-3111105	Behavioral Health Administrators					19,043				19,043	
	88-0267857	Behavioral Healthcare Options					12,831,069				12,831,069	
	95-4188244	CII Financial					(925,044)				(925,044)	
	52-1452809	Dental Benefit Providers of CA					(2,433,936)				(2,433,936)	
52053	36-4008355	Dental Benefit Providers of Illinois					(854,801)				(854,801)	
	41-2014834	Dental Benefit Providers					98,133,866				98,133,866	
	00-0000000	Duncan Printing Services LLC	(13,000,000)								(13,000,000)	
	84-1162764	Electronic Network Systems					21,953				21,953	
13214	26-2697886	Evercare of New Mexico		3,500,000							3,500,000	
11141	91-2008361	Evercare of Texas L.L.C.	(50,000,000)				(97,581,138)				(147,581,138)	
	88-0223385	Family Health Care Services					27,923,146				27,923,146	
	88-0257036	Family Home Hospice					681,661				681,661	
	37-0855360	Golden Rule Financial Corporation					4,957,128				4,957,128	
62286	37-6028756	Golden Rule Ins Co	(147,374,000)				(40,560,561)	(16,575)			(187,951,136)	24,348
95467	38-3204052	Great Lakes Health Plan					(47,589,381)	(1,047,998)			(48,637,379)	1,617,953
96342	88-0201035	Health Plan of Nevada	(12,000,000)				(542,444,510)	(695,546)		9,920,257	(545,219,799)	
	95-4763349	HealthAllies					907,367				907,367	
81450	38-2346432	IBA Health and Life Assurance Co	(5,000,000)				1,270,799				(3,729,201)	
	86-0477097	Information Network Corporation					11,645,293				11,645,293	
	41-1858498	Ingenix					841,692				841,692	
	00-0000000	MAMSI Ins Resources LLC					13,304,747				13,304,747	
60321	52-1803283	MAMSI Life and Health Ins Co	(14,351,600)				(38,815,693)				(53,167,293)	
96310	52-1169135	MD-Individual Practice Association	(4,762,000)				(82,515,817)	(633,833)			(87,911,650)	
	22-3341467	Medical Network					26,033				26,033	
	00-0000000	Mid Atlantic Medical Services LLC					62,779,208				62,779,208	
	39-1653251	Midwest Security Administrators					(3,170,712)				(3,170,712)	
	39-1624025	Midwest Security Care					206,152				206,152	
79480	35-1279304	Midwest Security Life Ins Co	(15,000,000)				(2,626,462)				(17,626,462)	
	41-1485369	National Benefit Resources					21,913,473				21,913,473	
95251	76-0196559	National Pacific Dental	(2,000,000)				(1,404,638)				(3,404,638)	
95123	65-0996107	Neighborhood Health Partnership	(21,308,000)				(68,170,840)				(89,478,840)	
95758	88-0228572	Nevada Pacific Dental					(5,628,868)				(5,628,868)	
	00-0000000	OneNet PPO LLC	(3,500,000)				469,048				(3,030,952)	
96940	52-1518174	Optimum Choice	(12,490,000)				(70,091,823)	(645,627)			(83,227,450)	

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	47-0858534	OptumHealth Bank					289,570				289,570	
	41-1921983	OptumHealth					10,983,009				10,983,009	
78026	22-2797560	Oxford Health Ins	(250,000,000)				(174,682,884)	(190,962,030)			(615,644,914)	245,791,014
96798	06-1181201	Oxford Health Plans (CT)	(13,700,000)				(5,705,669)	(177,125)			(19,582,794)	
95506	22-2745725	Oxford Health Plans (NJ)	(45,000,000)				(22,016,598)	(2,489,070)			(69,505,668)	249,772
95479	06-1181200	Oxford Health Plans (NY)	(250,000,000)				(62,579,042)				(312,579,042)	
	00-0000000	Oxford Health Plans LLC					174,682,884				174,682,884	
	94-2904953	Pacific Union Dental	(2,500,000)				(2,217,434)				(4,717,434)	
	95-4166547	PacificCare Behavioral Health of CA	(29,359,000)				120,073,297				90,714,297	
	33-0538634	PacificCare Behavioral Health	(25,000,000)				38,760,929			(1,471,520)	12,289,409	
	95-2797931	PacificCare Dental	(3,600,000)				(5,327,805)			(249,741)	(9,177,546)	
11189	94-3284628	PacificCare Dental of Colorado					(282,306)			(18,440)	(300,746)	
	35-1508167	PacificCare Health Plan Administrators	25,000,000			(44,961)	505,602,503			(26,402,835)	504,154,707	
70785	35-1137395	PacificCare Life and Health Ins Co	(78,275,000)				(145,748,685)	(443,988)		121,843,159	(102,624,514)	179,200
84506	95-2829463	PacificCare Life Assurance Co	(13,518,000)				(19,691,786)	85,986		(2,331,464)	(35,455,264)	
95617	94-3267522	PacificCare of Arizona	(66,309,000)				(160,015,583)	(1,170,930)			(227,495,513)	
	95-2931460	PacificCare of CA	(262,300,000)				106,688,889			(56,123,864)	(211,734,975)	
95434	84-1011378	PacificCare of Colorado	(74,764,000)				(93,413,834)	(875,252)		(6,575,802)	(175,628,888)	
95685	86-0875231	PacificCare of Nevada	(120,250,000)				(88,965,549)	(81,349)		(1,636,712)	(210,933,610)	
96903	33-0115166	PacificCare of Oklahoma	(28,200,000)				(36,697,207)			(2,357,690)	(67,254,897)	
95893	93-0938819	PacificCare of Oregon	(30,000,000)				(78,473,032)	(75)		(2,055,404)	(110,528,511)	
95174	33-0115163	PacificCare of Texas	(137,900,000)				(200,023,165)	(1,744,309)			(339,667,474)	
48038	91-1312551	PacificCare of Washington	(22,800,000)				(61,177,364)	1,359			(83,976,005)	
	94-3252033	PacificDental Benefits					9,250,940				9,250,940	
	33-0441200	RxSolutions					(2,067,016,016)			(16,259,177)	(2,083,275,193)	
	98-0361995	Salveo Ins Co Ltd	(40,000,000)								(40,000,000)	
	98-0361580	Sheridan RE		5,000,000							5,000,000	
71420	94-0734860	Sierra Health & Life Ins Co					(1,747,373)	281,982			(1,465,391)	
	88-0200415	Sierra Health Services					140,982,767			(9,920,257)	131,062,510	
	88-0254322	Sierra Health-Care Options					(475,496)				(475,496)	
	88-0385705	Sierra Home Medical Products					29,722,477				29,722,477	
	88-0201420	Southwest Medical Associates					314,717,260				314,717,260	
	52-1900090	Special Risk International					1,676,918				1,676,918	
	52-1260282	Spectera					69,527,943				69,527,943	
	25-1825549	Three Rivers Holdings		(3,000,000)			3,464,551				464,551	
	94-3077084	U.S. Behavioral Health Plan CA	(4,500,000)				(6,073,493)				(10,573,493)	
91529	52-1996029	Unimerica Ins Co		66,000,000			(35,137,709)				30,862,291	
11596	01-0637149	Unimerica Life Ins Co of New York		10,000,000			(959,130)				9,040,870	
	25-1877716	Unison Administrative Services LLC					160,760,475				160,760,475	
12012	55-0867089	Unison Family Health Plan of PA					(7,003,683)				(7,003,683)	
	51-0501506	Unison Health Holdings of Ohio					3,273,623				3,273,623	
	20-5917714	Unison Health Plan of Delaware		2,000,000			(10,152,817)				(8,152,817)	
12620	20-3330714	Unison Health Plan of New Jersey					45,832				45,832	
12323	56-2451429	Unison Health Plan of Ohio					(33,660,208)				(33,660,208)	
95220	25-1756858	Unison Health Plan of PA					(88,059,763)				(88,059,763)	
11775	32-0062883	Unison Health Plan of South Carolina					(9,311,591)				(9,311,591)	
11139	62-1839257	Unison Health Plan of Tennessee					(12,814,998)				(12,814,998)	

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE UnitedHealthcare Plan of the River Valley, Inc.

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
13032	26-0651931	Unison Health Plan of the Capital Area		3,000,000			(1,983,537)				1,016,463	
	94-2649097	United Behavioral Health				261,235,484					261,235,484	
79413	36-2739571	United HealthCare Ins Co	(1,890,388,614)	(3,500,000)		(3,627,426,597)		267,084,318		(6,360,510)	(5,260,591,403)	(305,249,071)
60318	36-3800349	United HealthCare Ins Co of Illinois	(27,367,000)			(29,467,355)					(56,834,355)	
60093	11-3283886	United HealthCare Ins Co of New York				(44,931,501)		(40,089,476)			(85,020,977)	
73518	31-1169935	United HealthCare Ins Co of Ohio	(34,021,000)			(43,825,402)					(77,846,402)	
95784	63-0899562	United HealthCare of Alabama	(57,935,000)			(30,936,281)		(411,568)			(89,282,849)	
96016	86-0507074	United HealthCare of Arizona				(13,610,511)		(99,035)			(13,709,546)	
95446	63-1036819	United HealthCare of Arkansas	(2,855,000)			(2,730,488)		(20,439)			(5,605,927)	
95090	84-1004639	United HealthCare of Colorado				(390,108)		(4,562)			(394,670)	
95264	59-1293865	United HealthCare of Florida	(23,000,000)			(196,681,249)		(1,388,942)			(221,070,191)	
95850	58-1653544	United HealthCare of Georgia		8,900,000		(19,763,197)		(191,312)			(11,054,509)	
96644	62-1240316	United HealthCare of Kentucky Ltd	(1,089,000)			(7,085,481)		(47,754)			(8,222,235)	
95833	72-1074008	United HealthCare of Louisiana	(1,600,000)			(1,203,671)		(7,723)			(2,811,394)	
95716	63-1036817	United HealthCare of Mississippi				5,065					5,065	
95186	31-1142815	United HealthCare of Ohio	(48,900,000)			(96,197,992)		(741,265)			(145,839,257)	
11147	63-1036814	United HealthCare of Tennessee	(3,191,000)			(5,267,679)					(8,458,679)	
95765	95-3939697	United HealthCare of Texas				(4,597,564)		(27,415)			(4,624,979)	
95591	47-0676824	United HealthCare of the Midlands	(7,430,000)			(21,662,597)		(661,308)			(29,753,905)	
96385	43-1361841	United HealthCare of the Midwest	(49,666,000)			(76,289,440)		(3,216,500)			(129,171,940)	8,239,274
95501	41-1488563	United HealthCare of Utah	(15,700,000)			(8,177,968)		(65,237)			(23,943,205)	
	41-2012479	United HealthCare Products LLC				3,816,017					3,816,017	
	36-2739571	United HealthCare Service LLC	(115,000,000)								(115,000,000)	
	41-1289245	United HealthCare Services	2,645,399,000	(91,400,000)			5,040,965,177				7,594,964,177	
	41-1940493	United Resource Networks					10,556,537				10,556,537	
	41-1321939	UnitedHealth Group orporated	1,807,852,600	(6,500,000)			1,689,382,960				3,490,735,560	
	00-0000000	UnitedHealthcare Alliance LLC	(97,000,000)								(97,000,000)	
12231	20-1902768	UnitedHealthcare Ins River Valley	(2,900,000)			(7,208,139)		(22,474)			(10,130,613)	
95776	36-3280214	UnitedHealthcare of Illinois		1,500,000		(11,976,616)		(76,999)			(18,326,615)	
95149	05-0413469	UnitedHealthcare of New England	(11,930,000)			(45,751,159)		(9,677,602)			(67,358,761)	17,443,936
95085	06-1172891	UnitedHealthcare of New York	(5,723,386)			(67,038,081)					(72,761,467)	
95103	56-1461010	UnitedHealthcare of North Carolina	(55,417,000)			(96,416,028)		(2,761,954)			(154,594,982)	
95025	52-1130183	UnitedHealthcare of the Mid-Atlantic				(88,164,378)		(577,007)			(88,741,385)	
95710	39-1555888	UnitedHealthcare of Wisconsin	(42,705,000)			(110,599,803)		3,723,396			(149,581,407)	1,652,475
95378	36-3379945	UnitedHealthcare Plan River Valley				(134,826,449)		75,669			(134,750,780)	1,000,466
	36-3355110	UnitedHealthcare Serv River Valley				146,914,630					146,914,630	
9999999 Control Totals			0	0	0	0	2	0	XXX	0	2	(1)

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

Responses

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

APRIL FILING

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

JUNE FILING

- 8. Will an audited financial report be filed by June 1?YES.....

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 filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

- 9. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?NO.....
- 10. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?NO.....
- 11. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?NO.....
- 12. Will the Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?NO.....
- 13. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?NO.....
- 14. Will the actuarial opinion on non-guaranteed elements as required in Interrogatories 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?NO.....
- 15. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?NO.....


APRIL FILING


- 16. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?NO.....
- 17. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?NO.....
- 18. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?NO.....


EXPLANATION:


- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.
- 16.
- 17.
- 18.


BAR CODE:

9.  9 5 3 7 8 2 0 0 8 3 6 0 5 9 0 0 0

10.  9 5 3 7 8 2 0 0 8 2 0 5 0 0 0 0 0

11.  9 5 3 7 8 2 0 0 8 2 0 7 0 0 0 0 0

12.  9 5 3 7 8 2 0 0 8 4 2 0 0 0 0 0 0

13.  9 5 3 7 8 2 0 0 8 3 7 1 0 0 0 0 0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

14. 
9 5 3 7 8 2 0 0 8 3 7 0 0 0 0 0 0

15. 
9 5 3 7 8 2 0 0 8 3 6 5 0 0 0 0 0

16. 
9 5 3 7 8 2 0 0 8 3 3 0 5 9 0 0 0

17. 
9 5 3 7 8 2 0 0 8 2 1 1 5 9 0 0 0

18. 
9 5 3 7 8 2 0 0 8 2 1 3 0 0 0 0 0

OVERFLOW PAGE FOR WRITE-INS

M002 Additional Aggregate Lines for Page 02 Line 23.

*ASSETS - Assets

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 – 2)	Net Admitted Assets
2304. Receivable from Litigation.....			0	125,000
2397. Summary of remaining write-ins for Line 23 from Page 2	0	0	0	125,000

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(http://www.naic.org/committees_e_app_blanks.htm)

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