

**2010 SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION
 REPORT - DESCRIPTION OF ALLOCATION METHODOLOGY - 217
 66087 - Mid West Natl Life Ins Co Of TN**

Line	Explanation
01 Description of allocation methodology	All Quality Improvement expenses included in Part 3 were recorded in column 3 "Improve Patient Safety and Reduce Medical Errors." We believe the criteria for column 3 most applies to the Company's quality improvement initiatives. These expenses were allocated to each state based on the amount of paid claims for each state as a percentage of total paid claims.

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**2010 SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION
 REPORT - DESC OF QUALITY IMPROVEMENT EXPENSES - 217
 66087 - Mid West Natl Life Ins Co Of TN**

	Line	Expense Type from Part 3	New	Detailed Description of Expense
03.0001	Improve Patient Safety and Reduce Medical Errors:			<p>The Company uses several vendors to handle certain chemotherapy and transplant cases as well as accrediting certain transplant facilities. These vendors provide services to the patient such as validation and monitoring the treatment plans. Certain costs are incurred to monitor quality of care issues and report and track trends for any issues. Further investigations may be completed if necessary. Additionally, costs are incurred to monitor and review clinical quality of facilities such as readmission and infection monitoring.</p>

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 - 216
66087 - Mid West Natl Life Ins Co Of TN
for Louisiana

	Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Subtotal (Cols 1 thru 6)	Uninsured Plans	Total (Cols 7 + 8)
01.1	Health premiums earned (from Part 2, Line 1.8) (premium)	LA	4,406,070	0	0	0	158,258	79,586	4,643,914		4,643,914
01.10	Other adjustments due to MLR calculations - premiums (premium)	LA	0	0	0	0	0	0	0		0
01.11	Risk revenue (premium)	LA	0	0	0	0	0	0	0		0
01.12	Net adjusted premiums earned after reinsurance (Lines 1.8+1.9+1.10+1.11) (premium)	LA	3,942,175	0	0	0	119,837	63,350	4,125,362		4,125,362
01.2	Federal high risk pools (premium)	LA	0	0	0	0	0	0	0		0
01.3	State high risk pools (premium)	LA	0	0	0	0	0	0	0		0
01.4	Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) (premium)	LA	4,406,070	0	0	0	158,258	79,586	4,643,914		4,643,914
01.5	Federal taxes and federal assessments (premium)	LA	370,481	0	0	0	33,597	14,561	418,638	0	418,638
01.6	State insurance, premium and other taxes (similar local taxes of \$0) (premium)	LA	92,354	0	0	0	3,290	1,656	97,300	0	97,300
01.7	Regulatory authority licenses and fees (premium)	LA	1,060	0	0	0	38	19	1,117	0	1,117
01.8	Adjusted premiums earned (Lines 1.4 - 1.5 - 1.6 - 1.7) (premium)	LA	3,942,175	0	0	0	121,333	63,350	4,126,859		4,126,859
01.9	Net assumed less ceded reinsurance premiums earned (premium)	LA	0	0	0	0	-1,497	0	-1,497		-1,497
02.1	Incurred claims excluding prescription drugs (claims)	LA	2,181,986	0	0	0	19,766	13,401	2,215,153		2,215,153
02.2	Prescription drugs (claims)	LA	176,301	0	0	0	0	0	176,301		176,301
02.3	Pharmaceutical rebates (claims)	LA	28,488	0	0	0	0	0	28,488		28,488
02.4	State stop loss, market stabilization and claim/census based assessments (claims)	LA	0	0	0	0	0	0	0		0

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03	Incurred medical incentive pools and bonuses	LA	0	0	0	0	0	0	0	0	0
04	Deductible fraud and abuse detection/recovery expenses (for MLR use only)	LA	34,057	0	0	0	381	287	34,725	0	34,725
05.0	Total incurred claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10)	LA	2,329,799	0	0	0	19,766	13,401	2,362,966		2,362,966
05.1	Net assumed less ceded reinsurance claims incurred	LA	0	0	0	0	-1,723	0	-1,723		-1,723
05.2	Other adjustments due to MLR calculations - claims	LA	0	0	0	0	0	0	0		0
05.3	Rebates paid	LA	0	0	0	0	0	0	0		0
05.4	Estimated rebates unpaid prior year	LA	0	0	0	0	0	0	0		0
05.5	Estimated rebates unpaid current year	LA	0	0	0	0	0	0	0		0
05.6	Fee for service and co-pay revenue	LA	0	0	0	0	0	0	0		0
05.7	Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6)	LA	2,329,799	0	0	0	18,043	13,401	2,361,243		2,361,243
06.1	Type A. Expenses for health improvements other than Health Information Technology (Improving health care quality expenses incurred)	LA	3,588	0	0	0	0	0	3,588	0	3,588
06.2	Type B. Health Information Technology expenses related to health improvement (improving health care quality expenses incurred)	LA	0	0	0	0	0	0	0	0	0
06.3	Total of defined expenses incurred for improving health care quality (Lines 6.1 + 6.2)	LA	3,588	0	0	0	0	0	3,588	0	3,588
07	Preliminary medical loss ratio: MLR (Lines 4 + 5.0 + 6.3)/Line 1.8	LA	1	0	0						
08.1	Cost containment expenses not included in quality of care expenses in Line 6.3 (claims adjustment expenses)	LA	110,652	0	0	0	196	459	111,307	0	111,307

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08.2	All other claims adjustment expenses (claims adjustment expenses)	LA	125,077	0	0	0	2	65	125,144	0	125,144
08.3	Total claims adjustment expenses (Lines 8.1 + 8.2)	LA	235,729	0	0	0	198	524	236,451	0	236,451
09	Claims adjustment expense ratio (Line 8.3 divided by Line 1.8)	LA	0	0	0	0	0	0			
10.1	Direct sales salaries and benefits (general and administrative expenses)	LA	0	0	0	0	0	0	0	0	0
10.2	Agents and brokers fees and commissions (general and administrative expenses)	LA	365,235	0	0	0	13,011	6,549	384,795	0	384,795
10.3	Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) (general and administrative expenses)	LA	0	0	0	0	0	0	0	0	0
10.4	Other general and administrative expenses (general and administrative expenses)	LA	247,851	0	0	0	19,667	13,007	280,525	0	280,525
10.5	Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	LA	613,086	0	0	0	32,678	19,556	665,320	0	665,320
11	Underwriting gain/(loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5)	LA	759,973	0	0	0	68,918	29,869	858,760		858,760
12	Income from fees of uninsured plans	LA								0	0
13	Net investment and other gain/(loss)	LA							101,943		101,943
14	Federal income taxes (excluding taxes on Line 1.5 above)	LA	30,822	0	0	0	642	1,945	33,409	0	33,409
15	Net gain or (loss) (Lines 11 + 12 + 13 - 14)	LA							927,294		927,294
16	ICD-10 implementation expenses (informational only; already included in general expenses)	LA	0	0	0	0	0	0	0	0	0

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**2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 - OTHER
INDICATORS - 216**

**66087 - Mid West Natl Life Ins Co Of TN
for Louisiana**

Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Subtotal (Cols 1 thru 6)	Uninsured Plans	Total (Cols 7 + 8)
01	LA	932	0	0	0	549	336	1,817	0	1,817
02	LA	1,678	0	0	0	879	617	3,174	0	3,174
03	LA		0	0	0	0	0	0	0	0
04	LA	23,489	0	0	0	12,224	8,034	43,747	0	43,747

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2 - 216
66087 - Mid West Natl Life Ins Co Of TN
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	Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Total
01.1	Direct premiums written (health premiums earned)	LA	4,342,901	0	0	0	156,210	77,868	4,576,979
01.10	Net assumed less ceded premiums earned from affiliates (health premiums earned)	LA	0	0	0	0	0	0	0
01.11	Ceded premiums earned to non-affiliates (health premiums earned)	LA	0	0	0	0	1,497	0	1,497
01.12	Other adjustments due to MLR calculation - premiums (health premiums earned)	LA	0	0	0	0	0	0	0
01.13	Net premiums earned (Lines 1.8 + 1.9 + 1.10 - 1.11 - 1.12)	LA	4,406,070	0	0	0	156,761	79,586	4,642,417
01.2	Unearned premium prior year (health premiums earned)	LA	236,101	0	0	0	7,116	4,117	247,334
01.3	Unearned premium current year (health premiums earned)	LA	172,932	0	0	0	5,068	2,399	180,399
01.4	Change in unearned premium (Lines 1.2 - 1.3) (health premiums earned)	LA	63,169	0	0	0	2,048	1,718	66,935
01.5	Reserve for rate credits prior year (health premiums earned)	LA							
01.6	Reserve for rate credits current year (health premiums earned)	LA							
01.7	Change in reserve for rate credits (Lines 1.5 - 1.6) (health premiums earned)	LA							
01.8	Total direct premiums earned (Lines 1.1 + 1.4 less \$0 write offs) (health premiums earned)	LA	4,406,070	0	0	0	158,258	79,586	4,643,914
01.9	Assumed premiums earned from non-affiliates (health premiums earned)	LA	0	0	0	0	0	0	0
02.1	Paid claims during the year (direct claims incurred)	LA	2,736,230	0	0	0	32,339	23,058	2,791,627
02.10	Total incurred claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 - 2.9)	LA	2,329,608	0	0	0	19,767	13,401	2,362,776
02.11	Assumed incurred claims from non-affiliates (direct claims incurred)	LA	0	0	0	0	0	0	0
02.12	Net assumed less ceded incurred claims from affiliates (direct claims incurred)	LA	0	0	0	0	0	0	0
02.13	Ceded incurred claims to non-affiliates (direct claims incurred)	LA	0	0	0	0	1,723	0	1,723
02.14	Other adjustments due to MLR calculation - claims (direct claims incurred)	LA	0	0	0	0	0	0	0
02.15	Net incurred claims (Lines 2.10 + 2.11 + 2.12 - 2.13 - 2.14)	LA	2,329,608	0	0	0	18,044	13,401	2,361,053
02.2	Direct claim liability current year (direct claims incurred)	LA	776,278	0	0	0	12,330	1,729	790,337
02.3	Direct claim liability prior year (direct claims incurred)	LA	1,181,379	0	0	0	24,902	5,792	1,212,073
02.4	Direct claim reserves current year (direct claims incurred)	LA	0	0	0	0	0	0	0
02.5	Direct claim reserves prior year (direct claims incurred)	LA	0	0	0	0	0	0	0
02.6	Direct contract reserves current year (direct claims incurred)	LA	1,324	0	0	0	0	64,981	66,305

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02.7	Direct contract reserves prior year (direct claims incurred)	LA	2,845	0	0	0	0	70,575	73,420
02.8	Incurred medical incentive pools and bonuses (Lines 2.8A + 2.8B - 2.8C) (direct claims incurred)	LA	0	0	0	0	0	0	0
02.8A	Paid medical incentive pools and bonuses current year	LA	0	0	0	0	0	0	0
02.8B	Accrued medical incentive pools and bonuses current year	LA	0	0	0	0	0	0	0
02.8C	Accrued medical incentive pools and bonuses prior year	LA	0	0	0	0	0	0	0
02.9	Net healthcare receivables (Lines 2.9A - 2.9B) (direct claims incurred)	LA	0	0	0	0	0	0	0
02.9A	Healthcare receivables current year	LA	0	0	0	0	0	0	0
02.9B	Healthcare receivables prior year	LA	0	0	0	0	0	0	0
03	Fraud and abuse recoveries that reduced PAID claims in Line 2.1 above (informational only)	LA	134,214	0	0	0	1,502	1,131	136,847

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3A - 216
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	comprehensive coverage expenses)																			
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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3B - 216
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	Line	State Code	Improve Health Outcomes	Activities to Prevent Hospital Readmissions	Improve Patient Safety and Reduce Medical Errors	Wellness and Health Promotion Activities	Total (Cols. 1 to 4)
01.1	HIT expenses (individual comprehensive coverage expenses)	LA	0	0	0	0	0
01.2	Other than HIT expenses (individual comprehensive coverage expenses)	LA	0	0	3,588	0	3,588
02.1	HIT expenses (small group comprehensive coverage expenses)	LA	0	0	0	0	0
02.2	Other than HIT expenses (small group comprehensive coverage expenses)	LA	0	0	0	0	0
03.1	HIT expenses (large group comprehensive coverage expenses)	LA	0	0	0	0	0
03.2	Other than HIT expenses (large group comprehensive coverage expenses)	LA	0	0	0	0	0
04.1	Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1)	LA	0	0	0	0	0
04.2	Subtotal other than HIT expenses (Lines 1.2 + 2.2 + 3.2)	LA	0	0	3,588	0	3,588
04.3	Total (Lines 4.1 + 4.2)	LA	0	0	3,588	0	3,588

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