



**SUPPLEMENT FOR THE YEAR 2010 OF THE Wellpath Select, Inc.**

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1**

(To Be Filed by April 1 – Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION Wellpath Select, Inc.

2. LOCATION \_\_\_\_\_

NAIC Group Code 1137		BUSINESS IN THE STATE OF North Carolina			DURING THE YEAR 2010			NAIC Company Code 95321		
		Comprehensive Health Coverage			4	5	6	7	8	9
		1	2	3	Government Business (excluded by statute)	Other Business (excluded by Statute)	Other Health	Subtotal (Cols 1 thru 6)	Uninsured Plans	Total (7 + 8)
		Individual	Small Group Employer	Large Group Employer						
1.	Premium:									
1.1	Health premiums earned (From Part 2, Line 1.8).....	38,954,674	93,857,138	50,782,678	0	0	0	183,594,490	XXX	183,594,489
1.2	Federal high risk pools.....							0	XXX	
1.3	State high risk pools.....							0	XXX	
1.4	Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3).....	38,954,674	93,857,138	50,782,678	0	0	0	183,594,490	XXX	183,594,489
1.5	Federal taxes and federal assessments.....	1,149,498	423,364	584,645				2,157,507	1,715,340	3,872,847
1.6	State insurance, premium and other taxes (Similar local taxes of \$.....)	779,093	2,887,716	1,505,325				5,172,134		5,172,134
1.7	Regulatory authority licenses and fees.....							0		
1.8	Adjusted Premiums Earned (Lines 1.4 – 1.5 – 1.6 – 1.7).....	37,026,083	90,546,058	48,692,708	0	0	0	176,264,849	XXX	174,549,508
1.9	Net Assumed less Ceded reinsurance premiums earned.....	(486,163)	(1,876,876)	(978,389)				(3,341,428)	XXX	(3,341,428)
1.10	Other Adjustments due to MLR calculations – Premiums.....							0	XXX	
1.11	Risk Revenue.....							0	XXX	
1.12	Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	36,539,920	88,669,182	47,714,319	0	0	0	172,923,421	XXX	171,208,080
2.	Claims:									
2.1	Incurred claims excluding prescription drugs.....	20,895,779	61,153,106	32,233,300				114,282,185	XXX	114,282,185
2.2	Prescription drugs.....	3,915,476	11,331,618	5,989,894				21,236,988	XXX	21,236,988
2.3	Pharmaceutical rebates.....							0	XXX	
2.4	State stop loss, market stabilization and claim/census based assessments							0	XXX	
3.	Incurred medical incentive pools and bonuses							0	XXX	
4.	Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)	4,365	5,818	3,076				13,259		13,259
5.	5.0 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10).....	24,811,255	72,484,723	38,223,194	0	0	0	135,519,172	XXX	135,519,173
5.1	Net Assumed less Ceded reinsurance claims incurred.....	(204,815)	(616,058)	(321,142)				(1,142,015)	XXX	(1,142,015)
5.2	Other Adjustments due to MLR calculations – Claims.....							0	XXX	
5.3	Rebates Paid.....							0	XXX	
5.4	Estimated rebates unpaid prior year.....							0	XXX	
5.5	Estimated rebates unpaid current year.....							0	XXX	
5.6	Fee for service and co-pay revenue.....							0	XXX	
5.7	Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	24,606,440	71,868,665	37,902,052	0	0	0	134,377,157	XXX	134,377,158
6.	Improving Health Care Quality Expenses Incurred:									
6.1	Type A Expenses for health improvements other than Health Information Technology.....	77,707	103,572	54,766				236,045		236,045
6.2	Type B Health Information Technology expenses related to health improvement.....	76,217	101,586	53,716				231,519		231,519
6.3	Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2)	153,924	205,158	108,482	0	0	0	467,564	0	467,564
7.	Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 18	0.674	0.803	0.787	XXX	XXX	XXX	XXX	XXX	XXX
8.	Claims Adjustment Expenses:									
8.1	Cost containment expenses not included in quality of care expenses in Line 6.3.....							0		
8.2	All other claims adjustment expenses.....	2,264,646	3,018,453	1,596,069				6,879,168		6,879,168
8.3	Total claims adjustment expenses (Lines 8.1 + 8.2)	2,264,646	3,018,453	1,596,069	0	0	0	6,879,168	0	6,879,168
9.	Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)	0.061	0.033	0.033	0.000	0.000	0.000	XXX	XXX	XXX
10.	General and Administrative (G&A) Expenses:									
10.1	Direct sales salaries and benefits.....							0		
10.2	Agents and brokers fees and commissions.....	4,781,431	5,834,699	3,041,546				13,657,676		13,657,675
10.3	Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below).....							0		
10.4	Other general and administrative expenses.....	2,260,517	6,864,386	3,280,115				12,405,018	3,432,168	15,837,187
10.5	Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	7,041,948	12,699,085	6,321,661	0	0	0	26,062,694	3,432,168	29,494,862
11.	Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5)	2,472,962	877,821	1,786,055	0	0	0	5,136,838	XXX	(10,672)
12.	Income from fees of uninsured plans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,229,368	8,229,368
13.	Net investment and other gain/(loss)	XXX	XXX	XXX	XXX	XXX	XXX	1,311,261	XXX	1,311,261
14.	Federal income taxes (excluding taxes on Line 15 above)	89,735	32,233	58,727				180,695	118,836	299,530
15.	Net gain or (loss) (Lines 11 + 12 + 13 – 14)	XXX	XXX	XXX	XXX	XXX	XXX	6,267,404	XXX	9,230,426
16.	ICD-10 Implementation Expenses (informational only; already included in general expenses)							0		
OTHER INDICATORS:										
1.	Number of Certificates/Policies	11,665	2,014	110				13,789		13,789
2.	Number of Covered Lives	18,612	23,781	13,929				56,322		56,322
3.	Number of Groups	XXX	2,014	110				2,124		2,124
4.	Member Months	224,740	286,016	149,096				659,852		659,852

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**SUPPLEMENT FOR THE YEAR 2010 OF THE Wellpath Select, Inc.**

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2**

(To Be Filed by April 1 – Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION Wellpath Select, Inc.

2. LOCATION \_\_\_\_\_

NAIC Group Code 1137

BUSINESS IN THE STATE OF North Carolina

DURING THE YEAR 2010

NAIC Company Code 95321

		Comprehensive Health Coverage			4	5	6	7
		1	2	3	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Total
		Individual	Small Group Employer	Large Group Employer				
1.	Health Premiums Earned:							
1.1	Direct premiums written.....	38,954,674	93,857,138	50,782,678				183,594,489
1.2	Unearned premium prior year.....			.0				
1.3	Unearned premium current year.....			.0				
1.4	Change in unearned premium (Lines 1.2 – 1.3).....	.0	.0	.0	.0	.0	.0	.0
1.5	Reserve for rate credits prior year.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX
1.6	Reserve for rate credits current year.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX
1.7	Change in reserve for rate credits (Lines 1.5 – 1.6).....	XXX	XXX	XXX	XXX	XXX	XXX	XXX
1.8	Total direct premiums earned (Lines 1.1 + 1.4 less \$ write offs).....	38,954,674	93,857,138	50,782,678				183,594,489
1.9	Assumed premiums earned from non-affiliates.....							
1.10	Net Assumed less Ceded premiums earned from affiliates.....	(486,163)	(1,876,876)	(978,389)				(3,341,428)
1.11	Ceded premiums earned to non-affiliates.....							
1.12	Net Other Adjustments due to MLR calculation – Premiums.....							
1.13	Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 + 1.12).....	38,468,511	91,980,262	49,804,289	0	0	0	180,253,061
2.	Direct Claims Incurred:							
2.1	Paid claims during the year.....	23,679,914	71,659,536	37,787,000				133,126,450
2.2	Direct claim liability current year.....	2,756,224	7,976,675	4,216,471				14,949,371
2.3	Direct claim liability prior year.....	2,471,093	7,151,488	3,780,277				13,402,858
2.4	Direct claim reserves current year.....							
2.5	Direct claim reserves prior year.....							
2.6	Direct contract reserves current year.....	1,490,564						1,490,564
2.7	Direct contract reserves prior year.....	644,354						644,354
2.8	Incurred medical incentive pools and bonuses (Lines 2.8a + 2.8b – 2.8c).....	.0	.0	.0	.0	.0	.0	.0
2.8a	Paid medical incentive pools and bonuses current year.....							
2.8b	Accrued medical incentive pools and bonuses current year.....							
2.8c	Accrued medical incentive pools and bonuses prior year.....							
2.9	Net healthcare receivables (Lines 2.9a – 2.9b).....	.0	.0	.0	.0	.0	.0	.0
2.9a	Healthcare receivables current year.....							
2.9b	Healthcare receivables prior year.....							
2.10	Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 + 2.4 – 2.5 + 2.6 – 2.7 + 2.8 – 2.9).....	24,811,255	72,484,723	38,223,194	.0	.0	.0	135,519,173
2.11	Assumed Incurred Claims from non-affiliates.....							
2.12	Net Assumed less Ceded Incurred Claims from affiliates.....	(204,815)	(616,058)	(321,142)				(1,142,015)
2.13	Ceded Incurred Claims to non-affiliates.....							
2.14	Other Adjustments due to MLR calculation – Claims.....							
2.15	Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 – 2.13 + 2.14).....	24,606,440	71,868,665	37,902,052	0	0	0	134,377,158
3.	Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)							

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**SUPPLEMENT FOR THE YEAR 2010 OF THE Wellpath Select, Inc.**

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3**

(To Be Filed by April 1 – Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION Wellpath Select, Inc.

2. LOCATION

NAIC Group Code		BUSINESS IN THE STATE OF		DURING THE YEAR			NAIC Company Code				
1137		North Carolina		2010			95321				
3A All Expenses		Improving Health Care Quality Expenses					Claims Adjustment Expenses				
		1	2	3	4	5	6	7	8	9	10
		Improve Health Outcomes	Activities to Prevent Hospital Readmissions	Improve Patient Safety and Reduce Medical Errors	Wellness & Health Promotion Activities	HIT Expenses	Total (1 to 5)	Cost Containment Expenses	Other Claims Adjustment Expenses	General Administrative Expenses	Total Expenses (6 to 9)
1.	Individual Comprehensive Coverage Expenses:										
1.1	Salaries (including \$ for affiliated services)	56,869	18,071	462	494	74,608	150,504		1,401,331	3,567,592	5,119,427
1.2	Outsourced Services						0			55,407	55,407
1.3	EDP Equipment and Software (incl \$ for affiliated services)						0		258,866	327,301	586,167
1.4	Other Equipment (excl. EDP) (incl \$ for affiliated services)					1,609	1,609		3,406	55,407	60,422
1.5	Accreditation and Certification (incl \$ for affiliated services)		XXX	XXX	XXX	XXX	0			0	0
1.6	Other Expenses (incl \$ for affiliated services)				1,811		1,811		601,043	3,036,240	3,639,094
1.7	Subtotal before Reimbursements and Taxes (1.1 to 1.6)	56,869	18,071	462	2,305	76,217	153,924	0	2,264,646	7,041,947	9,460,517
1.8	Reimbursements by uninsured plans and fiscal intermediaries						0				0
1.9	Taxes, Licenses and Fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	779,093
1.10	Total (1.7 to 1.9)	56,869	18,071	462	2,305	76,217	153,924	0	2,264,646	7,041,947	10,239,610
1.11	Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only)	3,448	522	156	239		4,365				4,365
2.	Small Group Comprehensive Coverage Expenses:										
2.1	Salaries (including \$ for affiliated services)	75,798	24,086	616	659	99,442	200,601		1,867,776	6,433,611	8,501,988
2.2	Outsourced Services						0			99,918	99,918
2.3	EDP Equipment and Software (incl \$ for affiliated services)						0		345,032	590,238	935,270
2.4	Other Equipment (excl. EDP) (incl \$ for affiliated services)					2,144	2,144		4,540	99,918	106,602
2.5	Accreditation and Certification (incl \$ for affiliated services)		XXX	XXX	XXX	XXX	0			0	0
2.6	Other Expenses (incl \$ for affiliated services)				2,413		2,413		801,105	5,475,398	6,278,916
2.7	Subtotal before Reimbursements and Taxes (2.1 to 2.6)	75,798	24,086	616	3,072	101,586	205,158	0	3,018,453	12,699,083	15,922,694
2.8	Reimbursements by uninsured plans and fiscal intermediaries						0				0
2.9	Taxes, Licenses and Fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,887,716
2.10	Total (2.7 to 2.9)	75,798	24,086	616	3,072	101,586	205,158	0	3,018,453	12,699,083	18,810,410
2.11	Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only)	4,596	696	208	318		5,818				5,818
3.	Large Group Comprehensive Coverage Expenses:										
3.1	Salaries (including \$ for affiliated services)	40,080	12,736	326	348	52,582	106,072		987,625	3,202,680	4,296,377
3.2	Outsourced Services						0			49,740	49,740
3.3	EDP Equipment and Software (incl \$ for affiliated services)						0		182,443	293,823	476,266
3.4	Other Equipment (excl. EDP) (incl \$ for affiliated services)					1,134	1,134		2,400	49,740	53,274
3.5	Accreditation and Certification (incl \$ for affiliated services)		XXX	XXX	XXX	XXX	0			0	0
3.6	Other Expenses (incl \$ for affiliated services)				1,276		1,276		423,601	2,725,678	3,150,555
3.7	Subtotal before Reimbursements and Taxes (3.1 to 3.6)	40,080	12,736	326	1,624	53,716	108,482	0	1,596,069	6,321,661	8,026,212
3.8	Reimbursements by uninsured plans and fiscal intermediaries						0				0
3.9	Taxes, Licenses and Fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,505,325
3.10	Total (3.7 to 3.9)	40,080	12,736	326	1,624	53,716	108,482	0	1,596,069	6,321,661	9,531,537
3.11	Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only)	2,430	368	110	168		3,076				3,076

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3B Quality Improvement Expenses Only		Improving Health Care Quality Expenses				
		1	2	3	4	5
		Improve Health Outcomes	Activities to Prevent Hospital Readmissions	Improve Patient Safety and Reduce Medical Errors	Wellness & Health Promotion Activities	Total (1 to 4)
1.	Individual Comprehensive Coverage Expenses:					
1.1	HIT expenses	60,202	9,115	2,729	4,169	76,215
1.2	Other than HIT expenses	56,869	18,071	462	2,305	77,707
2.	Small Group Comprehensive Coverage Expenses:					
2.1	HIT expenses	80,241	12,149	3,638	5,557	101,585
2.2	Other than HIT expenses	75,798	24,086	616	3,072	103,572
3.	Large Group Comprehensive Coverage Expenses:					
3.1	HIT Expenses	42,429	6,424	1,924	2,938	53,715
3.2	Other than HIT expenses	40,080	12,736	326	1,628	54,770
4.	Subtotals/Totals:					
4.1	Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1)	182,872	27,688	8,291	12,664	231,515
4.2	Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2)	172,747	54,893	1,404	7,005	236,049
4.3	Total (Lines 4.1 + 4.2)	355,619	82,581	9,695	19,669	467,564