Supplement for the year 2010 of the **AETNA LIFE INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: AETNA LIFE INSURANCE COMPANY 2. LOCATION: Hartford CT

NAIC Group Code.....0001 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....60054

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 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) |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 20,043,124 | 23,583,856 | 490,183,342 | 188,864,714 | 30,296,267 | 191,587,882 | 944,559,185 | XXX | 944,559,185 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | (53,765) | (13,112) | (1,372,062) | | (131,101) | (70,053) | (1,640,093) | XXX | (1,640,093) |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1+1.2+1.3) | 19,989,359 | 23,570,743 | 488,811,281 | 188,864,714 | 30,165,166 | 191,517,829 | 942,919,092 | XXX | 942,919,092 |
| 1.5 Federal taxes and federal assessments | 1,257,279 | 651,418 | (3,111,141) | 4,526,065 | (128,270) | 16,058,301 | 19,253,652 | | 19,253,652 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $....861,627) | 340,904 | 606,571 | 9,348,396 | 181,393 | 741,882 | 1,383,795 | 12,582,941 | | 12,582,941 |
| 1.7 Regulatory authority licenses and fees | 35,859 | 70,555 | 779,759 | 70,435 | 154,246 | 241,396 | 1,352,250 | | 1,352,250 |
| 1.8 Adjusted premiums earned (Lines 1.4-1.5-1.6-1.7) | 18,355,316 | 22,242,199 | 481,794,267 | 184,086,821 | 29,397,309 | 173,854,337 | 909,730,249 | XXX | 909,730,249 |
| 1.9 Net assumed less ceded reinsurance premiums earned | (4,167,540) | (4,220,126) | (90,205,741) | 0 | (1,713,012) | (1,671,273) | (101,977,691) | XXX | (101,977,691) |
| 1.10 Other adjustments due to MLR calculations - premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.11 Risk revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (lines 1.8+1.9+1.10+1.11) | 14,187,776 | 18,022,073 | 391,588,526 | 184,086,821 | 27,684,297 | 172,183,064 | 807,752,557 | XXX | 807,752,557 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 13,705,277 | 16,629,077 | 370,539,900 | 135,587,262 | 27,202,909 | 131,453,682 | 695,118,107 | XXX | 695,118,107 |
| 2.2 Prescription drugs | 1,447,588 | 4,470,522 | 75,020,169 | 32,354,052 | 609,256 | 1,398,329 | 115,299,916 | XXX | 115,299,916 |
| 2.3 Pharmaceutical rebates | 177,956 | 472,638 | 9,152,902 | 5,952,542 | 44,783 | 159,940 | 15,960,761 | XXX | 15,960,761 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | (421) | (24,521) | (1,422,684) | | (93) | (94,235) | (1,541,954) | XXX | (1,541,954) |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible fraud and abuse detection/recovery expenses (for MLR use only) | 0 | 1,587 | 32,643 | | | | 34,230 | | 34,230 |
| 5. 5.0 Total incurred claims (Lines 2.1+2.2-2.3-2.4+3) (From Part 2, Line 2.10) | 14,975,331 | 20,651,482 | 437,829,850 | 161,988,773 | 27,767,474 | 132,786,307 | 795,999,216 | XXX | 795,999,216 |
| 5.1 Net assumed less ceded reinsurance claims incurred | (3,896,939) | (4,263,832) | (86,334,288) | 0 | (2,241,026) | (967,702) | (97,703,786) | XXX | (97,703,786) |
| 5.2 Other adjustments due to MLR calculations - claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6) | 11,078,392 | 16,387,649 | 351,495,563 | 161,988,773 | 25,526,449 | 131,818,605 | 698,295,431 | XXX | 698,295,431 |
| 6. Improving health care quality expenses incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than health information technology | 63,558 | 203,090 | 4,123,272 | 1,506,316 | 18,607 | 31,260 | 5,946,102 | | 5,946,102 |
| 6.2 Type B. Health information technology expenses related to health improvement | 4,170 | 8,576 | 226,317 | 57,085 | 528 | 2,889 | 299,565 | | 299,565 |
| 6.3 Total of defined expenses incurred for improving health care quality (Lines 6.1+6.2) | 67,728 | 211,666 | 4,349,589 | 1,563,400 | 19,135 | 34,149 | 6,245,667 | 0 | 6,245,667 |
| 7. Preliminary medical loss ratio: MLR (Lines 4+5.0+6.3) / Line 1.8 | 0.820 | 0.938 | 0.918 | 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 | 184,573 | 78,845 | 1,639,920 | 744,369 | 376,460 | 2,303,755 | 5,327,922 | | 5,327,922 |
| 8.2 All other claims adjustment expenses | 265,094 | 305,241 | 6,293,207 | 2,424,785 | 415,653 | 2,456,447 | 12,160,428 | | 12,160,428 |
| 8.3 Total claims adjustment expenses (Lines 8.1+8.2) | 449,667 | 384,086 | 7,933,126 | 3,169,154 | 792,114 | 4,760,203 | 17,488,350 | 0 | 17,488,350 |
| 9. Claims adjustment expense ratio (Line 8.3 / Line 1.8) | 0.024 | 0.017 | 0.016 | 0.017 | 0.027 | 0.027 | XXX | XXX | XXX |
| 10. General and administrative (G&A) expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | 56,039 | 64,525 | 1,330,330 | 512,579 | 87,866 | 519,272 | 2,570,610 | | 2,570,610 |
| 10.2 Agents and brokers fees and commissions | 414,137 | 476,856 | 9,831,415 | 3,788,064 | 649,345 | 3,837,527 | 18,997,343 | | 18,997,343 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 579 | 666 | 13,741 | 5,294 | 908 | 5,364 | 26,552 | | 26,552 |
| 10.4 Other general and administrative expenses | 1,074,761 | 1,237,527 | 25,514,295 | 9,830,709 | 1,685,167 | 9,959,076 | 49,301,535 | | 49,301,535 |
| 10.5 Total general and administrative (Lines 10.1+10.2+10.3+10.4) | 1,545,515 | 1,779,575 | 36,689,780 | 14,136,646 | 2,423,285 | 14,321,238 | 70,896,040 | 0 | 70,896,040 |
| 11. Underwriting gain/(loss) (Lines 1.12-5.7-6.3-8.3-10.5) | 1,046,474 | (740,904) | (8,879,533) | 3,226,848 | (1,076,685) | 21,248,870 | 14,827,070 | XXX | 14,827,070 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 12,329,485 | XXX | 12,329,485 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | | | | | 2,471,627 | | 2,471,627 | | 2,471,627 |
| 15. Net gain or (loss) (Lines 11+12+13-14) | XXX | XXX | XXX | XXX | XXX | XXX | 24,684,928 | XXX | 24,684,928 |
| 16. ICD-10 Implementation Expenses (informational only, already included in general expenses) | 53,337 | 61,414 | 1,266,191 | 487,866 | 83,629 | 494,236 | 2,446,674 | | 2,446,674 |
| **OTHER INDICATORS:** | | | | | | | | | |
| 1. Number of certificates/policies | 4,195 | 1,811 | 74,066 | 25,270 | 62,893 | 429,228 | 597,463 | | 597,463 |
| 2. Number of covered lives | 5,789 | 3,330 | 121,468 | 25,774 | 123,714 | 518,964 | 799,039 | | 799,039 |
| 3. Number of groups | XXX | 823 | 151 | 341 | 1,037 | 3,611 | 5,963 | | 5,963 |
| 4. Member months | 63,682 | 41,923 | 1,579,231 | 312,977 | 1,467,864 | 6,537,934 | 10,003,611 | | 10,003,611 |

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: AETNA LIFE INSURANCE COMPANY 2. LOCATION: Hartford CT

NAIC Group Code.....0001 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....60054

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1<br>Individual | 2<br>Small Group Employer | 3<br>Large Group Employer | Government Business (Excluded by Statute) | Other Business (Excluded by Statute) | Other Health | Total |
| 1. Health premiums earned: | | | | | | | |
| 1.1 Direct premiums written | 20,149,876 | 23,689,058 | 488,474,384 | 189,061,910 | 32,262,735 | 191,616,500 | 945,254,464 |
| 1.2 Unearned premium prior year | 578,667 | 81,762 | 1,732,912 | 22,047 | (650,446) | 87,399 | 1,852,341 |
| 1.3 Unearned premium current year | 682,599 | 66,207 | (4,824) | 1,639 | 1,202,930 | 88,651 | 2,037,202 |
| 1.4 Change in unearned premium (Lines 1.2-1.3) | (103,932) | 15,555 | 1,737,736 | 20,408 | (1,853,376) | (1,252) | (184,861) |
| 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+1.7 less $....510,417 write offs) | 20,043,124 | 23,583,856 | 490,183,342 | 188,864,714 | 30,296,267 | 191,587,882 | 944,559,185 |
| 1.9 Assumed premiums earned from non-affiliates | | | | | 58,997 | 8,615 | 67,613 |
| 1.10 Net assumed less ceded premiums earned from affiliates | | | | | | | 0 |
| 1.11 Ceded premiums earned to non-affiliates | 4,167,540 | 4,220,126 | 90,205,741 | | 1,772,009 | 1,679,888 | 102,045,304 |
| 1.12 Other adjustments due to MLR calculation - premiums | | | | | | | 0 |
| 1.13 Net premiums earned (Lines 1.8+1.9+1.10-1.11+1.12) | 15,875,585 | 19,363,730 | 399,977,601 | 188,864,714 | 28,583,255 | 189,916,609 | 842,581,494 |
| 2. Direct claims incurred: | | | | | | | |
| 2.1 Paid claims during the year | 13,772,623 | 21,037,756 | 442,680,185 | 163,611,189 | 26,750,491 | 129,101,803 | 796,954,048 |
| 2.2 Direct claim liability current year | 2,892,964 | 2,480,550 | 52,121,774 | 13,647,390 | 5,527,896 | 11,334,410 | 88,005,004 |
| 2.3 Direct claim liability prior year | 2,427,624 | 2,821,355 | 55,954,240 | 15,480,488 | 4,515,389 | 10,862,823 | 92,061,920 |
| 2.4 Direct claim reserves current year | 129,249 | | 1,460,263 | 691,560 | 216,616 | 67,551,234 | 70,048,921 |
| 2.5 Direct claim reserves prior year | 143,124 | | 1,597,452 | 13,757 | 205,744 | 64,689,293 | 66,649,369 |
| 2.6 Direct contract reserves current year | 4,791,928 | 34,488 | 801,442 | | 17,631 | 3,656,560 | 9,302,048 |
| 2.7 Direct contract reserves prior year | 4,022,464 | 37,168 | 880,237 | | 19,487 | 3,294,454 | 8,253,810 |
| 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 | | | | | | | 0 |
| 2.8b Accrued medical incentive pools and bonuses current year | | | | | | | 0 |
| 2.8c Accrued medical incentive pools and bonuses prior year | | | | | | | 0 |
| 2.9 Net healthcare receivables (Lines 2.9a-2.9b) | 18,242 | 42,789 | 801,884 | 467,122 | 4,538 | 11,131 | 1,345,706 |
| 2.9a Healthcare receivables current year | 18,242 | 42,789 | 801,884 | 467,122 | 4,538 | 11,131 | 1,345,706 |
| 2.9b Healthcare receivables prior year | | | | | | | 0 |
| 2.10 Total incurred claims (Lines 2.1+2.2-2.3+2.4-2.5+2.6-2.7+2.8-2.9) | 14,975,331 | 20,651,482 | 437,829,850 | 161,988,773 | 27,767,474 | 132,786,306 | 795,999,216 |
| 2.11 Assumed incurred claims from non-affiliates | | | | | (11,802) | 106,676 | 94,874 |
| 2.12 Net assumed less ceded incurred claims from affiliates | | | | | | | 0 |
| 2.13 Ceded incurred claims to non-affiliates | 3,896,939 | 4,263,832 | 86,334,288 | | 2,229,224 | 1,074,377 | 97,798,659 |
| 2.14 Other adjustments due to MLR calculation - claims | | | | | | | 0 |
| 2.15 Net incurred claims (Lines 2.10+2.11+2.12-2.13+2.14) | 11,078,392 | 16,387,649 | 351,495,563 | 161,988,773 | 25,526,449 | 131,818,605 | 698,295,431 |
| 3. Fraud and abuse recoveries that reduced PAID claims in Line 2.1 above (informational only) | | 53,139 | 739,568 | | 124,032 | 16,568 | 933,306 |

Supplement for the year 2010 of the **AETNA LIFE INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: AETNA LIFE INSURANCE COMPANY 2. LOCATION: Hartford CT

NAIC Group Code.....0001 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....60054

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | 40,534 | 3,638 | 1,846 | 4,171 | 3,293 | 53,483 | 145,751 | 209,337 | 769,038 | 1,177,610 |
| 1.2 Outsourced services | 5,825 | 523 | 265 | 599 | 473 | 7,686 | 20,947 | 30,085 | 379,362 | 438,080 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | 1 | 0 | 0 | 0 | 0 | 2 | 5 | 7 | 107,210 | 107,224 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 1,309 | 118 | 60 | 135 | 106 | 1,727 | 4,707 | 6,761 | (17,463) | (4,268) |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | 21 | XXX | XXX | XXX | XXX | 21 | 56 | 81 | 2,568 | 2,725 |
| 1.6 Other expenses (including $.....0 for affiliated services) | 3,412 | 306 | 155 | 351 | 279 | 4,504 | 12,274 | 17,629 | 304,220 | 338,628 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 51,102 | 4,585 | 2,327 | 5,257 | 4,152 | 67,423 | 183,741 | 263,899 | 1,544,936 | 2,059,999 |
| 1.8 Reimbursements by uninsured plans and fiscal intermediaries | 231 | 21 | 11 | 24 | 19 | 305 | 832 | 1,195 | | 2,333 |
| 1.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 579 |
| 1.10 Total (Lines 1.7 to 1.9) | 51,334 | 4,606 | 2,337 | 5,281 | 4,171 | 67,728 | 184,573 | 265,094 | 1,544,936 | 2,062,911 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 1,375 | | | 1,375 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | 125,165 | 10,569 | 11,116 | 13,524 | 6,772 | 167,146 | 62,262 | 241,040 | 885,505 | 1,355,952 |
| 2.2 Outsourced services | 17,988 | 1,519 | 1,598 | 1,944 | 973 | 24,021 | 8,948 | 34,641 | 436,815 | 504,425 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | 4 | 0 | 0 | 0 | 0 | 6 | 2 | 8 | 123,447 | 123,463 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 4,042 | 341 | 359 | 437 | 219 | 5,398 | 2,011 | 7,785 | (20,108) | (4,915) |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | 64 | XXX | XXX | XXX | XXX | 64 | 24 | 93 | 2,957 | 3,138 |
| 2.6 Other expenses (including $.....0 for affiliated services) | 10,538 | 890 | 936 | 1,139 | 573 | 14,076 | 5,243 | 20,299 | 350,293 | 389,911 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 157,801 | 13,320 | 14,010 | 17,043 | 8,537 | 210,711 | 78,490 | 303,865 | 1,778,909 | 2,371,975 |
| 2.8 Reimbursements by uninsured plans and fiscal intermediaries | 715 | 60 | 63 | 77 | 39 | 954 | 355 | 1,376 | | 2,686 |
| 2.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 666 |
| 2.10 Total (Lines 2.7 to 2.9) | 158,516 | 13,380 | 14,073 | 17,121 | 8,576 | 211,666 | 78,845 | 305,241 | 1,778,909 | 2,375,327 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 1,587 | | | 1,587 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | 2,620,763 | 215,876 | 202,005 | 217,378 | 178,715 | 3,434,737 | 1,294,994 | 4,969,553 | 18,256,594 | 27,955,879 |
| 3.2 Outsourced services | 376,645 | 31,025 | 29,031 | 31,241 | 25,684 | 493,625 | 186,111 | 714,202 | 9,005,880 | 10,399,818 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | 88 | 7 | 7 | 7 | 6 | 115 | 43 | 166 | 2,545,123 | 2,545,448 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 84,639 | 6,972 | 6,524 | 7,020 | 5,772 | 110,927 | 41,823 | 160,494 | (414,567) | (101,323) |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | 1,321 | XXX | XXX | XXX | XXX | 1,321 | 496 | 1,912 | 60,962 | 64,693 |
| 3.6 Other expenses (including $.....0 for affiliated services) | 220,636 | 18,180 | 17,012 | 18,306 | 15,119 | 289,252 | 109,056 | 418,505 | 7,222,047 | 8,038,860 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 3,304,091 | 272,059 | 254,579 | 273,952 | 225,296 | 4,329,978 | 1,632,526 | 6,264,832 | 36,676,039 | 48,903,375 |
| 3.8 Reimbursements by uninsured plans and fiscal intermediaries | 14,964 | 1,233 | 1,153 | 1,241 | 1,020 | 19,611 | 7,394 | 28,374 | | 55,379 |
| 3.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 13,741 |
| 3.10 Total (Lines 3.7 to 3.9) | 3,319,055 | 273,292 | 255,732 | 275,193 | 226,316 | 4,349,589 | 1,639,920 | 6,293,207 | 36,676,039 | 48,972,495 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 32,643 | | | 32,643 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | 3,368 | 302 | 153 | 347 | 4,170 |
| 1.2 Other than HIT expenses | 51,334 | 4,606 | 2,337 | 5,281 | 63,558 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | 6,694 | 565 | 594 | 723 | 8,576 |
| 2.2 Other than HIT expenses | 158,516 | 13,380 | 14,073 | 17,121 | 203,090 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | 182,175 | 15,000 | 14,037 | 15,105 | 226,317 |
| 3.2 Other than HI expenses | 3,319,055 | 273,292 | 255,732 | 275,193 | 4,123,272 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 192,237 | 15,867 | 14,784 | 16,175 | 239,063 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 3,528,905 | 291,278 | 272,142 | 297,595 | 4,389,920 |
| 4.3 Total (Lines 4.1+4.2) | 3,721,142 | 307,145 | 286,926 | 313,770 | 4,628,983 |

Supplement for the year 2010 of the **AETNA LIFE INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: AETNA LIFE INSURANCE COMPANY 2. LOCATION: Hartford CT

NAIC Group Code.....0001 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....60054

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | 40,534 | 3,638 | 1,846 | 4,171 | 3,293 | 53,483 | 145,751 | 209,337 | 769,038 | 1,177,610 |
| 1.2 Outsourced services | 5,825 | 523 | 265 | 599 | 473 | 7,686 | 20,947 | 30,085 | 379,362 | 438,080 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | 1 | 0 | 0 | 0 | 0 | 2 | 5 | 7 | 107,210 | 107,224 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 1,309 | 118 | 60 | 135 | 106 | 1,727 | 4,707 | 6,761 | (17,463) | (4,268) |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | 21 | XXX | XXX | XXX | XXX | 21 | 56 | 81 | 2,568 | 2,725 |
| 1.6 Other expenses (including $.....0 for affiliated services) | 3,412 | 306 | 155 | 351 | 279 | 4,504 | 12,274 | 17,629 | 304,220 | 338,628 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 51,102 | 4,585 | 2,327 | 5,257 | 4,152 | 67,423 | 183,741 | 263,899 | 1,544,936 | 2,059,999 |
| 1.8 Reimbursements by uninsured plans and fiscal intermediaries | 231 | 21 | 11 | 24 | 19 | 305 | 832 | 1,195 | | 2,333 |
| 1.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 579 |
| 1.10 Total (Lines 1.7 to 1.9) | 51,334 | 4,606 | 2,337 | 5,281 | 4,171 | 67,728 | 184,573 | 265,094 | 1,544,936 | 2,062,911 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 1,375 | | | 1,375 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | 125,165 | 10,569 | 11,116 | 13,524 | 6,772 | 167,146 | 62,262 | 241,040 | 885,505 | 1,355,952 |
| 2.2 Outsourced services | 17,988 | 1,519 | 1,598 | 1,944 | 973 | 24,021 | 8,948 | 34,641 | 436,815 | 504,425 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | 4 | 0 | 0 | 0 | 0 | 6 | 2 | 8 | 123,447 | 123,463 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 4,042 | 341 | 359 | 437 | 219 | 5,398 | 2,011 | 7,785 | (20,108) | (4,915) |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | 64 | XXX | XXX | XXX | XXX | 64 | 24 | 93 | 2,957 | 3,138 |
| 2.6 Other expenses (including $.....0 for affiliated services) | 10,538 | 890 | 936 | 1,139 | 573 | 14,076 | 5,243 | 20,299 | 350,293 | 389,911 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 157,801 | 13,320 | 14,010 | 17,043 | 8,537 | 210,711 | 78,490 | 303,865 | 1,778,909 | 2,371,975 |
| 2.8 Reimbursements by uninsured plans and fiscal intermediaries | 715 | 60 | 63 | 77 | 39 | 954 | 355 | 1,376 | | 2,686 |
| 2.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 666 |
| 2.10 Total (Lines 2.7 to 2.9) | 158,516 | 13,380 | 14,073 | 17,121 | 8,576 | 211,666 | 78,845 | 305,241 | 1,778,909 | 2,375,327 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 1,587 | | | 1,587 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | 2,620,763 | 215,876 | 202,005 | 217,378 | 178,715 | 3,434,737 | 1,294,994 | 4,969,553 | 18,256,594 | 27,955,879 |
| 3.2 Outsourced services | 376,645 | 31,025 | 29,031 | 31,241 | 25,684 | 493,625 | 186,111 | 714,202 | 9,005,880 | 10,399,818 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | 88 | 7 | 7 | 7 | 6 | 115 | 43 | 166 | 2,545,123 | 2,545,448 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | 84,639 | 6,972 | 6,524 | 7,020 | 5,772 | 110,927 | 41,823 | 160,494 | (414,567) | (101,323) |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | 1,321 | XXX | XXX | XXX | XXX | 1,321 | 498 | 1,912 | 60,962 | 64,693 |
| 3.6 Other expenses (including $.....0 for affiliated services) | 220,636 | 18,180 | 17,012 | 18,306 | 15,119 | 289,252 | 109,056 | 418,505 | 7,222,047 | 8,038,860 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 3,304,091 | 272,059 | 254,579 | 273,952 | 225,296 | 4,329,978 | 1,632,526 | 6,264,832 | 36,678,039 | 48,903,375 |
| 3.8 Reimbursements by uninsured plans and fiscal intermediaries | 14,964 | 1,233 | 1,153 | 1,241 | 1,020 | 19,611 | 7,394 | 28,374 | | 55,379 |
| 3.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 13,741 |
| 3.10 Total (Lines 3.7 to 3.9) | 3,319,055 | 273,292 | 255,732 | 275,193 | 226,316 | 4,349,589 | 1,639,920 | 6,293,207 | 36,678,039 | 48,972,495 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 32,643 | | | 32,643 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | 3,368 | 302 | 153 | 347 | 4,170 |
| 1.2 Other than HIT expenses | 51,334 | 4,606 | 2,337 | 5,281 | 63,558 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | 6,694 | 565 | 594 | 723 | 8,576 |
| 2.2 Other than HIT expenses | 158,516 | 13,380 | 14,073 | 17,121 | 203,090 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | 182,175 | 15,000 | 14,037 | 15,105 | 226,317 |
| 3.2 Other than HI expenses | 3,319,055 | 273,292 | 255,732 | 275,193 | 4,123,272 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 192,237 | 15,867 | 14,784 | 16,175 | 239,063 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 3,528,905 | 291,278 | 272,142 | 297,595 | 4,389,920 |
| 4.3 Total (Lines 4.1+4.2) | 3,721,142 | 307,145 | 286,926 | 313,770 | 4,628,983 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE AMERICAN REPUBLIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION AMERICAN REPUBLIC INSURANCE COMPANY 2. LOCATION

NAIC Group Code 03527 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 60836

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by Statute) | Other Health | Subtotal (Cols 1 thru 6) | Uninsured Plans | Total (7 + 8) |
| 1. | Premium: | | | | | | | | | |
| | 1.1 Health premiums earned (From Part 2, Line 1.8) | 10,029,294 | 0 | 0 | 0 | 125,162 | 15,907 | 10,170,363 | XXX | 10,170,363 |
| | 1.2 Federal high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.3 State high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 10,029,294 | 0 | 0 | 0 | 125,162 | 15,907 | 10,170,363 | XXX | 10,170,363 |
| | 1.5 Federal taxes and federal assessments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 215,760 | 0 | 0 | 0 | 2,693 | 342 | 218,795 | 0 | 218,795 |
| | 1.7 Regulatory authority licenses and fees | 2,120 | 0 | 0 | 0 | 26 | 3 | 2,150 | 0 | 2,150 |
| | 1.8 Adjusted Premiums Earned (Lines 1.4 – 1.5 – 1.6 – 1.7) | 9,811,414 | 0 | 0 | 0 | 122,443 | 15,561 | 9,949,417 | XXX | 9,949,417 |
| | 1.9 Net Assumed less Ceded reinsurance premiums earned | 36 | 0 | 0 | 0 | 0 | (17,740) | (17,703) | XXX | (17,704) |
| | 1.10 Other Adjustments due to MLR calculations – Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.11 Risk Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 9,811,450 | 0 | 0 | 0 | 122,443 | (2,179) | 9,931,714 | XXX | 9,931,714 |
| 2. | Claims: | | | | | | | | | |
| | 2.1 Incurred claims excluding prescription drugs | 4,770,753 | 0 | 0 | 0 | 74,612 | 27,190 | 4,872,555 | XXX | 4,872,555 |
| | 2.2 Prescription drugs | 317,296 | 0 | 0 | 0 | 0 | 0 | 317,296 | XXX | 317,296 |
| | 2.3 Pharmaceutical rebates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 2.4 State stop loss, market stabilization and claim/census based assessments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 3. | Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5. | 5.0 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10) | 5,088,049 | 0 | 0 | 0 | 74,612 | 27,190 | 5,189,851 | XXX | 5,189,851 |
| | 5.1 Net Assumed less Ceded reinsurance claims incurred | (472) | 0 | 0 | 0 | 0 | (31,482) | (31,954) | XXX | (31,954) |
| | 5.2 Other Adjustments due to MLR calculations – Claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.3 Rebates Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.4 Estimated rebates unpaid prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.5 Estimated rebates unpaid current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.6 Fee for service and co-pay revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 5,087,577 | 0 | 0 | 0 | 74,612 | (4,292) | 5,157,898 | XXX | 5,157,898 |
| 6. | Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| | 6.1 Type A Expenses for health improvements other than Health Information Technology | 96,501 | 0 | 0 | 0 | 0 | 0 | 96,501 | 0 | 96,501 |
| | 6.2 Type B Health Information Technology expenses related to health improvement | 122,067 | 0 | 0 | 0 | 0 | 0 | 122,067 | 0 | 122,067 |
| | 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 218,568 | 0 | 0 | 0 | 0 | 0 | 218,568 | 0 | 218,568 |
| 7. | Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 18 | 0.541 | 0.000 | 0.000 | 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 | 576,288 | 0 | 0 | 0 | 0 | 0 | 576,288 | 0 | 576,288 |
| | 8.2 All other claims adjustment expenses | (56,338) | 0 | 0 | 0 | 0 | 0 | (56,338) | 0 | (56,338) |
| | 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 519,950 | 0 | 0 | 0 | 0 | 0 | 519,950 | 0 | 519,950 |
| 9. | Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8) | 0.053 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | XXX | XXX | XXX |
| 10. | General and Administrative (G&A) Expenses: | | | | | | | | | |
| | 10.1 Direct sales salaries and benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 10.2 Agents and brokers fees and commissions | 3,111,006 | 0 | 0 | 0 | 1,470 | 0 | 3,112,476 | 0 | 3,112,476 |
| | 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 10.4 Other general and administrative expenses | 1,464,203 | 0 | 0 | 0 | 19,853 | 3,882 | 1,487,938 | 0 | 1,487,938 |
| | 10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4) | 4,575,208 | 0 | 0 | 0 | 21,323 | 3,882 | 4,600,414 | 0 | 4,600,414 |
| 11. | Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5) | (589,853) | 0 | 0 | 0 | 26,507 | (1,768) | (565,115) | XXX | (565,115) |
| 12. | Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 | 0 |
| 13. | Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 131,413 | XXX | 131,413 |
| 14. | Federal income taxes (excluding taxes on Line 15 above) | 324,774 | 0 | 0 | 0 | 4,053 | 515 | 329,342 | 0 | 329,342 |
| 15. | Net gain or (loss) (Lines 11 + 12 + 13 – 14) | XXX | XXX | XXX | XXX | XXX | XXX | (763,044) | XXX | (763,044) |
| 16. | ICD-10 Implementation Expenses (Informational only; already included in general expenses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | OTHER INDICATORS: | | | | | | | | | |
| 1. | Number of Certificates/Policies | 1,842 | 0 | 0 | 0 | 56 | 150 | 2,048 | 0 | 2,048 |
| 2. | Number of Covered Lives | 3,612 | 0 | 0 | 0 | 59 | 190 | 3,861 | 0 | 3,861 |
| 3. | Number of Groups | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Member Months | 43,589 | 0 | 0 | 0 | 767 | 1,860 | 46,216 | 0 | 46,216 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE AMERICAN REPUBLIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION AMERICAN REPUBLIC INSURANCE COMPANY 2. LOCATION

NAIC Group Code 03527 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 60836

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. | Health Premiums Earned: | | | | | | | |
| | 1.1 Direct premiums written | 9,810,512 | 0 | 0 | 0 | 123,101 | 15,905 | 9,949,518 |
| | 1.2 Unearned premium prior year | 448,731 | 0 | 0 | 0 | 35,145 | 10 | 483,885 |
| | 1.3 Unearned premium current year | 229,948 | 0 | 0 | 0 | 33,084 | 8 | 263,041 |
| | 1.4 Change in unearned premium (Lines 1.2 – 1.3) | 218,783 | 0 | 0 | 0 | 2,061 | 1 | 220,845 |
| | 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) | 10,029,294 | 0 | 0 | 0 | 125,162 | 15,907 | 10,170,363 |
| | 1.9 Assumed premiums earned from non-affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.10 Net Assumed less Ceded premiums earned from affiliates | 36 | 0 | 0 | 0 | 0 | 0 | 36 |
| | 1.11 Ceded premiums earned to non-affiliates | 0 | 0 | 0 | 0 | 0 | 17,740 | 17,740 |
| | 1.12 Net Other Adjustments due to MLR calculation – Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 – 1.12) | 10,029,331 | 0 | 0 | 0 | 125,162 | (1,833) | 10,152,659 |
| 2. | Direct Claims Incurred: | | | | | | | |
| | 2.1 Paid claims during the year | 5,279,314 | 0 | 0 | 0 | 73,197 | 27,190 | 5,379,701 |
| | 2.2 Direct claim liability current year | 292,669 | 0 | 0 | 0 | 4,602 | 0 | 297,271 |
| | 2.3 Direct claim liability prior year | 483,933 | 0 | 0 | 0 | 5,361 | 0 | 489,294 |
| | 2.4 Direct claim reserves current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.5 Direct claim reserves prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.6 Direct contract reserves current year | 0 | 0 | 0 | 0 | 31,060 | 0 | 31,060 |
| | 2.7 Direct contract reserves prior year | 0 | 0 | 0 | 0 | 28,885 | 0 | 28,885 |
| | 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 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.8b Accrued medical incentive pools and bonuses current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.8c Accrued medical incentive pools and bonuses prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9 Net healthcare receivables (Lines 2.9a – 2.9b) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9a Healthcare receivables current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9b Healthcare receivables prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.10 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 + 2.4 – 2.5 + 2.6 – 2.7 + 2.8 – 2.9) | 5,088,049 | 0 | 0 | 0 | 74,612 | 27,190 | 5,189,851 |
| | 2.11 Assumed Incurred Claims from non-affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.12 Net Assumed less Ceded Incurred Claims from affiliates | (472) | 0 | 0 | 0 | 0 | 0 | (472) |
| | 2.13 Ceded Incurred Claims to non-affiliates | 0 | 0 | 0 | 0 | 0 | 31,482 | 31,482 |
| | 2.14 Other Adjustments due to MLR calculation – Claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 – 2.13 – 2.14) | 5,087,577 | 0 | 0 | 0 | 74,612 | (4,292) | 5,157,898 |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE AMERICAN REPUBLIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION AMERICAN REPUBLIC INSURANCE COMPANY 2. LOCATION

NAIC Group Code 03627 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 60836

3A All Expenses

| | | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| 1.1 | Salaries (including $ ..... for affiliated services) | 65,562 | 0 | 0 | 0 | 77,893 | 143,455 | 67,238 | 0 | 767,022 | 977,716 |
| 1.2 | Outsourced Services | 30,939 | 0 | 0 | 0 | 0 | 30,939 | 445,010 | 0 | 76,415 | 552,364 |
| 1.3 | EDP Equipment and Software (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 25,249 | 25,249 | 0 | 0 | 143,987 | 169,236 |
| 1.4 | Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 572 | 572 | 0 | 0 | 5,939 | 6,512 |
| 1.5 | Accreditation and Certification (incl $ ..... for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 7,642 | 7,642 |
| 1.6 | Other Expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 18,344 | 18,344 | 51,471 | (56,338) | 481,749 | 495,226 |
| 1.7 | Subtotal before Reimbursements and Taxes (1.1 to 1.6) | 96,501 | 0 | 0 | 0 | 122,059 | 218,560 | 563,720 | (56,338) | 1,482,754 | 2,208,696 |
| 1.8 | Reimbursements by uninsured plans and fiscal intermediaries | 0 | 0 | 0 | 0 | 0 | 0 | 12,568 | 0 | 5,183 | 17,751 |
| 1.9 | Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1.10 | Total (1.7 to 1.9) | 96,501 | 0 | 0 | 0 | 122,059 | 218,560 | 576,288 | (56,338) | 1,487,938 | 2,226,447 |
| 1.11 | Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 2.1 | Salaries (including $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.2 | Outsourced Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.3 | EDP Equipment and Software (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.4 | Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.5 | Accreditation and Certification (incl $ ..... for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| 2.6 | Other Expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.7 | Subtotal before Reimbursements and Taxes (2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.8 | Reimbursements by uninsured plans and fiscal intermediaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.9 | Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 2.10 | Total (2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 | Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 3.1 | Salaries (including $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 | Outsourced Services | | | | | | 0 | | | | 0 |
| 3.3 | EDP Equipment and Software (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 | Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 | Accreditation and Certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 | Other Expenses (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 | Subtotal before Reimbursements and Taxes (3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 | Total (3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 | Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |

3B Quality Improvement Expenses Only

| | | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| 1.1 | HIT expenses | 122,067 | 0 | 0 | 0 | 122,067 |
| 1.2 | Other than HIT expenses | 96,501 | 0 | 0 | 0 | 96,501 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| 2.1 | HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 2.2 | Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| 3.1 | HIT Expenses | 0 | 0 | 0 | 0 | 0 |
| 3.2 | Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 4. | Subtotals/Totals: | | | | | |
| 4.1 | Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 122,067 | 0 | 0 | 0 | 122,067 |
| 4.2 | Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 96,501 | 0 | 0 | 0 | 96,501 |
| 4.3 | Total (Lines 4.1 + 4.2) | 218,568 | 0 | 0 | 0 | 218,568 |

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# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE CELTIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION CELTIC INSURANCE COMPANY 2. LOCATION Chicago, IL 60606-6393

NAIC Group Code 1295 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 80799

| | | Comprehensive Health Coverage | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (excluded by statue) | 5 Other Business (excluded by statue) | 6 Other Health | 7 Subtotal (Cols 1 thru 6) | 8 Uninsured Plans | 9 Total (7 + 8) |
| 1. | Premium: | | | | | | | | | |
| | 1.1 Health premiums earned (From Part 2, Line 1.8) | 9,678,304 | 0 | 0 | 7,512,337 | 0 | 52,576 | 17,243,217 | XXX | 17,243,217 |
| | 1.2 Federal high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.3 State high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 9,678,304 | 0 | 0 | 7,512,337 | 0 | 52,576 | 17,243,217 | XXX | 17,243,217 |
| | 1.5 Federal taxes and federal assessments | 42,530 | 0 | 0 | 0 | 0 | 0 | 42,530 | | 42,530 |
| | 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 187,728 | 0 | 0 | 0 | 0 | 0 | 187,728 | | 187,728 |
| | 1.7 Regulatory authority licenses and fees | 1,250 | 0 | 0 | 0 | 0 | 0 | 1,250 | | 1,250 |
| | 1.8 Adjusted premiums earned (Lines 1.4 – 1.5 – 1.6 – 1.7) | 9,446,796 | 0 | 0 | 7,512,337 | 0 | 52,576 | 17,011,709 | XXX | 17,011,709 |
| | 1.9 Net assumed less ceded reinsurance premiums earned | (61,800) | 0 | 0 | (7,512,337) | 0 | 0 | (7,574,137) | XXX | (7,574,137) |
| | 1.10 Other adjustments due to MLR calculations - Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.11 Risk revenue | 350,181 | 0 | 0 | 0 | 0 | 0 | 350,181 | XXX | 350,181 |
| | 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 9,735,177 | 0 | 0 | 0 | 0 | 52,576 | 9,787,753 | XXX | 9,787,753 |
| 2. | Claims: | | | | | | | | | |
| | 2.1 Incurred claims excluding prescription drugs | 7,763,981 | 0 | 0 | 7,047,994 | 0 | 18,820 | 14,830,795 | XXX | 14,830,796 |
| | 2.2 Prescription drugs | 279,371 | 0 | 0 | 0 | 0 | 0 | 279,371 | XXX | 279,371 |
| | 2.3 Pharmaceutical rebates | 19,176 | 0 | 0 | 0 | 0 | 0 | 19,176 | XXX | 19,176 |
| | 2.4 State stop loss, market stabilization and claim/census based assessments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 3. | Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. | Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | 40,027 | 0 | 0 | 0 | 0 | 0 | 40,027 | | 40,027 |
| 5. | 5.0 Total incurred claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10) | 8,024,177 | 0 | 0 | 7,047,994 | 0 | 18,820 | 15,090,991 | XXX | 15,090,991 |
| | 5.1 Net assumed less ceded reinsurance claims incurred | 0 | 0 | 0 | (7,047,994) | 0 | 0 | (7,047,994) | XXX | (7,047,994) |
| | 5.2 Other adjustments due to MLR calculations - Claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.3 Rebates paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.4 Estimated rebates unpaid prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.5 Estimated rebates unpaid current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.6 Fee for service and co-pay revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 -5.4 + 5.5 - 5.6) | 8,024,177 | 0 | 0 | 0 | 0 | 18,820 | 8,042,997 | XXX | 8,042,997 |
| 6. | Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| | 6.1 Type A Expenses for health improvements other than Health Information Technology | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| | 6.2 Type B Health Information Technology expenses related to health improvement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| | 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. | Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 1.8 | 0.854 | 0.000 | 0.000 | 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 | 447,774 | 0 | 0 | 0 | 0 | 0 | 447,774 | | 447,774 |
| | 8.2 All other claims adjustment expenses | 135,271 | 0 | 0 | 0 | 0 | 3,177 | 138,448 | | 138,448 |
| | 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 583,045 | 0 | 0 | 0 | 0 | 3,177 | 586,222 | 0 | 586,222 |
| 9. | Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8) | 0.062 | 0.000 | 0.000 | 0.000 | 0.000 | 0.060 | XXX | XXX | XXX |
| 10. | General and Administrative (G&A) Expenses: | | | | | | | | | |
| | 10.1 Direct sales salaries and benefits | 159,026 | 0 | 0 | 0 | 0 | 844 | 159,870 | | 159,871 |
| | 10.2 Agents and brokers fees and commissions | 343,915 | 0 | 0 | 0 | 0 | 7,909 | 351,824 | | 351,824 |
| | 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 24,625 | 0 | 0 | 0 | 0 | 134 | 24,759 | | 24,759 |
| | 10.4 Other general and administrative expenses | 1,884,889 | 0 | 0 | 0 | 0 | 10,239 | 1,895,128 | | 1,895,128 |
| | 10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4) | 2,412,455 | 0 | 0 | 0 | 0 | 19,126 | 2,431,581 | 0 | 2,431,582 |
| 11. | Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5) | (1,284,500) | 0 | 0 | 0 | 0 | 11,453 | (1,273,047) | XXX | (1,273,048) |
| 12. | Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. | Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 163,031 | XXX | 163,031 |
| 14. | Federal income taxes (excluding taxes on Line 1.5 above) | 42,845 | 0 | 0 | 0 | 0 | 0 | 42,845 | | 42,845 |
| 15. | Net gain or (loss) (Lines 1.1 + 1.2 + 1.3 – 1.4) | XXX | XXX | XXX | XXX | XXX | XXX | (1,152,861) | XXX | (1,152,862) |
| 16. | ICD-10 Implementation Expenses (informational only; already included in general expenses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| | OTHER INDICATORS: | | | | | | | | | |
| 1. | Number of Certificates / Policies | 1,424 | 0 | 0 | 2,699 | 0 | 32 | 4,155 | | 4,155 |
| 2. | Number of Covered Lives | 1,836 | 0 | 0 | 2,699 | 0 | 4 | 4,539 | | 4,539 |
| 3. | Number of Groups | XXX | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| 4. | Member Months | 23,798 | 0 | 0 | 34,065 | 0 | 559 | 58,422 | | 58,422 |

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# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE CELTIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION CELTIC INSURANCE COMPANY 2. LOCATION Chicago, IL 60606-6393

NAIC Group Code 1295 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 80799

| | | Comprehensive Health Coverage | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (excluded by statue) | 5 Other Business (excluded by statue) | 6 Other Health | 7 Total |
| 1. | Health Premiums Earned: | | | | | | | |
| | 1.1 Direct premiums written | 9,652,379 | | | 7,473,162 | | 52,727 | 17,178,268 |
| | 1.2 Unearned premium prior year | 463,273 | | | 684,455 | | 321 | 1,148,049 |
| | 1.3 Unearned premium current year | 437,348 | | | 645,280 | | 472 | 1,083,100 |
| | 1.4 Change in unearned premium (Lines 1.2 – 1.3) | 25,925 | 0 | 0 | 39,175 | 0 | (151) | 64,949 |
| | 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) | 9,678,304 | | | 7,512,337 | | 52,576 | 17,243,217 |
| | 1.9 Assumed premiums earned from non-affiliates | | | | | | | 0 |
| | 1.10 Net assumed less ceded premiums earned from affiliates | | | | | | | |
| | 1.11 Ceded premiums earned to non-affiliates | 61,800 | | | 7,512,337 | | | 7,574,137 |
| | 1.12 Other adjustments due to MLR calculation – Premiums | | | | | | | |
| | 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 – 1.12) | 9,616,504 | 0 | 0 | 0 | 0 | 52,576 | 9,669,080 |
| 2. | Direct Claims Incurred: | | | | | | | |
| | 2.1 Paid claims during the year | 8,487,896 | | | 6,966,824 | | 21,751 | 15,476,471 |
| | 2.2 Direct claim liability current year | 1,519,005 | | | 615,782 | | 7,951 | 2,142,737 |
| | 2.3 Direct claim liability prior year | 1,723,767 | | | 620,521 | | 10,882 | 2,355,189 |
| | 2.4 Direct claim reserves current year | 1,500,686 | | | | | | 1,500,686 |
| | 2.5 Direct claim reserves prior year | 1,773,534 | | | | | | 1,773,534 |
| | 2.6 Direct contract reserves current year | | | | 1,914,583 | | | 1,914,583 |
| | 2.7 Direct contract reserves prior year | | | | 1,828,674 | | | 1,828,674 |
| | 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) | (13,911) | 0 | 0 | 0 | 0 | 0 | (13,911) |
| | 2.9a Healthcare receivables current year | 6,920 | | | | | | 6,920 |
| | 2.9b Healthcare receivables prior year | 20,831 | | | | | | 20,831 |
| | 2.10 Total incurred claims (Lines 2.1 + 2.2 – 2.3 + 2.4 – 2.5 + 2.6 – 2.7 + 2.8 – 2.9) | 8,024,177 | 0 | 0 | 7,047,994 | 0 | 18,820 | 15,090,991 |
| | 2.11 Assumed incurred claims from non-affiliates | | | | | | | |
| | 2.12 Net assumed less ceded incurred claims from affiliates | | | | 7,047,994 | | | 7,047,994 |
| | 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) | 8,024,177 | 0 | 0 | 0 | 0 | 18,820 | 8,042,997 |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | 40,027 | | | | | | 40,027 |

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# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE CELTIC INSURANCE COMPANY

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION CELTIC INSURANCE COMPANY 2. LOCATION Chicago, IL 60606-6393

NAIC Group Code 1295 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 80799

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| 1.1 | Salaries (including $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 72,462 | 23,339 | 1,167,426 | 1,263,227 |
| 1.2 | Outsourced services | 0 | 0 | 0 | 0 | 0 | 0 | 447,774 | 104,854 | 247,874 | 800,502 |
| 1.3 | EDP equipment and software (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.5 | Accreditation and certification (incl $ ..... for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| 1.6 | Other expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,256 | 581,378 | 591,634 |
| 1.7 | Subtotal before reimbursements and taxes (1.1 to 1.6) | 0 | 0 | 0 | 0 | 0 | 0 | 520,236 | 138,449 | 1,996,678 | 2,655,363 |
| 1.8 | Reimbursements by uninsured plans and fiscal intermediaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.9 | Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 251,232 |
| 1.10 | Total (1.7 to 1.9) | 0 | 0 | 0 | 0 | 0 | 0 | 520,236 | 138,449 | 1,996,678 | 2,906,595 |
| 1.11 | Total Fraud and abuse detection/recovery expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 72,462 | 0 | 0 | 72,462 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 2.1 | Salaries (including $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.2 | Outsourced Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.3 | EDP equipment and software (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.5 | Accreditation and certification (incl $ ..... for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| 2.6 | Other expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.7 | Subtotal before reimbursements and taxes (2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.8 | Reimbursements by uninsured plans and fiscal intermediaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.9 | Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 2.10 | Total (2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 | Total fraud and abuse detection/recovery expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 3.1 | Salaries (including $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.2 | Outsourced services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.3 | EDP equipment and software (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.5 | Accreditation and certification (incl $ ..... for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| 3.6 | Other expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.7 | Subtotal before reimbursements and taxes (3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.8 | Reimbursements by uninsured plans and fiscal intermediaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.9 | Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 3.10 | Total (3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 | Total fraud and abuse detection/recovery expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| 1.1 | HIT expenses | | | | | 0 |
| 1.2 | Other than HIT expenses | | | | | 0 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| 2.1 | HIT expenses | | | | | 0 |
| 2.2 | Other than HIT expenses | | | | | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| 3.1 | HIT Expenses | | | | | 0 |
| 3.2 | Other than HIT expenses | | | | | 0 |
| 4. | Subtotals/Totals: | | | | | |
| 4.1 | Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 | Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 0 | 0 | 0 | 0 | 0 |
| 4.3 | Total (Lines 4.1 + 4.2) | 0 | 0 | 0 | 0 | 0 |

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# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE FREEDOM LIFE INSURANCE COMPANY OF AMERICA

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION FREEDOM LIFE INSURANCE COMPANY OF AMERICA 2. LOCATION Fort Worth, TX 76102-6868

NAIC Group Code 0839 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62324

| | | Comprehensive Health Coverage | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (excluded by status) | 5 Other Business (excluded by status) | 6 Other Health | 7 Subtotal (Cols 1 thru 6) | 8 Uninsured Plans | 9 Total (7 + 8) |
| 1. | Premium: | | | | | | | | | |
| | 1.1 Health premiums earned (From Part 2, Line 1.8) | 15,645,786 | 0 | 0 | 0 | 380,264 | 53,175 | 16,079,225 | XXX | 16,079,225 |
| | 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) | 15,645,786 | 0 | 0 | 0 | 380,264 | 53,175 | 16,079,225 | XXX | 16,079,225 |
| | 1.5 Federal taxes and federal assessments | 121,968 | | | | 2,964 | 415 | 125,347 | | 125,347 |
| | 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 314,785 | | | | 7,618 | 1,065 | 323,469 | | 323,469 |
| | 1.7 Regulatory authority licenses and fees | 6,716 | | | | 163 | 23 | 6,902 | | 6,902 |
| | 1.8 Adjusted premiums earned (Lines 1.4 – 1.5 – 1.6 – 1.7) | 15,202,316 | 0 | 0 | 0 | 369,518 | 51,672 | 15,623,507 | XXX | 15,623,507 |
| | 1.9 Net assumed less ceded reinsurance premiums earned | (692,959) | | | | (5,691) | | (698,650) | XXX | (698,650) |
| | 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) | 14,509,357 | 0 | 0 | 0 | 363,827 | 51,672 | 14,924,857 | XXX | 14,924,857 |
| 2. | Claims: | | | | | | | | | |
| | 2.1 Incurred claims excluding prescription drugs | 8,925,783 | | | | 911,959 | 20,425 | 9,858,167 | XXX | 9,858,167 |
| | 2.2 Prescription drugs | 125,937 | | | | | | 125,937 | XXX | 125,937 |
| | 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) | | | | | | | 0 | | |
| 5. | 5.0 Total incurred claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10) | 9,051,720 | 0 | 0 | 0 | 911,959 | 20,425 | 9,984,104 | XXX | 9,984,104 |
| | 5.1 Net assumed less ceded reinsurance claims incurred | (1,081,919) | | | | (14,907) | | (1,096,826) | XXX | (1,096,826) |
| | 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) | 7,969,801 | 0 | 0 | 0 | 897,052 | 20,425 | 8,887,278 | XXX | 8,887,278 |
| 6. | Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| | 6.1 Type A Expenses for health improvements other than Health Information Technology | 108,607 | | | | | | 108,607 | | 108,607 |
| | 6.2 Type B Health Information Technology expenses related to health improvement | | | | | | | 0 | | |
| | 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 108,607 | 0 | 0 | 0 | 0 | 0 | 108,607 | 0 | 108,607 |
| 7. | Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 1.8 | 0.603 | 0.000 | 0.000 | 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 | 851,737 | | | | | | 851,737 | | 851,737 |
| | 8.2 All other claims adjustment expenses | 362,069 | | | | 36,478 | 817 | 399,364 | | 399,364 |
| | 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 1,213,806 | 0 | 0 | 0 | 36,478 | 817 | 1,251,101 | 0 | 1,251,101 |
| 9. | Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8) | 0.080 | 0.000 | 0.000 | 0.000 | 0.099 | 0.016 | XXX | XXX | XXX |
| 10. | General and Administrative (G&A) Expenses: | | | | | | | 0 | | |
| | 10.1 Direct sales salaries and benefits | 3,025,302 | | | | 57,553 | 13,000 | 3,095,855 | | 3,095,855 |
| | 10.2 Agents and brokers fees and commissions | 1,810 | | | | 44 | 6 | 1,860 | | 1,861 |
| | 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 2,250,080 | | | | 54,688 | 7,647 | 2,312,415 | | 2,312,415 |
| | 10.4 Other general and administrative expenses | 5,277,192 | 0 | 0 | 0 | 112,285 | 20,654 | 5,410,131 | 0 | 5,410,131 |
| | 10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4) | (60,048) | 0 | 0 | 0 | (681,988) | 9,776 | (732,259) | XXX | (732,259) |
| 11. | Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | |
| 12. | Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | 258,517 | XXX | 258,517 |
| 13. | Net investment and other gain/(loss) | (27,248) | | | | | | (27,248) | | (27,248) |
| 14. | Federal income taxes (excluding taxes on Line 1.5 above) | XXX | XXX | XXX | XXX | XXX | XXX | (446,495) | XXX | (446,495) |
| 15. | Net gain or (loss) (Lines 1.1 + 1.2 + 1.3 – 1.4) | | | | | | | 0 | | |
| 16. | ICD-10 Implementation Expenses (informational only; already included in general expenses) | | | | | | | | | |
| | OTHER INDICATORS: | | | | | | | | | |
| 1. | Number of Certificates / Policies | 4,057 | | | | 1,650 | 67 | 5,774 | | 5,774 |
| 2. | Number of Covered Lives | 7,347 | | | | 1,949 | 112 | 9,408 | | 9,408 |
| 3. | Number of Groups | XXX | | | | | | 0 | | |
| 4. | Member Months | 90,474 | | | | 25,116 | 1,356 | 116,946 | | 116,946 |

6 2 3 2 4 2 0 1 0 2 1 6 1 0 1 1 0

# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE FREEDOM LIFE INSURANCE COMPANY OF AMERICA

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION FREEDOM LIFE INSURANCE COMPANY OF AMERICA 2. LOCATION Fort Worth, TX 76102-6886

NAIC Group Code 0839 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62324

| | | Comprehensive Health Coverage | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (excluded by statue) | 5 Other Business (excluded by statue) | 6 Other Health | 7 Total |
| 1. | Health Premiums Earned: | | | | | | | |
| | 1.1 Direct premiums written | 15,643,077 | | | | 385,718 | 52,681 | 16,081,475 |
| | 1.2 Unearned premium prior year | 460,967 | | | | 10,214 | 2,097 | 473,279 |
| | 1.3 Unearned premium current year | 458,258 | | | | 15,668 | 1,603 | 475,529 |
| | 1.4 Change in unearned premium (Lines 1.2 – 1.3) | 2,709 | 0 | 0 | 0 | (5,454) | 494 | (2,250) |
| | 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) | 15,645,786 | | | | 380,264 | 53,175 | 16,079,225 |
| | 1.9 Assumed premiums earned from non-affiliates | | | | | | | |
| | 1.10 Net assumed less ceded premiums earned from affiliates | (107,061) | | | | | | (107,061) |
| | 1.11 Ceded premiums earned to non-affiliates | 585,878 | | | | 5,691 | | 591,569 |
| | 1.12 Other adjustments due to MLR calculation – Premiums | | | | | | | |
| | 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 – 1.12) | 14,952,827 | 0 | 0 | 0 | 374,573 | 53,175 | 15,380,575 |
| 2. | Direct Claims Incurred: | | | | | | | |
| | 2.1 Paid claims during the year | 8,722,563 | | | | 899,836 | 19,134 | 9,641,533 |
| | 2.2 Direct claim liability current year | 2,118,624 | | | | 69,119 | 1,937 | 2,189,679 |
| | 2.3 Direct claim liability prior year | 1,789,467 | | | | 61,157 | 646 | 1,851,270 |
| | 2.4 Direct claim reserves current year | | | | | | | |
| | 2.5 Direct claim reserves prior year | | | | | 995,148 | | 995,148 |
| | 2.6 Direct contract reserves current year | | | | | 990,986 | | 990,986 |
| | 2.7 Direct contract reserves prior year | | | | | | | |
| | 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) | 9,051,720 | 0 | 0 | 0 | 911,959 | 20,425 | 9,984,104 |
| | 2.11 Assumed incurred claims from non-affiliates | | | | | | | |
| | 2.12 Net assumed less ceded incurred claims from affiliates | | | | | 14,907 | | 1,096,826 |
| | 2.13 Ceded incurred claims to non-affiliates | 1,081,919 | | | | | | |
| | 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) | 7,969,801 | 0 | 0 | 0 | 897,052 | 20,425 | 8,887,278 |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (Informational only) | | | | | | | |

6 2 3 2 4 2 0 1 0 2 1 6 1 0 1 1 0

# SUPPLEMENTAL EXHIBIT FOR THE YEAR 2010 OF THE FREEDOM LIFE INSURANCE COMPANY OF AMERICA

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION FREEDOM LIFE INSURANCE COMPANY OF AMERICA 2. LOCATION Fort Worth, TX 76102-6888

NAIC Group Code 0839 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62324

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| 1.1 | Salaries (including $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 1.2 | Outsourced services | 108,607 | | | | | 108,607 | 851,737 | 362,069 | 5,277,192 | 6,599,605 |
| 1.3 | EDP equipment and software (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 1.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 1.5 | Accreditation and certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 1.6 | Other expenses (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 1.7 | Subtotal before reimbursements and taxes (1.1 to 1.6) | 108,607 | 0 | 0 | 0 | 0 | 108,607 | 851,737 | 362,069 | 5,277,192 | 6,599,605 |
| 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 | |
| 1.10 | Total (1.7 to 1.9) | 108,607 | 0 | 0 | 0 | 0 | 108,607 | 851,737 | 362,069 | 5,277,192 | 6,599,605 |
| 1.11 | Total Fraud and abuse detection/recovery expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 2.1 | Salaries (including $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 2.2 | Outsourced Services | | | | | | 0 | | | | 0 |
| 2.3 | EDP equipment and software (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 2.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 2.5 | Accreditation and certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 | Other expenses (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 2.7 | Subtotal before reimbursements and taxes (2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 2.10 | Total (2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 | Total fraud and abuse detection/recovery expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 3.1 | Salaries (including $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 | Outsourced services | | | | | | 0 | | | | 0 |
| 3.3 | EDP equipment and software (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 | Other equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 | Accreditation and certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 | Other expenses (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 | Subtotal before reimbursements and taxes (3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 | Total (3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 | Total fraud and abuse detection/recovery expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| 1.1 | HIT expenses | | | | | 0 |
| 1.2 | Other than HIT expenses | 108,607 | | | | 108,607 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| 2.1 | HIT expenses | | | | | 0 |
| 2.2 | Other than HIT expenses | | | | | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| 3.1 | HIT Expenses | | | | | 0 |
| 3.2 | Other than HIT expenses | | | | | 0 |
| 4. | Subtotals/Totals: | | | | | |
| 4.1 | Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 | Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 108,607 | 0 | 0 | 0 | 108,607 |
| 4.3 | Total (Lines 4.1 + 4.2) | 108,607 | 0 | 0 | 0 | 108,607 |

SUPPLEMENT FOR THE YEAR 2010 OF THE Golden Rule Insurance Company

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION Golden Rule Insurance Company 2. 7440 Woodland Dr Indianapolis, IN 46278 (LOCATION)

NAIC Group Code 0707 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62286

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Subtotal (Cols. 1 through 6) | Uninsured Plans | Total 7 + 8 |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 316,469,825 | 0 | 0 | 0 | 5,468,354 | 3,938,666 | 325,916,845 | XXX | 325,916,845 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | | | | | | | 0 | XXX | 0 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 316,469,825 | 0 | 0 | 0 | 5,468,354 | 3,938,666 | 325,916,845 | XXX | 325,916,845 |
| 1.5 Federal taxes and federal assessments | 17,402,238 | | | | 392,078 | 50,587 | 17,844,902 | | 17,844,902 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 5,005,690 | 0 | | | 131,586 | 48,726 | 5,185,992 | | 5,185,992 |
| 1.7 Regulatory authority licenses and fees | | | | | | | 0 | | 0 |
| 1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7) | 294,061,907 | 0 | 0 | 0 | 4,964,690 | 3,839,354 | 302,885,950 | XXX | 302,885,950 |
| 1.9 Net Assumed less Ceded reinsurance premiums earned | (27,230) | 0 | 0 | 0 | 0 | (27,353) | (54,583) | XXX | (54,583) |
| 1.10 Other Adjustments due to MLR calculations - Premiums | | | | | | | 0 | XXX | 0 |
| 1.11 Risk Revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 294,054,677 | 0 | 0 | 0 | 4,964,690 | 3,812,000 | 302,831,367 | XXX | 302,831,367 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 191,261,997 | 0 | | | 3,256,051 | 2,193,929 | 196,721,987 | XXX | 196,721,987 |
| 2.2 Prescription drugs | 9,798,743 | 0 | | | 166,797 | 111,878 | 10,077,418 | XXX | 10,077,418 |
| 2.3 Pharmaceutical rebates | 2,760,593 | 0 | | | 47,333 | 31,748 | 2,859,674 | XXX | 2,859,674 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | 0 | XXX | 0 |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | 0 | 0 | 0 | | | | 0 | | 0 |
| 5. 5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10) | 198,300,146 | 0 | 0 | 0 | 3,375,525 | 2,284,057 | 203,939,729 | XXX | 203,939,729 |
| 5.1 Net Assumed less Ceded reinsurance claims incurred | (25,223) | 0 | 0 | 0 | 0 | (35,100) | (60,323) | XXX | (60,323) |
| 5.2 Other Adjustments due to MLR calculations - Claims | | | | | | | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 198,274,923 | 0 | 0 | 0 | 3,375,525 | 2,228,957 | 203,879,406 | XXX | 203,879,406 |
| 6. Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than Health Information Technology | 161,451 | 0 | 0 | | 2,637 | 5,271 | 169,360 | | 169,360 |
| 6.2 Type B. Health Information Technology expenses related to health improvement | 33,542 | 0 | 0 | | 480 | 1,636 | 35,657 | | 35,657 |
| 6.3 Total of Defined Expenses incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 194,993 | 0 | 0 | 0 | 3,117 | 6,907 | 205,017 | 0 | 205,017 |
| 7. Preliminary Medical Loss Ratio: MLR ((Lines 4 + 5.0 + 6.3)/Line 1.8 | 0.675 | 0.000 | 0.000 | 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 | 3,465,148 | | | | 39,814 | 39,939 | 3,564,901 | | 3,564,901 |
| 8.2 All other claims adjustment expenses | 2,282,942 | | | | 54,837 | 320,612 | 2,638,391 | | 2,638,391 |
| 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 5,748,090 | 0 | 0 | 0 | 94,651 | 360,550 | 6,203,291 | 0 | 6,203,291 |
| 9. Claims Adjustment Expense Ratio (Line 8.3/Line 1.8) | 0.020 | 0.000 | 0.000 | 0.000 | 0.019 | 0.094 | XXX | XXX | XXX |
| 10. General and Administrative (G&A) Expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | 1,559,550 | 0 | | | 26,288 | 18,788 | 1,604,626 | | 1,604,626 |
| 10.2 Agents and brokers fees and commissions | 32,222,454 | 0 | | | 314,118 | 720,591 | 33,257,164 | | 33,257,164 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 1,417 | 0 | | | 206,781 | 21 | 208,219 | | 208,219 |
| 10.4 Other general and administrative expenses | 27,329,659 | | | | 500,075 | 403,889 | 28,233,622 | | 28,233,622 |
| 10.5 Total general and administrative (Lines 10.1 +10.2 + 10.3 + 10.4) | 61,113,079 | 0 | 0 | 0 | 1,047,262 | 1,143,289 | 63,303,630 | 0 | 63,303,630 |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5) | 28,723,591 | 0 | 0 | 0 | 444,135 | 72,296 | 29,240,023 | XXX | 29,240,023 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 4,026,196 | XXX | 4,026,196 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | | | | | 703,267 | | 703,267 | | 703,267 |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14) | XXX | XXX | XXX | XXX | XXX | XXX | 32,562,942 | XXX | 32,562,942 |
| 16. ICD-10 Implementation Expenses (informational only; already included in general expenses) | | | | | | | 0 | | 0 |
| OTHER INDICATORS: | | | | | | | | | |
| 1. Number of certificates/policies | 73,017 | 0 | | | 2,932 | 5,729 | 81,678 | | 81,678 |
| 2. Number of Covered Lives | 120,140 | 0 | | | 3,769 | 8,629 | 132,538 | | 132,538 |
| 3. Number of Groups | XXX | | | | | | 0 | | 0 |
| 4. Member Months | 1,471,126 | 0 | | | 39,383 | 86,318 | 1,596,821 | | 1,596,821 |

SUPPLEMENT FOR THE YEAR 2010 OF THE Golden Rule Insurance Company

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION Golden Rule Insurance Company 2. 7440 Woodland Dr Indianapolis, IN 46278 (LOCATION)

NAIC Group Code 0707 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62286

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1<br>Individual | 2<br>Small Group Employer | 3<br>Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. Health Premiums Earned: | | | | | | | |
| 1.1 Direct premiums written | 319,354,905 | | | | 5,539,039 | 3,974,321 | 328,867,265 |
| 1.2 Unearned premium prior year | 18,704,186 | | | | 324,355 | 232,771 | 19,261,312 |
| 1.3 Unearned premium current year | 21,569,266 | | | | 374,040 | 268,426 | 22,211,732 |
| 1.4 Change in unearned premium (Lines 1.2 - 1.3) | (2,865,080) | 0 | 0 | 0 | (49,684) | (35,655) | (2,950,420) |
| 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 $ 0 write offs) | 316,489,825 | 0 | 0 | 0 | 5,488,354 | 3,938,666 | 325,916,845 |
| 1.9 Assumed premiums earned from non-affiliates | | | | | | | 0 |
| 1.10 Net Assumed less Ceded premiums earned from affiliates | (27,230) | | | | | | (27,230) |
| 1.11 Ceded premiums earned to non-affiliates | | | | | | 27,353 | 27,353 |
| 1.12 Other Adjustments due to MLR calculation - Premiums | | | | | | | 0 |
| 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 - 1.11 + 1.12) | 316,462,595 | 0 | 0 | 0 | 5,488,354 | 3,911,313 | 325,862,261 |
| 2. Direct Claims Incurred: | | | | | | | |
| 2.1 Paid claims during the year | 195,993,217 | 0 | | | 3,336,316 | 2,237,759 | 201,567,292 |
| 2.2 Direct claim liability current year | 32,330,671 | 0 | | | 550,352 | 369,136 | 33,250,160 |
| 2.3 Direct claim liability prior year | 29,948,404 | 0 | | | 509,800 | 341,937 | 30,800,140 |
| 2.4 Direct claim reserves current year | 868,313 | 0 | | | 14,781 | 9,914 | 893,008 |
| 2.5 Direct claim reserves prior year | 914,955 | 0 | | | 15,575 | 10,447 | 940,977 |
| 2.6 Direct contract reserves current year | 2,966,708 | 0 | | | 49,462 | 33,199 | 3,049,378 |
| 2.7 Direct contract reserves prior year | 2,919,972 | 0 | | | 48,747 | 32,696 | 3,001,414 |
| 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 | | | | | | | 0 |
| 2.8b Accrued medical incentive pools and bonuses current year | | | | | | | 0 |
| 2.8c Accrued medical incentive pools and bonuses prior year | | | | | | | 0 |
| 2.9 Net healthcare receivables (Lines 2.9a - 2.9b) | 75,433 | 0 | 0 | 0 | 1,284 | 861 | 77,578 |
| 2.9a Healthcare receivables current year | 167,953 | 0 | | | 2,859 | 1,918 | 172,729 |
| 2.9b Healthcare receivables prior year | 92,520 | 0 | | | 1,575 | 1,056 | 95,151 |
| 2.10 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 - 2.9) | 198,300,146 | 0 | 0 | 0 | 3,375,525 | 2,264,057 | 203,939,729 |
| 2.11 Assumed Incurred Claims from non-affiliates | | | | | | | 0 |
| 2.12 Net Assumed less Ceded Incurred Claims from affiliates | (21,657) | | | | | | (21,657) |
| 2.13 Ceded Incurred Claims to non-affiliates | 3,566 | | | | | 35,100 | 38,666 |
| 2.14 Other Adjustments due to MLR calculation - Claims | | | | | | | 0 |
| 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 - 2.13 + 2.14) | 198,274,923 | 0 | 0 | 0 | 3,375,525 | 2,228,957 | 203,879,406 |
| 3. Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | | | | | | | 0 |

SUPPLEMENT FOR THE YEAR 2010 OF THE Golden Rule Insurance Company

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION Golden Rule Insurance Company 2. 7440 Woodland Dr Indianapolis, IN 46278 (LOCATION)

NAIC Group Code 0707 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 62286

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 1.1 Salaries (including $ ..... for affiliated services) | | | | | | 0 | 493,253 | 457,851 | 15,035,727 | 15,976,831 |
| | 1.2 Outsourced Services | | | | | | 0 | 865,702 | 499 | 134,545 | 800,736 |
| | 1.3 EDP Equipment and Software (incl $ ..... for affiliated services) | | | | | | 0 | 2,128 | 299,888 | 1,118,417 | 1,420,425 |
| | 1.4 Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | 198 | 280,312 | 21,193 | 301,704 |
| | 1.5 Accreditation and Certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | 4,294 | 0 | 24,905 | 29,199 |
| | 1.6 Other Expenses (incl $ ..... for affiliated services) | 128,502 | 14,623 | 14,122 | 4,203 | 33,542 | 194,993 | 2,329,580 | 1,224,803 | 44,778,282 | 48,527,467 |
| | 1.7 Subtotal before Reimbursements and Taxes (Lines 1.1 to 1.6) | 128,502 | 14,623 | 14,122 | 4,203 | 33,542 | 194,993 | 3,485,148 | 2,282,942 | 61,113,079 | 67,056,162 |
| | 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 | 7,715,978 |
| | 1.10 Total (1.7 to 1.9) | 128,502 | 14,623 | 14,122 | 4,203 | 33,542 | 194,993 | 3,485,148 | 2,282,942 | 61,113,079 | 74,772,140 |
| | 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 2.1 Salaries (including $ ..... for affiliated services) | | | | | | 0 | 0 | 0 | 0 | 0 |
| | 2.2 Outsourced Services | | | | | | 0 | 0 | 0 | 0 | 0 |
| | 2.3 EDP Equipment and Software (incl $ ..... for affiliated services) | | | | | | 0 | 0 | 0 | 0 | 0 |
| | 2.4 Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | 0 | 0 | 0 | 0 |
| | 2.5 Accreditation and Certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| | 2.6 Other Expenses (incl $ ..... for affiliated services) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.7 Subtotal before Reimbursements and Taxes (Lines 2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 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 | 0 |
| | 2.10 Total (2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 3.1 Salaries (including $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| | 3.2 Outsourced Services | | | | | | 0 | | | | 0 |
| | 3.3 EDP Equipment and Software (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| | 3.4 Other Equipment (excl. EDP) (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| | 3.5 Accreditation and Certification (incl $ ..... for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| | 3.6 Other Expenses (incl $ ..... for affiliated services) | | | | | | 0 | | | | 0 |
| | 3.7 Subtotal before Reimbursements and Taxes (Lines 3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 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 | |
| | 3.10 Total (3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| | 1.1 HIT Expenses | 30,582 | 1,114 | 1,111 | 755 | 33,542 |
| | 1.2 Other than HIT expenses | 128,502 | 14,623 | 14,122 | 4,203 | 161,451 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| | 2.1 HIT Expenses | | | | | 0 |
| | 2.2 Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| | 3.1 HIT Expenses | | | | | 0 |
| | 3.2 Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 4. | Subtotals/Totals: | | | | | |
| | 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 30,582 | 1,114 | 1,111 | 755 | 33,542 |
| | 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 128,502 | 14,623 | 14,122 | 4,203 | 161,451 |
| | 4.3 Total (Lines 4.1 + 4.2) | 159,084 | 15,737 | 15,233 | 4,958 | 194,993 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE Humana Health Insurance Company of Florida, Inc.

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION Humana Health Insurance Company of Florida, Inc. 2. LOCATION Florida

NAIC Group Code 0119 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69671

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by Statute) | Other Health | Subtotal (Cols 1 thru 6) | Uninsured Plans | Total (7 + 8) |
| 1. | Premium: | | | | | | | | | |
| | 1.1 Health premiums earned (From Part 2, Line 1.8) | 158,396,970 | 26,447,579 | 76,629,490 | 14,978,828 | 6,318,463 | 0 | 280,770,330 | XXX | 280,770,330 |
| | 1.2 Federal high risk pools | | | | | | | 0 | XXX | |
| | 1.3 State high risk pools | (1,762) | (298) | (864) | (169) | (71) | | (3,164) | XXX | (3,164) |
| | 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 156,394,208 | 26,447,281 | 76,628,626 | 14,978,659 | 6,318,392 | 0 | 280,767,166 | XXX | 280,767,166 |
| | 1.5 Federal taxes and federal assessments | 1,353,967 | 1,135,612 | 5,421,609 | 154,873 | 274,674 | | 8,340,735 | | 8,340,735 |
| | 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 956,798 | 157,633 | 467,455 | 191 | 38,624 | | 1,620,701 | | 1,620,701 |
| | 1.7 Regulatory authority licenses and fees | 12,469 | 2,109 | 6,110 | 1,194 | 504 | | 22,386 | | 22,386 |
| | 1.8 Adjusted Premiums Earned (Lines 1.4 – 1.5 – 1.6 – 1.7) | 154,070,974 | 25,151,927 | 70,733,452 | 14,822,401 | 6,004,590 | 0 | 270,783,344 | XXX | 270,783,344 |
| | 1.9 Net Assumed less Ceded reinsurance premiums earned | (64,781) | 30,592,747 | 139,625,763 | | | | 170,153,729 | XXX | 170,153,729 |
| | 1.10 Other Adjustments due to MLR calculations – Premiums | | | | (40,473) | 163 | | (40,310) | XXX | (40,310) |
| | 1.11 Risk Revenue | | | | | | | 0 | XXX | |
| | 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 154,006,193 | 55,744,674 | 210,359,215 | 14,781,928 | 6,004,753 | 0 | 440,896,763 | XXX | 440,896,763 |
| 2. | Claims: | | | | | | | | | |
| | 2.1 Incurred claims excluding prescription drugs | 85,137,792 | 16,945,361 | 54,196,629 | 11,127,157 | 6,359,742 | | 173,766,681 | XXX | 173,766,681 |
| | 2.2 Prescription drugs | 11,464,149 | 3,783,919 | 8,499,488 | 1,570,720 | 0 | 0 | 25,318,276 | XXX | 25,318,276 |
| | 2.3 Pharmaceutical rebates | 1,057,086 | 312,062 | 773,406 | 265,232 | (3,334) | | 2,404,462 | XXX | 2,404,462 |
| | 2.4 State stop loss, market stabilization and claim/census based assessments | 43,718 | 7,393 | 21,421 | | 1,766 | | 74,298 | XXX | 74,298 |
| 3. | Incurred medical incentive pools and bonuses | | | | | | | 0 | XXX | |
| 4. | Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | | 1,577 | 5,481 | 64 | | | 7,122 | | 7,122 |
| 5. | 5.0 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10) | 95,501,125 | 20,409,825 | 61,901,291 | 12,432,645 | 6,361,311 | 0 | 196,606,197 | XXX | 196,606,197 |
| | 5.1 Net Assumed less Ceded reinsurance claims incurred | | 23,621,433 | 120,241,254 | | | | 143,862,687 | XXX | 143,862,687 |
| | 5.2 Other Adjustments due to MLR calculations – Claims | 100,000 | (4,860,000) | (5,400,000) | (40,473) | 680,163 | | (9,520,310) | XXX | (9,520,310) |
| | 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) | 95,601,125 | 39,171,258 | 176,742,545 | 12,392,172 | 7,041,474 | 0 | 330,948,574 | XXX | 330,948,574 |
| 6. | Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| | 6.1 Type A Expenses for health improvements other than Health Information Technology | | 299,025 | 1,722,685 | 177,211 | 17,877 | | 2,216,778 | | 2,216,778 |
| | 6.2 Type B Health Information Technology expenses related to health improvement | | 91,590 | 547,658 | 74,196 | 4,875 | | 718,321 | | 718,321 |
| | 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 0 | 390,615 | 2,270,323 | 251,409 | 22,752 | 0 | 2,935,099 | 0 | 2,935,099 |
| 7. | Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 18 | 0.620 | 0.827 | 0.907 | 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 | 707,989 | 854,107 | 2,361,047 | 115,262 | 59,716 | | 3,898,141 | | 3,898,141 |
| | 8.2 All other claims adjustment expenses | 962,317 | 288,404 | 1,638,704 | 58,964 | 80,908 | | 3,209,297 | | 3,209,297 |
| | 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 1,670,306 | 1,142,511 | 3,999,751 | 174,246 | 120,624 | 0 | 7,107,438 | 0 | 7,107,438 |
| 9. | Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8) | 0.011 | 0.045 | 0.057 | 0.012 | 0.020 | 0.000 | XXX | XXX | XXX |
| 10. | General and Administrative (G&A) Expenses: | | | | | | | | | |
| | 10.1 Direct sales salaries and benefits | 3,616,330 | 190,968 | 369,852 | 141,972 | 5,367 | | 4,324,489 | | 4,324,489 |
| | 10.2 Agents and brokers fees and commissions | 6,839,464 | 1,831,259 | 5,414,898 | 122,447 | 110,771 | | 14,318,839 | | 14,318,839 |
| | 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 3,993,732 | 1,069,317 | 3,161,892 | 71,500 | 64,682 | | 8,361,123 | | 8,361,123 |
| | 10.4 Other general and administrative expenses | 35,810,815 | 10,365,606 | 30,845,161 | 563,890 | 633,188 | | 78,218,660 | 0 | 78,218,660 |
| | 10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4) | 50,260,341 | 13,457,150 | 39,791,803 | 899,809 | 814,008 | 0 | 105,223,111 | 0 | 105,223,111 |
| 11. | Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5) | 6,474,421 | 1,593,140 | (12,445,207) | 1,064,292 | (1,994,105) | 0 | (5,317,459) | XXX | (5,317,459) |
| 12. | Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 | 0 |
| 13. | Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 43,588,566 | XXX | 43,588,566 |
| 14. | Federal income taxes (excluding taxes on Line 15 above) | | | | | | | 0 | | 1,522,437 |
| 15. | Net gain or (loss) (Lines 11 + 12 + 13 – 14) | XXX | XXX | XXX | XXX | XXX | XXX | 36,271,107 | XXX | 36,748,670 |
| 16. | ICD-10 Implementation Expenses (Informational only; already included in general expenses) | 6,258 | 237 | 1,013 | 109 | 68 | | 7,685 | | 7,685 |
| | OTHER INDICATORS: | | | | | | | | | |
| 1. | Number of Certificates/Policies | 42,046 | 1,333 | 4,931 | 1,403 | 11,219 | | 60,932 | | 60,932 |
| 2. | Number of Covered Lives | 67,952 | 3,472 | 16,083 | 1,403 | 22,152 | | 111,062 | | 111,062 |
| 3. | Number of Groups | XXX | 584 | 38 | 1 | 8 | | 631 | | 631 |
| 4. | Member Months | 920,865 | 49,186 | 206,913 | 16,461 | 396,979 | | 1,590,224 | | 1,590,224 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE Humana Health Insurance Company of Florida, Inc.

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION Humana Health Insurance Company of Florida, Inc. 2. LOCATION Florida

NAIC Group Code 0119 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69671

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. | Health Premiums Earned: | | | | | | | |
| | 1.1 Direct premiums written | 156,234,670 | 26,447,579 | 76,629,490 | 14,978,828 | 6,318,463 | | 280,609,231 |
| | 1.2 Unearned premium prior year | 1,861,690 | | | | | | 1,861,690 |
| | 1.3 Unearned premium current year | 1,700,590 | | | | | | 1,700,590 |
| | 1.4 Change in unearned premium (Lines 1.2 – 1.3) | 161,100 | 0 | 0 | 0 | 0 | 0 | 161,100 |
| | 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) | 156,395,970 | 26,447,579 | 76,629,490 | 14,978,828 | 6,318,463 | | 280,770,330 |
| | 1.9 Assumed premiums earned from non-affiliates | | | | | | | |
| | 1.10 Net Assumed less Ceded premiums earned from affiliates | | 30,596,055 | 139,641,712 | | | | 170,237,768 |
| | 1.11 Ceded premiums earned to non-affiliates | 64,781 | 3,308 | 15,950 | | | | 84,039 |
| | 1.12 Net Other Adjustments due to MLR calculation – Premiums | | | | (40,473) | 163 | | (40,310) |
| | 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 + 1.12) | 156,331,189 | 57,040,326 | 216,255,252 | 14,938,355 | 6,318,626 | 0 | 450,883,749 |
| 2. | Direct Claims Incurred: | | | | | | | |
| | 2.1 Paid claims during the year | 95,435,546 | 22,287,988 | 66,873,661 | 12,740,091 | 5,293,558 | | 202,630,844 |
| | 2.2 Direct claim liability current year | 10,920,605 | 1,903,179 | 6,700,694 | 1,320,742 | 2,741,020 | | 23,586,239 |
| | 2.3 Direct claim liability prior year | 14,815,957 | 3,736,347 | 11,697,377 | 1,603,498 | 1,672,793 | | 33,525,971 |
| | 2.4 Direct claim reserves current year | | 41,100 | 4,900 | 59,682 | (163) | | 105,519 |
| | 2.5 Direct claim reserves prior year | 94,500 | 104,951 | 56,549 | 76,675 | | | 332,675 |
| | 2.6 Direct contract reserves current year | 5,599,768 | | | | | | 5,599,768 |
| | 2.7 Direct contract reserves prior year | 1,459,234 | | | | | | 1,459,234 |
| | 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 | | | | 79,210 | | | 79,210 |
| | 2.8b Accrued medical incentive pools and bonuses current year | | | | | | | |
| | 2.8c Accrued medical incentive pools and bonuses prior year | | | | 79,210 | | | 79,210 |
| | 2.9 Net healthcare receivables (Lines 2.9a – 2.9b) | 85,103 | (18,856) | (75,962) | 7,697 | 311 | 0 | (1,707) |
| | 2.9a Healthcare receivables current year | 326,399 | 76,015 | 193,840 | 39,605 | 622 | | 636,481 |
| | 2.9b Healthcare receivables prior year | 241,296 | 94,871 | 269,802 | 31,908 | 311 | | 638,188 |
| | 2.10 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 + 2.4 – 2.5 + 2.6 – 2.7 + 2.8 – 2.9) | 95,501,125 | 20,409,825 | 81,901,291 | 12,432,645 | 6,361,311 | 0 | 196,606,197 |
| | 2.11 Assumed Incurred Claims from non-affiliates | | | | | | | |
| | 2.12 Net Assumed less Ceded Incurred Claims from affiliates | | 23,621,433 | 120,241,254 | | | | 143,862,688 |
| | 2.13 Ceded Incurred Claims to non-affiliates | | | | | | | |
| | 2.14 Other Adjustments due to MLR calculation – Claims | 100,000 | (4,860,000) | (5,400,000) | (40,473) | 680,163 | | (9,520,310) |
| | 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 – 2.13 + 2.14) | 95,601,125 | 39,171,258 | 176,742,545 | 12,392,172 | 7,041,474 | 0 | 330,948,575 |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | 1,468 | 1,577 | 5,481 | 64 | | | 8,591 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE Humana Health Insurance Company of Florida, Inc.

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION Humana Health Insurance Company of Florida, Inc. 2. LOCATION Florida

NAIC Group Code 0119 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69671

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| 1.1 Salaries (including $ 391,846 for affiliated services) | | | | | | 0 | 418,896 | 569,374 | 24,387,491 | 25,375,761 |
| 1.2 Outsourced Services | | | | | | 0 | 132,698 | 180,367 | 2,231,878 | 2,544,943 |
| 1.3 EDP Equipment and Software (incl $ 59 for affiliated services | | | | | | 0 | | | 3,821 | 3,821 |
| 1.4 Other Equipment (excl. EDP) (incl $ 2,329 for affiliated services | | | | | | 0 | | | 150,793 | 150,793 |
| 1.5 Accreditation and Certification (incl $ for affiliated services | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 1.6 Other Expenses (incl $ 310,910 for affiliated services | | | | | | 0 | 156,395 | 212,576 | 19,765,441 | 20,134,412 |
| 1.7 Subtotal before Reimbursements and Taxes (1.1 to 1.6) | 0 | 0 | 0 | 0 | 0 | 0 | 707,989 | 962,317 | 46,539,424 | 48,209,730 |
| 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 | 5,082,152 |
| 1.10 Total (1.7 to 1.9) | 0 | 0 | 0 | 0 | 0 | 0 | 707,989 | 962,317 | 46,539,424 | 53,291,882 |
| 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |
| 2. Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 2.1 Salaries (including $ 113,270 for affiliated services) | 101,865 | 19,050 | 17,279 | 38,730 | 54,191 | 231,115 | 387,016 | 288,974 | 6,428,184 | 7,335,289 |
| 2.2 Outsourced Services | 32,269 | 6,035 | 5,474 | 12,269 | 17,167 | 73,214 | 122,599 | 91,542 | 588,290 | 875,645 |
| 2.3 EDP Equipment and Software (incl $ 16 for affiliated services | | | | | | 0 | | | 1,007 | 1,007 |
| 2.4 Other Equipment (excl. EDP) (incl $ 614 for affiliated services | | | | | | 0 | | | 39,747 | 39,747 |
| 2.5 Accreditation and Certification (incl $ for affiliated services | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 Other Expenses (incl $ 85,679 for affiliated services | 38,031 | 7,112 | 6,451 | 14,460 | 20,232 | 86,286 | 144,462 | 107,888 | 5,208,890 | 5,548,546 |
| 2.7 Subtotal before Reimbursements and Taxes (2.1 to 2.6) | 172,165 | 32,197 | 29,204 | 65,459 | 91,590 | 390,615 | 654,107 | 488,404 | 12,267,108 | 13,800,234 |
| 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 | 1,339,581 |
| 2.10 Total (2.7 to 2.9) | 172,165 | 32,197 | 29,204 | 65,459 | 91,590 | 390,615 | 654,107 | 488,404 | 12,267,108 | 15,139,815 |
| 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | 232,921 | | | 232,921 |
| 3. Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 3.1 Salaries (including $ 349,359 for affiliated services) | 581,707 | 119,322 | 102,945 | 215,275 | 324,033 | 1,343,282 | 1,396,960 | 969,572 | 18,914,503 | 22,624,317 |
| 3.2 Outsourced Services | 184,274 | 37,799 | 32,611 | 68,195 | 102,648 | 425,527 | 442,531 | 307,142 | 1,731,005 | 2,906,205 |
| 3.3 EDP Equipment and Software (incl $ 46 for affiliated services | | | | | | 0 | | | 2,964 | 2,964 |
| 3.4 Other Equipment (excl. EDP) (incl $ 1,806 for affiliated services | | | | | | 0 | | | 116,952 | 116,952 |
| 3.5 Accreditation and Certification (incl $ for affiliated services | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other Expenses (incl $ 258,105 for affiliated services | 217,180 | 44,549 | 38,434 | 80,373 | 120,978 | 501,514 | 521,555 | 361,990 | 15,329,724 | 16,714,783 |
| 3.7 Subtotal before Reimbursements and Taxes (3.1 to 3.6) | 983,161 | 201,670 | 173,990 | 363,843 | 547,659 | 2,270,323 | 2,361,046 | 1,638,704 | 36,095,148 | 42,365,221 |
| 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 | 3,833,111 |
| 3.10 Total (3.7 to 3.9) | 983,161 | 201,670 | 173,990 | 363,843 | 547,659 | 2,270,323 | 2,361,046 | 1,638,704 | 36,095,148 | 46,198,332 |
| 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | 761,365 | | | 761,365 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. Individual Comprehensive Coverage Expenses: | | | | | |
| 1.1 HIT expenses | | | | | 0 |
| 1.2 Other than HIT expenses | | | | | 0 |
| 2. Small Group Comprehensive Coverage Expenses: | | | | | |
| 2.1 HIT expenses | 38,540 | 21,703 | 16,215 | 15,132 | 91,590 |
| 2.2 Other than HIT expenses | 172,165 | 32,197 | 29,204 | 65,459 | 299,025 |
| 3. Large Group Comprehensive Coverage Expenses: | | | | | |
| 3.1 HIT Expenses | 241,060 | 125,653 | 97,644 | 83,301 | 547,658 |
| 3.2 Other than HIT expenses | 983,161 | 201,670 | 173,990 | 363,843 | 1,722,664 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 279,600 | 147,356 | 113,859 | 98,433 | 639,248 |
| 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 1,155,326 | 233,867 | 203,194 | 429,302 | 2,021,689 |
| 4.3 Total (Lines 4.1 + 4.2) | 1,434,926 | 381,223 | 317,053 | 527,735 | 2,660,937 |

SUPPLEMENT FOR THE YEAR 2010 OF THE JOHN ALDEN LIFE INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION JOHN ALDEN LIFE INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 65080

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Subtotal (Cols. 1 through 6) | Uninsured Plans | Total 7 + 8 |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 4,499,787 | 799,532 | | | 852,402 | 1,285,777 | 7,426,498 | XXX | 7,426,498 |
| 1.2 Federal high risk pools | | | | | | | | XXX | |
| 1.3 State high risk pools | 699 | (5,386) | | | 678 | 65 | (3,944) | XXX | (3,944) |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 4,500,486 | 793,146 | | | 853,080 | 1,285,842 | 7,422,554 | XXX | 7,422,554 |
| 1.5 Federal taxes and federal assessments | 305,728 | 133,099 | | | 466,351 | 83,378 | 988,556 | | 988,556 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $ 0 ) | 75,449 | 13,213 | | | 13,796 | 12,181 | 114,639 | | 114,639 |
| 1.7 Regulatory authority licenses and fees | 12,607 | 1,337 | | | 4,259 | 1,680 | 19,883 | | 19,883 |
| 1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7) | 4,106,702 | 635,497 | | | 368,674 | 1,188,602 | 6,299,475 | XXX | 6,299,475 |
| 1.9 Net Assumed less Ceded reinsurance premiums earned | | | | | (531,260) | (604,639) | (1,135,899) | XXX | (1,135,899) |
| 1.10 Other Adjustments due to MLR calculations - Premiums | | | | | | | | XXX | |
| 1.11 Risk Revenue | | | | | | | | XXX | |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 4,106,702 | 635,497 | | | (162,586) | 583,963 | 5,163,576 | XXX | 5,163,576 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 2,330,806 | 319,819 | | | 459,029 | 1,551,412 | 4,660,868 | XXX | 4,660,868 |
| 2.2 Prescription drugs | 144,660 | 24,174 | | | | 23,737 | 192,781 | XXX | 192,781 |
| 2.3 Pharmaceutical rebates | 27,466 | 3,295 | | | (65) | 4,483 | 35,179 | XXX | 35,179 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | | XXX | |
| 3. Incurred medical incentive pools and bonuses | | | | | | | | XXX | |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | | | | | | | | | |
| 5. 5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10) | 2,448,022 | 340,698 | | | 659,694 | 1,570,696 | 4,818,460 | XXX | 4,818,460 |
| 5.1 Net Assumed less Ceded reinsurance claims incurred | | | | | (408,741) | (1,229,184) | (1,637,925) | XXX | (1,637,925) |
| 5.2 Other Adjustments due to MLR calculations - Claims | 3,285 | (136,806) | | | 112 | 203 | (133,206) | XXX | (133,206) |
| 5.3 Rebates paid | | | | | | | | XXX | |
| 5.4 Estimated rebates unpaid prior year | | | | | | | | XXX | |
| 5.5 Estimated rebates unpaid current year | | | | | | | | XXX | |
| 5.6 Fee for service and co-pay revenue | | | | | | | | XXX | |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 2,451,307 | 203,892 | | | 50,465 | 341,695 | 3,047,349 | XXX | 3,047,349 |
| 6. Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than Health Information Technology | 3,400 | 394 | | | 218 | 317 | 4,329 | | 4,329 |
| 6.2 Type B. Health Information Technology expenses related to health improvement | 1,283 | 157 | | | 77 | 120 | 1,637 | | 1,637 |
| 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 4,684 | 551 | | | 295 | 436 | 5,966 | | 5,966 |
| 7. Preliminary Medical Loss Ratio: MLR ((Lines 4 + 5.0 + 6.3)/Line 1.8 | 0.597 | 0.537 | 0.000 | 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 | 139,358 | 26,026 | | | 5,847 | 13,074 | 184,305 | | 184,305 |
| 8.2 All other claims adjustment expenses | 42,918 | 6,906 | | | 801 | 3,999 | 54,624 | | 54,624 |
| 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 182,276 | 32,932 | | | 6,648 | 17,073 | 238,929 | | 238,929 |
| 9. Claims Adjustment Expense Ratio (Line 8.3/Line 1.8) | 0.044 | 0.052 | 0.000 | 0.000 | 0.018 | 0.014 | XXX | XXX | XXX |
| 10. General and Administrative (G&A) Expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | 46,064 | 14,343 | | | 41,558 | 4,292 | 106,258 | | 106,258 |
| 10.2 Agents and brokers fees and commissions | 281,080 | 57,215 | | | 168,532 | 52,862 | 559,689 | | 559,689 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 24,519 | 4,178 | | | 1,048 | 2,285 | 32,028 | | 32,028 |
| 10.4 Other general and administrative expenses | 564,829 | 89,913 | | | 251,559 | 53,128 | 959,428 | | 959,428 |
| 10.5 Total general and administrative (Lines 10.1 +10.2 + 10.3 + 10.4) | 916,492 | 175,649 | | | 462,696 | 112,568 | 1,657,403 | | 1,657,403 |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5) | 551,944 | 222,473 | | | (662,699) | 112,201 | 203,929 | XXX | 203,929 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 382,696 | XXX | 382,696 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 22,939 | 4,962 | | | 9,610 | 4,113 | 41,624 | | 41,624 |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14) | XXX | XXX | XXX | XXX | XXX | XXX | 545,001 | XXX | 545,001 |
| 16. ICD-10 Implementation Expenses (Informational only; already included in general expenses) | | | | | | | | | |
| OTHER INDICATORS: | | | | | | | | | |
| 1. Number of certificates/policies | 690 | 143 | | | 506 | 974 | 2,305 | | 2,305 |
| 2. Number of Covered Lives | 1,055 | 193 | | | 751 | 1,016 | 3,015 | | 3,015 |
| 3. Number of Groups | XXX | 34 | | | 235 | 858 | 1,127 | | 1,127 |
| 4. Member Months | 14,955 | 2,328 | | | 9,800 | 13,298 | 40,501 | | 40,501 |

SUPPLEMENT FOR THE YEAR 2010 OF THE JOHN ALDEN LIFE INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION JOHN ALDEN LIFE INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 65080

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. Health Premiums Earned: | | | | | | | |
| 1.1 Direct premiums written | 4,447,943 | 788,933 | | | 832,563 | 1,262,615 | 7,332,054 |
| 1.2 Unearned premium prior year | 308,316 | 7,416 | | | 141,616 | 188,315 | 645,663 |
| 1.3 Unearned premium current year | 256,472 | 7,817 | | | 121,777 | 165,153 | 551,219 |
| 1.4 Change in unearned premium (Lines 1.2 - 1.3) | 51,844 | (401) | | | 19,839 | 23,162 | 94,444 |
| 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 $ 0 write offs) | 4,499,787 | 788,532 | | | 852,402 | 1,285,777 | 7,426,498 |
| 1.9 Assumed premiums earned from non-affiliates | | | | | | | |
| 1.10 Net Assumed less Ceded premiums earned from affiliates | | | | | | | |
| 1.11 Ceded premiums earned to non-affiliates | | | | | 531,260 | 604,639 | 1,135,899 |
| 1.12 Other Adjustments due to MLR calculation - Premiums | | | | | | | |
| 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 - 1.11 + 1.12) | 4,499,787 | 788,532 | | | 321,142 | 681,138 | 6,290,599 |
| 2. Direct Claims Incurred: | | | | | | | |
| 2.1 Paid claims during the year | 2,715,672 | 251,650 | | | 518,107 | 1,066,100 | 4,551,529 |
| 2.2 Direct claim liability current year | 561,416 | 188,585 | | | 74,896 | 234,479 | 1,059,376 |
| 2.3 Direct claim liability prior year | 687,970 | 98,484 | | | 112,951 | 249,866 | 1,149,271 |
| 2.4 Direct claim reserves current year | | 257 | | | 223 | 2,278,077 | 2,278,557 |
| 2.5 Direct claim reserves prior year | 141,985 | 716 | | | 2,591 | 2,315,088 | 2,460,380 |
| 2.6 Direct contract reserves current year | | | | | 158,965 | 8,108,049 | 8,267,014 |
| 2.7 Direct contract reserves prior year | | | | | 177,662 | 7,551,230 | 7,728,892 |
| 2.8 Incurred medical incentive pools and bonuses (Lines 2.8a + 2.8b - 2.8c) | | | | | | | |
| 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) | (889) | 595 | | | (107) | (145) | (546) |
| 2.9a Healthcare receivables current year | 6,997 | 690 | | | | 1,142 | 8,829 |
| 2.9b Healthcare receivables prior year | 7,886 | 95 | | | 107 | 1,287 | 9,375 |
| 2.10 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 - 2.9) | 2,448,022 | 340,897 | | | 459,094 | 1,570,656 | 4,818,479 |
| 2.11 Assumed Incurred Claims from non-affiliates | | | | | | | |
| 2.12 Net Assumed less Ceded Incurred Claims from affiliates | | | | | | | |
| 2.13 Ceded Incurred Claims to non-affiliates | | | | | 408,741 | 1,229,184 | 1,637,925 |
| 2.14 Other Adjustments due to MLR calculation - Claims | 3,285 | (136,906) | | | 112 | 203 | (133,208) |
| 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 - 2.13 + 2.14) | 2,451,307 | 203,891 | | | 50,465 | 341,685 | 3,047,348 |
| 3. Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | | | | | | | |

SUPPLEMENT FOR THE YEAR 2010 OF THE JOHN ALDEN LIFE INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION JOHN ALDEN LIFE INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 65080

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 1.1 Salaries (including $ 0 for affiliated services) | 1,089 | 851 | 409 | 878 | 437 | 3,463 | 36,612 | 19,592 | 312,118 | 371,985 |
| | 1.2 Outsourced Services | | | | | | | 14,879 | 19,168 | 105,021 | 139,068 |
| | 1.3 EDP Equipment and Software (incl $ 0 for affiliated services) | 34 | 26 | 12 | 19 | 13 | 103 | 5,488 | 951 | (824) | 5,718 |
| | 1.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | 2 | | 883 | 885 |
| | 1.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 1.6 Other Expenses (incl $ 0 for affiliated services) | 102 | 80 | 38 | 63 | 833 | 1,117 | 82,178 | 3,208 | 193,805 | 280,397 |
| | 1.7 Subtotal before Reimbursements and Taxes (Lines 1.1 to 1.6) | 1,225 | 956 | 459 | 760 | 1,283 | 4,684 | 139,358 | 42,918 | 610,882 | 797,852 |
| | 1.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 1.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 24,519 |
| | 1.10 Total (1.7 to 1.9) | 1,225 | 956 | 459 | 760 | 1,283 | 4,684 | 139,358 | 42,918 | 610,882 | 822,371 |
| | 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 2.1 Salaries (including $ 0 for affiliated services) | 97 | 84 | 52 | 119 | 75 | 427 | 8,672 | 3,831 | 55,790 | 68,720 |
| | 2.2 Outsourced Services | | | | | | | 5,642 | 2,159 | 20,897 | 28,698 |
| | 2.3 EDP Equipment and Software (incl $ 0 for affiliated services) | 3 | 2 | 1 | 3 | 2 | 11 | 543 | 178 | 154 | 886 |
| | 2.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | 10 | 188 | 198 |
| | 2.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 2.6 Other Expenses (incl $ 0 for affiliated services) | 9 | 8 | 5 | 11 | 80 | 113 | 13,059 | 728 | 27,228 | 41,138 |
| | 2.7 Subtotal before Reimbursements and Taxes (Lines 2.1 to 2.6) | 109 | 94 | 58 | 133 | 157 | 551 | 26,026 | 6,906 | 104,257 | 137,740 |
| | 2.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 2.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 4,178 |
| | 2.10 Total (2.7 to 2.9) | 109 | 94 | 58 | 133 | 157 | 551 | 26,026 | 6,906 | 104,257 | 141,918 |
| | 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 3.1 Salaries (including $ 0 for affiliated services) | | | | | | | | | | |
| | 3.2 Outsourced Services | | | | | | | | | | |
| | 3.3 EDP Equipment and Software (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 3.6 Other Expenses (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.7 Subtotal before Reimbursements and Taxes (Lines 3.1 to 3.6) | | | | | | | | | | |
| | 3.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 3.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| | 3.10 Total (3.7 to 3.9) | | | | | | | | | | |
| | 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| | 1.1 HIT Expenses | 492 | 381 | 173 | 287 | 1,283 |
| | 1.2 Other than HIT expenses | 1,225 | 956 | 459 | 760 | 3,400 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| | 2.1 HIT Expenses | 43 | 36 | 23 | 53 | 157 |
| | 2.2 Other than HIT expenses | 109 | 94 | 58 | 133 | 394 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| | 3.1 HIT Expenses | | | | | |
| | 3.2 Other than HIT expenses | | | | | |
| 4. | Subtotals/Totals: | | | | | |
| | 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 505 | 399 | 196 | 340 | 1,440 |
| | 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 1,334 | 1,050 | 517 | 893 | 3,794 |
| | 4.3 Total (Lines 4.1 + 4.2) | 1,839 | 1,449 | 713 | 1,233 | 5,235 |

216.3.FL

Supplement for the year 2010 of the **THE MEGA LIFE AND HEALTH INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT: 1. CORPORATION: THE MEGA LIFE AND HEALTH INSURANCE COMPANY 2. LOCATION: OKLAHOMA CITY OK

NAIC Group Code.....264 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....97055

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 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) |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 22,331,163 | 0 | 0 | 0 | 589,492 | 647,884 | 23,568,539 | XXX | 23,568,539 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | | | | | | | 0 | XXX | 0 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1+1.2+1.3) | 22,331,163 | 0 | 0 | 0 | 589,492 | 647,884 | 23,568,539 | XXX | 23,568,539 |
| 1.5 Federal taxes and federal assessments | 1,427,292 | (14,560) | 3,620 | | 21,526 | 10,754 | 1,448,632 | | 1,448,632 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $.....0) | 847,000 | | | | 22,622 | 24,759 | 894,381 | | 894,381 |
| 1.7 Regulatory authority licenses and fees | 3,038 | | | | 81 | 89 | 3,208 | | 3,208 |
| 1.8 Adjusted premiums earned (Lines 1.4-1.5-1.6-1.7) | 20,053,833 | 14,560 | (3,620) | 0 | 545,283 | 612,282 | 21,222,318 | XXX | 21,222,318 |
| 1.9 Net assumed less ceded reinsurance premiums earned | (49,227) | 26,635 | 0 | 0 | 0 | (3,213) | (25,805) | XXX | (25,805) |
| 1.10 Other adjustments due to MLR calculations - premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.11 Risk revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (lines 1.8+1.9+1.10+1.11) | 20,004,606 | 41,195 | (3,620) | 0 | 545,283 | 609,069 | 21,196,513 | XXX | 21,196,513 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 11,696,558 | (78) | (314,624) | | 73,294 | 123,166 | 11,578,316 | XXX | 11,578,316 |
| 2.2 Prescription drugs | 1,061,156 | | | | | 3,927 | 1,065,083 | XXX | 1,065,083 |
| 2.3 Pharmaceutical rebates | 185,982 | | | | | 692 | 186,674 | XXX | 186,674 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | 0 | XXX | 0 |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible fraud and abuse detection/recovery expenses (for MLR use only) | 194,104 | 0 | 0 | | 1,069 | 3,990 | 199,163 | | 199,163 |
| 5. 5.0 Total incurred claims (Lines 2.1+2.2-2.3-2.4+3) (From Part 2, Line 2.10) | 12,571,732 | (78) | (314,624) | 0 | 73,294 | 126,401 | 12,456,725 | XXX | 12,456,725 |
| 5.1 Net assumed less ceded reinsurance claims incurred | (45,299) | 73,617 | 302,962 | 0 | 0 | 25,539 | 356,819 | XXX | 356,819 |
| 5.2 Other adjustments due to MLR calculations - claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6) | 12,526,433 | 73,539 | (11,662) | 0 | 73,294 | 151,940 | 12,813,544 | XXX | 12,813,544 |
| 6. Improving health care quality expenses incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than health information technology | 23,004 | 0 | 0 | | | | 23,004 | | 23,004 |
| 6.2 Type B. Health information technology expenses related to health improvement | 0 | 0 | 0 | | | | 0 | | 0 |
| 6.3 Total of defined expenses incurred for improving health care quality (Lines 6.1+6.2) | 23,004 | 0 | 0 | 0 | 0 | 0 | 23,004 | 0 | 23,004 |
| 7. Preliminary medical loss ratio: MLR (Lines 4+5.0+6.3) / Line 1.8 | 0.638 | (0.005) | 86.908 | 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 | 464,383 | | | | 557 | 3,651 | 468,591 | | 468,591 |
| 8.2 All other claims adjustment expenses | 616,314 | | | | 64 | 469 | 616,847 | | 616,847 |
| 8.3 Total claims adjustment expenses (Lines 8.1+8.2) | 1,080,697 | 0 | 0 | 0 | 621 | 4,120 | 1,085,438 | 0 | 1,085,438 |
| 9. Claims adjustment expense ratio (Line 8.3 / Line 1.8) | 0.054 | 0.000 | 0.000 | 0.000 | 0.001 | 0.007 | XXX | XXX | XXX |
| 10. General and administrative (G&A) expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | | | | | | | 0 | | 0 |
| 10.2 Agents and brokers fees and commissions | 801,249 | | | | 21,400 | 23,422 | 846,071 | | 846,071 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 143,234 | | | | 20,590 | 19,825 | 183,649 | | 183,649 |
| 10.4 Other general and administrative expenses | 2,259,452 | | | | 381,541 | 385,872 | 3,026,865 | | 3,026,865 |
| 10.5 Total general and administrative (Lines 10.1+10.2+10.3+10.4) | 3,203,935 | 0 | 0 | 0 | 423,531 | 429,119 | 4,056,585 | 0 | 4,056,585 |
| 11. Underwriting gain/(loss) (Lines 1.12-5.7-8.3-9.3-10.5) | 3,170,537 | (32,344) | 8,042 | 0 | 47,817 | 23,890 | 3,217,942 | XXX | 3,217,942 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 1,038,457 | XXX | 1,038,457 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 279,321 | 10 | | | 2,237 | 40,798 | 322,366 | | 322,366 |
| 15. Net gain or (loss) (Lines 11+12+13-14) | XXX | XXX | XXX | XXX | XXX | XXX | 3,934,033 | XXX | 3,934,033 |
| 16. ICD-10 Implementation Expenses (informational only, already included in general expenses) | | | | | | | 0 | | 0 |
| **OTHER INDICATORS:** | | | | | | | | | |
| 1. Number of certificates/policies | 3,681 | | | | 2,312 | 3,304 | 9,297 | | 9,297 |
| 2. Number of covered lives | 5,593 | | | | 3,524 | 5,056 | 14,173 | | 14,173 |
| 3. Number of groups | XXX | | | | | | 0 | | 0 |
| 4. Member months | 83,810 | | | | 40,997 | 65,566 | 190,373 | | 190,373 |

Supplement for the year 2010 of the **THE MEGA LIFE AND HEALTH INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT: 1. CORPORATION: THE MEGA LIFE AND HEALTH INSURANCE COMPANY 2. LOCATION: OKLAHOMA CITY OK

NAIC Group Code.....264

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010

NAIC Company Code.....97055

| | Comprehensive Health Coverage | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (Excluded by Statute) | 5 Other Business (Excluded by Statute) | 6 Other Health | 7 Subtotal (Cols 1 thru 6) | 8 Uninsured Plans | 9 Total (Cols 7 + 8) |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 22,331,163 | 0 | 0 | 0 | 589,492 | 647,884 | 23,568,539 | XXX | 23,568,539 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | | | | | | | 0 | XXX | 0 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1+1.2+1.3) | 22,331,163 | 0 | 0 | 0 | 589,492 | 647,884 | 23,568,539 | XXX | 23,568,539 |
| 1.5 Federal taxes and federal assessments | 1,427,292 | (14,560) | 3,620 | | 21,526 | 10,754 | 1,448,632 | | 1,448,632 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $.....0) | 847,000 | | | | 22,622 | 24,759 | 894,381 | | 894,381 |
| 1.7 Regulatory authority licenses and fees | 3,038 | | | | 81 | 89 | 3,208 | | 3,208 |
| 1.8 Adjusted premiums earned (Lines 1.4-1.5-1.6-1.7) | 20,053,833 | 14,560 | (3,620) | 0 | 545,263 | 612,282 | 21,222,318 | XXX | 21,222,318 |
| 1.9 Net assumed less ceded reinsurance premiums earned | (49,227) | 26,635 | | 0 | 0 | (3,213) | (25,805) | XXX | (25,805) |
| 1.10 Other adjustments due to MLR calculations - premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.11 Risk revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (lines 1.8+1.9+1.10+1.11) | 20,004,606 | 41,195 | (3,620) | 0 | 545,263 | 609,069 | 21,196,513 | XXX | 21,196,513 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 11,696,558 | (78) | (314,624) | | 73,294 | 123,166 | 11,578,316 | XXX | 11,578,316 |
| 2.2 Prescription drugs | 1,061,156 | | | | | 3,927 | 1,065,083 | XXX | 1,065,083 |
| 2.3 Pharmaceutical rebates | 185,982 | | | | | 692 | 186,674 | XXX | 186,674 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | 0 | XXX | 0 |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible fraud and abuse detection/recovery expenses (for MLR use only) | 194,104 | 0 | 0 | | 1,069 | 3,990 | 199,163 | | 199,163 |
| 5. 5.0 Total incurred claims (Lines 2.1+2.2-2.3-2.4+3) (From Part 2, Line 2.10) | 12,571,732 | (78) | (314,624) | 0 | 73,294 | 126,401 | 12,456,725 | XXX | 12,456,725 |
| 5.1 Net assumed less ceded reinsurance claims incurred | (45,299) | 73,617 | 302,962 | 0 | 0 | 25,539 | 356,819 | XXX | 356,819 |
| 5.2 Other adjustments due to MLR calculations - claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6) | 12,526,433 | 73,539 | (11,662) | 0 | 73,294 | 151,940 | 12,813,544 | XXX | 12,813,544 |
| 6. Improving health care quality expenses incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than health information technology | 23,004 | 0 | 0 | | | | 23,004 | | 23,004 |
| 6.2 Type B. Health information technology expenses related to health improvement | 0 | 0 | 0 | | | | 0 | | 0 |
| 6.3 Total of defined expenses incurred for improving health care quality (Lines 6.1+6.2) | 23,004 | 0 | 0 | 0 | 0 | 0 | 23,004 | 0 | 23,004 |
| 7. Preliminary medical loss ratio: MLR (Lines 4+5.0+6.3) / Line 1.8 | 0.638 | (0.005) | 86.908 | 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 | 464,383 | | | | 557 | 3,651 | 468,591 | | 468,591 |
| 8.2 All other claims adjustment expenses | 616,314 | | | | 64 | 469 | 616,847 | | 616,847 |
| 8.3 Total claims adjustment expenses (Lines 8.1+8.2) | 1,080,697 | 0 | 0 | 0 | 621 | 4,120 | 1,085,438 | 0 | 1,085,438 |
| 9. Claims adjustment expense ratio (Line 8.3 / Line 1.8) | 0.054 | 0.000 | 0.000 | 0.000 | 0.001 | 0.007 | XXX | XXX | XXX |
| 10. General and administrative (G&A) expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | | | | | | | 0 | | 0 |
| 10.2 Agents and brokers fees and commissions | 801,249 | | | | 21,400 | 23,422 | 846,071 | | 846,071 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 143,234 | | | | 20,590 | 19,825 | 183,649 | | 183,649 |
| 10.4 Other general and administrative expenses | 2,259,452 | | | | 381,541 | 385,872 | 3,026,865 | | 3,026,865 |
| 10.5 Total general and administrative (Lines 10.1+10.2+10.3+10.4) | 3,203,935 | 0 | 0 | 0 | 423,531 | 429,119 | 4,056,585 | 0 | 4,056,585 |
| 11. Underwriting gain/(loss) (Lines 1.12-5.7-6.3-8.3-10.5) | 3,170,537 | (32,344) | 8,042 | 0 | 47,817 | 23,890 | 3,217,942 | XXX | 3,217,942 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 1,038,457 | XXX | 1,038,457 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 279,321 | 10 | | | 2,237 | 40,798 | 322,366 | | 322,366 |
| 15. Net gain or (loss) (Lines 11+12+13-14) | XXX | XXX | XXX | XXX | XXX | XXX | 3,934,033 | XXX | 3,934,033 |
| 16. ICD-10 Implementation Expenses (informational only, already included in general expenses) | | | | | | | 0 | | 0 |
| **OTHER INDICATORS:** | | | | | | | | | |
| 1. Number of certificates/policies | 3,681 | | | | 2,312 | 3,304 | 9,297 | | 9,297 |
| 2. Number of covered lives | 5,593 | | | | 3,524 | 5,056 | 14,173 | | 14,173 |
| 3. Number of groups | XXX | | | | | | 0 | | 0 |
| 4. Member months | 83,810 | | | | 40,997 | 65,566 | 190,373 | | 190,373 |

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: THE MEGA LIFE AND HEALTH INSURANCE COMPANY 2. LOCATION: OKLAHOMA CITY OK

NAIC Group Code.....264 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....97055

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1<br>Individual | 2<br>Small Group Employer | 3<br>Large Group Employer | Government Business (Excluded by Statute) | Other Business (Excluded by Statute) | Other Health | Total |
| 1. Health premiums earned: | | | | | | | |
| 1.1 Direct premiums written | 21,824,578 | | | | 582,907 | 637,960 | 23,045,445 |
| 1.2 Unearned premium prior year | 1,536,890 | | | | 38,442 | 40,706 | 1,616,038 |
| 1.3 Unearned premium current year | 1,030,305 | | | | 31,857 | 30,782 | 1,092,944 |
| 1.4 Change in unearned premium (Lines 1.2-1.3) | 506,585 | 0 | 0 | 0 | 6,585 | 9,924 | 523,094 |
| 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+1.7 less $.....0 write offs) | 22,331,163 | 0 | 0 | 0 | 589,492 | 647,884 | 23,568,539 |
| 1.9 Assumed premiums earned from non-affiliates | 11,624 | 26,635 | | | | 985 | 39,244 |
| 1.10 Net assumed less ceded premiums earned from affiliates | (60,851) | | | | | (4,197) | (65,048) |
| 1.11 Ceded premiums earned to non-affiliates | | | | | | | 0 |
| 1.12 Other adjustments due to MLR calculation - premiums | | | | | | | 0 |
| 1.13 Net premiums earned (Lines 1.8+1.9+1.10-1.11+1.12) | 22,281,936 | 26,635 | 0 | 0 | 589,492 | 644,671 | 23,542,734 |
| 2. Direct claims incurred: | | | | | | | |
| 2.1 Paid claims during the year | 16,785,291 | 587 | 13,234 | | 92,375 | 344,611 | 17,216,098 |
| 2.2 Direct claim liability current year | 6,257,479 | 19 | | | 32,672 | 29,069 | 6,319,239 |
| 2.3 Direct claim liability prior year | 10,450,288 | 684 | | | 51,754 | 42,810 | 10,545,536 |
| 2.4 Direct claim reserves current year | | | 93,530 | | | | 93,530 |
| 2.5 Direct claim reserves prior year | | | 421,388 | | | 26,084 | 447,472 |
| 2.6 Direct contract reserves current year | 22,630 | | | | | 1,250,135 | 1,272,765 |
| 2.7 Direct contract reserves prior year | 23,380 | | | | | 1,428,520 | 1,451,900 |
| 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 | | | | | | | 0 |
| 2.8b Accrued medical incentive pools and bonuses current year | | | | | | | 0 |
| 2.8c Accrued medical incentive pools and bonuses prior year | | | | | | | 0 |
| 2.9 Net healthcare receivables (Lines 2.9a-2.9b) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.9a Healthcare receivables current year | | | | | | | 0 |
| 2.9b Healthcare receivables prior year | | | | | | | 0 |
| 2.10 Total incurred claims (Lines 2.1+2.2-2.3+2.4-2.5+2.6-2.7+2.8-2.9) | 12,571,732 | (78) | (314,624) | 0 | 73,293 | 126,401 | 12,456,724 |
| 2.11 Assumed incurred claims from non-affiliates | 6,430 | 73,617 | 302,962 | | | 5,717 | 388,726 |
| 2.12 Net assumed less ceded incurred claims from affiliates | (51,729) | | | | | 19,822 | (31,907) |
| 2.13 Ceded incurred claims to non-affiliates | | | | | | | 0 |
| 2.14 Other adjustments due to MLR calculation - claims | | | | | | | 0 |
| 2.15 Net incurred claims (Lines 2.10+2.11+2.12-2.13+2.14) | 12,526,433 | 73,539 | (11,662) | 0 | 73,293 | 151,940 | 12,813,543 |
| 3. Fraud and abuse recoveries that reduced PAID claims in Line 2.1 above (informational only) | 823,687 | | | | 4,538 | 16,931 | 845,156 |

Supplement for the year 2010 of the **THE MEGA LIFE AND HEALTH INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: THE MEGA LIFE AND HEALTH INSURANCE COMPANY 2. LOCATION: OKLAHOMA CITY OK

NAIC Group Code.....264 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....97055

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | | | 13,950 | | | 13,950 | 281,604 | 373,738 | 1,370,144 | 2,039,434 |
| 1.2 Outsourced services | | | 4 | | | 4 | 74 | 99 | 361 | 538 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | | | 2,025 | | | 2,025 | 40,869 | 54,240 | 198,846 | 295,980 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | (19) | | | (19) | (374) | (497) | (1,820) | (2,710) |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | 1,015 | 1,348 | 4,941 | 7,304 |
| 1.6 Other expenses (including $.....0 for affiliated services) | | | 6,961 | | | 6,961 | 139,510 | 185,153 | 678,784 | 1,010,408 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 0 | 0 | 22,921 | 0 | 0 | 22,921 | 462,698 | 614,079 | 2,251,256 | 3,350,954 |
| 1.8 Reimbursements by uninsured plans and fiscal intermediaries | | | 83 | | | 83 | 1,684 | 2,236 | 8,196 | 12,199 |
| 1.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 143,498 |
| 1.10 Total (Lines 1.7 to 1.9) | 0 | 0 | 23,004 | 0 | 0 | 23,004 | 464,382 | 616,315 | 2,259,452 | 3,506,651 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 194,104 | | | 194,104 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.2 Outsourced services | | | | | | 0 | | | | 0 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 2.10 Total (Lines 2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 Outsourced services | | | | | | 0 | | | | 0 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 Total (Lines 3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | | | | | 0 |
| 1.2 Other than HIT expenses | | | 23,004 | | 23,004 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | | | | | 0 |
| 2.2 Other than HIT expenses | | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | | | | | 0 |
| 3.2 Other than HI expenses | | | | | 0 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 0 | 0 | 23,004 | 0 | 23,004 |
| 4.3 Total (Lines 4.1+4.2) | 0 | 0 | 23,004 | 0 | 23,004 |

Supplement for the year 2010 of the **THE MEGA LIFE AND HEALTH INSURANCE COMPANY**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: THE MEGA LIFE AND HEALTH INSURANCE COMPANY 2. LOCATION: OKLAHOMA CITY OK

NAIC Group Code.....264 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....97055

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | | | 13,950 | | | 13,950 | 281,604 | 373,736 | 1,370,144 | 2,039,434 |
| 1.2 Outsourced services | | | 4 | | | 4 | 74 | 99 | 361 | 538 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | | | 2,025 | | | 2,025 | 40,869 | 54,240 | 198,846 | 295,980 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | (19) | | | (19) | (374) | (497) | (1,820) | (2,710) |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | 1,015 | 1,348 | 4,941 | 7,304 |
| 1.6 Other expenses (including $.....0 for affiliated services) | | | 6,961 | | | 6,961 | 139,510 | 185,153 | 678,784 | 1,010,408 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 0 | 0 | 22,921 | 0 | 0 | 22,921 | 462,698 | 614,079 | 2,251,256 | 3,350,954 |
| 1.8 Reimbursements by uninsured plans and fiscal intermediaries | | | 83 | | | 83 | 1,684 | 2,236 | 8,196 | 12,199 |
| 1.9 Taxes, licenses and fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 143,498 |
| 1.10 Total (Lines 1.7 to 1.9) | 0 | 0 | 23,004 | 0 | 0 | 23,004 | 464,382 | 616,315 | 2,259,452 | 3,506,651 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 194,104 | | | 194,104 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.2 Outsourced services | | | | | | 0 | | | | 0 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 2.10 Total (Lines 2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 Outsourced services | | | | | | 0 | | | | 0 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 Total (Lines 3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | | | | | 0 |
| 1.2 Other than HIT expenses | | | 23,004 | | 23,004 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | | | | | 0 |
| 2.2 Other than HIT expenses | | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | | | | | 0 |
| 3.2 Other than HI expenses | | | | | 0 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 0 | 0 | 23,004 | 0 | 23,004 |
| 4.3 Total (Lines 4.1+4.2) | 0 | 0 | 23,004 | 0 | 23,004 |

Supplement for the year 2010 of the **MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT: 1. CORPORATION: MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE 2. LOCATION: NORTH RICHLAND HILLS TX

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010

NAIC Group Code.....264 NAIC Company Code.....66087

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 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) |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 | XXX | 21,425,723 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | | | | | | | 0 | XXX | 0 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1+1.2+1.3) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 | XXX | 21,425,723 |
| 1.5 Federal taxes and federal assessments | 1,964,627 | | | | 94,977 | 8,121 | 2,067,725 | | 2,067,725 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $.....0) | 571,223 | | | | 16,124 | 8,834 | 596,181 | | 596,181 |
| 1.7 Regulatory authority licenses and fees | 2,033 | | | | 57 | 31 | 2,121 | | 2,121 |
| 1.8 Adjusted premiums earned (Lines 1.4-1.5-1.6-1.7) | 17,988,773 | 0 | 0 | 0 | 469,262 | 301,661 | 18,759,696 | XXX | 18,759,696 |
| 1.9 Net assumed less ceded reinsurance premiums earned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.10 Other adjustments due to MLR calculations - premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.11 Risk revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (lines 1.8+1.9+1.10+1.11) | 17,988,773 | 0 | 0 | 0 | 469,262 | 301,661 | 18,759,696 | XXX | 18,759,696 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 9,537,909 | | | | 74,707 | 77,756 | 9,690,372 | XXX | 9,690,372 |
| 2.2 Prescription drugs | 747,640 | | | | | | 747,640 | XXX | 747,640 |
| 2.3 Pharmaceutical rebates | 120,118 | | | | | | 120,118 | XXX | 120,118 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | 0 | XXX | 0 |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible fraud and abuse detection/recovery expenses (for MLR use only) | 155,604 | 0 | 0 | | 1,446 | 1,482 | 158,532 | | 158,532 |
| 5. 5.0 Total incurred claims (Lines 2.1+2.2-2.3-2.4+3) (From Part 2, Line 2.10) | 10,165,431 | 0 | 0 | 0 | 74,707 | 77,756 | 10,317,894 | XXX | 10,317,894 |
| 5.1 Net assumed less ceded reinsurance claims incurred | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.2 Other adjustments due to MLR calculations - claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6) | 10,165,431 | 0 | 0 | 0 | 74,707 | 77,756 | 10,317,894 | XXX | 10,317,894 |
| 6. Improving health care quality expenses incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than health information technology | 20,793 | 0 | 0 | | | | 20,793 | | 20,793 |
| 6.2 Type B. Health information technology expenses related to health improvement | 0 | 0 | 0 | | | | 0 | | 0 |
| 6.3 Total of defined expenses incurred for improving health care quality (Lines 6.1+6.2) | 20,793 | 0 | 0 | 0 | 0 | 0 | 20,793 | 0 | 20,793 |
| 7. Preliminary medical loss ratio: MLR (Lines 4+5.0+6.3) / Line 1.8 | 0.575 | 0.000 | 0.000 | 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 | 501,155 | | | | 742 | 2,371 | 504,268 | | 504,268 |
| 8.2 All other claims adjustment expenses | 527,127 | | | | 46 | 183 | 527,356 | | 527,356 |
| 8.3 Total claims adjustment expenses (Lines 8.1+8.2) | 1,028,282 | 0 | 0 | 0 | 788 | 2,554 | 1,031,624 | 0 | 1,031,624 |
| 9. Claims adjustment expense ratio (Line 8.3 / Line 1.8) | 0.057 | 0.000 | 0.000 | 0.000 | 0.002 | 0.008 | XXX | XXX | XXX |
| 10. General and administrative (G&A) expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | | | | | | | 0 | | 0 |
| 10.2 Agents and brokers fees and commissions | 1,544,945 | | | | 43,609 | 23,894 | 1,612,448 | | 1,612,448 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | | | | | | | 0 | | 0 |
| 10.4 Other general and administrative expenses | 1,199,248 | | | | 155,331 | 180,798 | 1,535,377 | | 1,535,377 |
| 10.5 Total general and administrative (Lines 10.1+10.2+10.3+10.4) | 2,744,193 | 0 | 0 | 0 | 198,940 | 204,692 | 3,147,825 | 0 | 3,147,825 |
| 11. Underwriting gain/(loss) (Lines 1.12-5.7-6.3-8.3-10.5) | 4,030,074 | 0 | 0 | 0 | 194,827 | 16,659 | 4,241,560 | XXX | 4,241,560 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 534,023 | XXX | 534,023 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 162,381 | | | | 2,634 | 9,999 | 175,014 | | 175,014 |
| 15. Net gain or (loss) (Lines 11+12+13-14) | XXX | XXX | XXX | XXX | XXX | XXX | 4,600,569 | XXX | 4,600,569 |
| 16. ICD-10 Implementation Expenses (informational only, already included in general expenses) | | | | | | | 0 | | 0 |
| **OTHER INDICATORS:** | | | | | | | | | |
| 1. Number of certificates/policies | 3,984 | | | | 2,382 | 2,609 | 8,975 | | 8,975 |
| 2. Number of covered lives | 6,266 | | | | 3,354 | 4,279 | 13,899 | | 13,899 |
| 3. Number of groups | XXX | | | | | | 0 | | 0 |
| 4. Member months | 89,848 | | | | 47,116 | 53,201 | 190,165 | | 190,165 |

Supplement for the year 2010 of the **MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT: 1. CORPORATION: MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE 2. LOCATION: NORTH RICHLAND HILLS TX

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010

NAIC Group Code.....264 NAIC Company Code.....66087

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 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) |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 | XXX | 21,425,723 |
| 1.2 Federal high risk pools | | | | | | | 0 | XXX | 0 |
| 1.3 State high risk pools | | | | | | | 0 | XXX | 0 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1+1.2+1.3) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 | XXX | 21,425,723 |
| 1.5 Federal taxes and federal assessments | 1,964,627 | | | | 94,977 | 8,121 | 2,067,725 | | 2,067,725 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $.....0) | 571,223 | | | | 16,124 | 8,834 | 596,181 | | 596,181 |
| 1.7 Regulatory authority licenses and fees | 2,033 | | | | 57 | 31 | 2,121 | | 2,121 |
| 1.8 Adjusted premiums earned (Lines 1.4-1.5-1.6-1.7) | 17,988,773 | 0 | 0 | 0 | 469,262 | 301,661 | 18,759,696 | XXX | 18,759,696 |
| 1.9 Net assumed less ceded reinsurance premiums earned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.10 Other adjustments due to MLR calculations - premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 1.11 Risk revenue | | | | | | | 0 | XXX | 0 |
| 1.12 Net adjusted premiums earned after reinsurance (lines 1.8+1.9+1.10+1.11) | 17,988,773 | 0 | 0 | 0 | 469,262 | 301,661 | 18,759,696 | XXX | 18,759,696 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 9,537,909 | | | | 74,707 | 77,756 | 9,690,372 | XXX | 9,690,372 |
| 2.2 Prescription drugs | 747,640 | | | | | | 747,640 | XXX | 747,640 |
| 2.3 Pharmaceutical rebates | 120,118 | | | | | | 120,118 | XXX | 120,118 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | 0 | XXX | 0 |
| 3. Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. Deductible fraud and abuse detection/recovery expenses (for MLR use only) | 155,604 | 0 | 0 | | 1,446 | 1,482 | 158,532 | | 158,532 |
| 5. 5.0 Total incurred claims (Lines 2.1+2.2-2.3-2.4+3) (From Part 2, Line 2.10) | 10,165,431 | 0 | 0 | 0 | 74,707 | 77,756 | 10,317,894 | XXX | 10,317,894 |
| 5.1 Net assumed less ceded reinsurance claims incurred | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.2 Other adjustments due to MLR calculations - claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 5.3 Rebates paid | | | | | | | 0 | XXX | 0 |
| 5.4 Estimated rebates unpaid prior year | | | | | | | 0 | XXX | 0 |
| 5.5 Estimated rebates unpaid current year | | | | | | | 0 | XXX | 0 |
| 5.6 Fee for service and co-pay revenue | | | | | | | 0 | XXX | 0 |
| 5.7 Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6) | 10,165,431 | 0 | 0 | 0 | 74,707 | 77,756 | 10,317,894 | XXX | 10,317,894 |
| 6. Improving health care quality expenses incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than health information technology | 20,793 | 0 | 0 | | | | 20,793 | | 20,793 |
| 6.2 Type B. Health information technology expenses related to health improvement | 0 | 0 | 0 | | | | 0 | | 0 |
| 6.3 Total of defined expenses incurred for improving health care quality (Lines 6.1+6.2) | 20,793 | 0 | 0 | 0 | 0 | 0 | 20,793 | 0 | 20,793 |
| 7. Preliminary medical loss ratio: MLR (Lines 4+5.0+6.3) / Line 1.8 | 0.575 | 0.000 | 0.000 | 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 | 501,155 | | | | 742 | 2,371 | 504,268 | | 504,268 |
| 8.2 All other claims adjustment expenses | 527,127 | | | | 46 | 183 | 527,356 | | 527,356 |
| 8.3 Total claims adjustment expenses (Lines 8.1+8.2) | 1,028,282 | 0 | 0 | 0 | 788 | 2,554 | 1,031,624 | 0 | 1,031,624 |
| 9. Claims adjustment expense ratio (Line 8.3 / Line 1.8) | 0.057 | 0.000 | 0.000 | 0.000 | 0.002 | 0.008 | XXX | XXX | XXX |
| 10. General and administrative (G&A) expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | | | | | | | 0 | | 0 |
| 10.2 Agents and brokers fees and commissions | 1,544,945 | | | | 43,609 | 23,894 | 1,612,448 | | 1,612,448 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | | | | | | | 0 | | 0 |
| 10.4 Other general and administrative expenses | 1,199,248 | | | | 155,331 | 180,798 | 1,535,377 | | 1,535,377 |
| 10.5 Total general and administrative (Lines 10.1+10.2+10.3+10.4) | 2,744,193 | 0 | 0 | 0 | 198,940 | 204,692 | 3,147,825 | 0 | 3,147,825 |
| 11. Underwriting gain/(loss) (Lines 1.12-5.7-6.3-8.3-10.5) | 4,030,074 | 0 | 0 | 0 | 194,827 | 16,559 | 4,241,560 | XXX | 4,241,560 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | 0 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 534,023 | XXX | 534,023 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 162,381 | | | | 2,634 | 9,999 | 175,014 | | 175,014 |
| 15. Net gain or (loss) (Lines 11+12+13-14) | XXX | XXX | XXX | XXX | XXX | XXX | 4,600,569 | XXX | 4,600,569 |
| 16. ICD-10 Implementation Expenses (informational only, already included in general expenses) | | | | | | | 0 | | 0 |
| **OTHER INDICATORS:** | | | | | | | | | |
| 1. Number of certificates/policies | 3,984 | | | | 2,382 | 2,609 | 8,975 | | 8,975 |
| 2. Number of covered lives | 6,266 | | | | 3,354 | 4,279 | 13,899 | | 13,899 |
| 3. Number of groups | XXX | | | | | | 0 | | 0 |
| 4. Member months | 89,848 | | | | 47,116 | 53,201 | 190,165 | | 190,165 |

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE 2. LOCATION: NORTH RICHLAND HILLS TX

NAIC Group Code.....264 BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010 NAIC Company Code.....66087

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1<br>Individual | 2<br>Small Group Employer | 3<br>Large Group Employer | Government Business (Excluded by Statute) | Other Business (Excluded by Statute) | Other Health | Total |
| 1. Health premiums earned: | | | | | | | |
| 1.1 Direct premiums written | 20,254,795 | | | | 571,725 | 313,256 | 21,139,776 |
| 1.2 Unearned premium prior year | 1,208,328 | | | | 33,299 | 19,666 | 1,261,293 |
| 1.3 Unearned premium current year | 936,467 | | | | 24,604 | 14,275 | 975,346 |
| 1.4 Change in unearned premium (Lines 1.2-1.3) | 271,861 | 0 | 0 | 0 | 8,695 | 5,391 | 285,947 |
| 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+1.7 less $.....0 write offs) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 |
| 1.9 Assumed premiums earned from non-affiliates | | | | | | | 0 |
| 1.10 Net assumed less ceded premiums earned from affiliates | | | | | | | 0 |
| 1.11 Ceded premiums earned to non-affiliates | | | | | | | 0 |
| 1.12 Other adjustments due to MLR calculation - premiums | | | | | | | 0 |
| 1.13 Net premiums earned (Lines 1.8+1.9+1.10-1.11+1.12) | 20,526,656 | 0 | 0 | 0 | 580,420 | 318,647 | 21,425,723 |
| 2. Direct claims incurred: | | | | | | | |
| 2.1 Paid claims during the year | 12,501,552 | | | | 116,196 | 119,057 | 12,736,805 |
| 2.2 Direct claim liability current year | 3,998,168 | | | | 51,618 | 8,281 | 4,058,067 |
| 2.3 Direct claim liability prior year | 6,332,791 | | | | 93,107 | 30,263 | 6,456,161 |
| 2.4 Direct claim reserves current year | | | | | | | 0 |
| 2.5 Direct claim reserves prior year | | | | | | | 0 |
| 2.6 Direct contract reserves current year | 6,101 | | | | | 338,623 | 344,724 |
| 2.7 Direct contract reserves prior year | 13,382 | | | | | 357,942 | 371,324 |
| 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 | | | | | | | 0 |
| 2.8b Accrued medical incentive pools and bonuses current year | | | | | | | 0 |
| 2.8c Accrued medical incentive pools and bonuses prior year | | | | | | | 0 |
| 2.9 Net healthcare receivables (Lines 2.9a-2.9b) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.9a Healthcare receivables current year | | | | | | | 0 |
| 2.9b Healthcare receivables prior year | | | | | | | 0 |
| 2.10 Total incurred claims (Lines 2.1+2.2-2.3+2.4-2.5+2.6-2.7+2.8-2.9) | 10,159,648 | 0 | 0 | 0 | 74,707 | 77,756 | 10,312,111 |
| 2.11 Assumed incurred claims from non-affiliates | | | | | | | 0 |
| 2.12 Net assumed less ceded incurred claims from affiliates | | | | | | | 0 |
| 2.13 Ceded incurred claims to non-affiliates | | | | | | | 0 |
| 2.14 Other adjustments due to MLR calculation - claims | | | | | | | 0 |
| 2.15 Net incurred claims (Lines 2.10+2.11+2.12-2.13+2.14) | 10,159,648 | 0 | 0 | 0 | 74,707 | 77,756 | 10,312,111 |
| 3. Fraud and abuse recoveries that reduced PAID claims in Line 2.1 above (informational only) | 613,210 | | | | 5,699 | 5,840 | 624,749 |

Supplement for the year 2010 of the **MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT: 1. CORPORATION: MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE 2. LOCATION: NORTH RICHLAND HILLS TX

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010

NAIC Group Code.....264 NAIC Company Code.....66087

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | | | 12,517 | | | 12,517 | 301,683 | 317,317 | 721,917 | 1,353,434 |
| 1.2 Outsourced services | | | 3 | | | 3 | 80 | 84 | 190 | 357 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | | | 1,817 | | | 1,817 | 43,783 | 46,052 | 104,770 | 196,422 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | 23 | | | 23 | 553 | 581 | 1,323 | 2,480 |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 1.6 Other expenses (including $.....0 for affiliated services) | | | 6,433 | | | 6,433 | 155,058 | 163,093 | 371,048 | 695,632 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 0 | 0 | 20,793 | 0 | 0 | 20,793 | 501,157 | 527,127 | 1,199,248 | 2,248,325 |
| 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 | |
| 1.10 Total (Lines 1.7 to 1.9) | 0 | 0 | 20,793 | 0 | 0 | 20,793 | 501,157 | 527,127 | 1,199,248 | 2,248,325 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 155,604 | | | 155,604 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.2 Outsourced services | | | | | | 0 | | | | 0 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 2.10 Total (Lines 2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 Outsourced services | | | | | | 0 | | | | 0 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 Total (Lines 3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | | | | | 0 |
| 1.2 Other than HIT expenses | | | 20,793 | | 20,793 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | | | | | 0 |
| 2.2 Other than HIT expenses | | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | | | | | 0 |
| 3.2 Other than HI expenses | | | | | 0 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 0 | 0 | 20,793 | 0 | 20,793 |
| 4.3 Total (Lines 4.1+4.2) | 0 | 0 | 20,793 | 0 | 20,793 |

Supplement for the year 2010 of the **MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE**

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed by April 1 - Not for Rebate Purposes) REPORT: 1. CORPORATION: MID-WEST NATIONAL LIFE INSURANCE COMPANY OF TENNESSEE 2. LOCATION: NORTH RICHLAND HILLS TX

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR 2010

NAIC Group Code.....264 NAIC Company Code.....66087

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (Cols. 1 thru 5) | 7 Cost Containment Expenses | 8 Other Claim Adjustment Expenses | General Administrative Expenses | Total Expenses (Cols 6 thru 9) |
| 1. Individual comprehensive coverage expenses: | | | | | | | | | | |
| 1.1 Salaries (including $.....0 for affiliated services) | | | 12,517 | | | 12,517 | 301,683 | 317,317 | 721,917 | 1,353,434 |
| 1.2 Outsourced services | | | 3 | | | 3 | 80 | 84 | 190 | 357 |
| 1.3 EDP equipment and software (including $.....0 for affiliated services) | | | 1,817 | | | 1,817 | 43,783 | 46,052 | 104,770 | 196,422 |
| 1.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | 23 | | | 23 | 553 | 581 | 1,323 | 2,480 |
| 1.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 1.6 Other expenses (including $.....0 for affiliated services) | | | 6,433 | | | 6,433 | 155,058 | 163,093 | 371,046 | 695,632 |
| 1.7 Subtotal before reimbursements and taxes (Lines 1.1 to 1.6) | 0 | 0 | 20,793 | 0 | 0 | 20,793 | 501,157 | 527,127 | 1,199,248 | 2,248,325 |
| 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 | |
| 1.10 Total (Lines 1.7 to 1.9) | 0 | 0 | 20,793 | 0 | 0 | 20,793 | 501,157 | 527,127 | 1,199,248 | 2,248,325 |
| 1.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | 155,604 | | | 155,604 |
| 2. Small group comprehensive coverage expenses: | | | | | | | | | | |
| 2.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.2 Outsourced services | | | | | | 0 | | | | 0 |
| 2.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 2.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 2.7 Subtotal before reimbursements and taxes (Lines 2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 2.10 Total (Lines 2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | | | | | | |
| 3.1 Salaries (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 Outsourced services | | | | | | 0 | | | | 0 |
| 3.3 EDP equipment and software (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 Other equipment (excl. EDP) (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 Accreditation and certification (including $.....0 for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other expenses (including $.....0 for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 Subtotal before reimbursements and taxes (Lines 3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 Total (Lines 3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 Total fraud and abuse detection/recovery expenses incl. in col. 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (Cols. 1 thru 4) |
| 1. Individual comprehensive coverage expenses: | | | | | |
| 1.1 HIT expenses | | | | | 0 |
| 1.2 Other than HIT expenses | | | 20,793 | | 20,793 |
| 2. Small group comprehensive coverage expenses: | | | | | |
| 2.1 HIT expenses | | | | | 0 |
| 2.2 Other than HIT expenses | | | | | 0 |
| 3. Large group comprehensive coverage expenses: | | | | | |
| 3.1 HIT expenses | | | | | 0 |
| 3.2 Other than HI expenses | | | | | 0 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1+2.1+3.1) | 0 | 0 | 0 | 0 | 0 |
| 4.2 Subtotal other than HIT expenses (Lines 1.2+2.2+3.2) | 0 | 0 | 20,793 | 0 | 20,793 |
| 4.3 Total (Lines 4.1+4.2) | 0 | 0 | 20,793 | 0 | 20,793 |

SUPPLEMENT FOR THE YEAR 2010 OF THE TIME INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION TIME INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69477

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Subtotal (Cols. 1 through 6) | Uninsured Plans | Total 7 + 8 |
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.6) | 55,925,842 | 16,586 | | | 3,130,613 | 21,380,759 | 80,453,800 | XXX | 80,453,800 |
| 1.2 Federal high risk pools | | | | | | | | XXX | |
| 1.3 State high risk pools | 51,751 | (75) | | | 8,990 | 5,697 | 66,363 | XXX | 66,363 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 55,977,593 | 16,511 | | | 3,139,603 | 21,386,456 | 80,520,163 | XXX | 80,520,163 |
| 1.5 Federal taxes and federal assessments | 2,160,275 | 5,475 | | | 394,751 | 555,026 | 3,134,528 | | 3,134,528 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $ 0 ) | 925,168 | 274 | | | 51,143 | 112,607 | 1,089,392 | | 1,089,392 |
| 1.7 Regulatory authority licenses and fees | 71,077 | 42 | | | 8,009 | 8,593 | 87,722 | | 87,722 |
| 1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7) | 52,801,073 | 11,720 | | | 2,685,699 | 20,710,029 | 76,208,522 | XXX | 76,208,522 |
| 1.9 Net Assumed less Ceded reinsurance premiums earned | | | | | | (14,605,995) | (14,605,995) | XXX | (14,605,995) |
| 1.10 Other Adjustments due to MLR calculations - Premiums | | | | | | | | XXX | |
| 1.11 Risk Revenue | | | | | | | | XXX | |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 52,801,073 | 11,720 | | | 2,685,699 | 6,104,034 | 61,602,527 | XXX | 61,602,527 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 32,096,847 | (3,780) | | | 583,478 | 65,743,257 | 98,419,803 | XXX | 98,419,803 |
| 2.2 Prescription drugs | 2,413,049 | 903 | | | | 393,160 | 2,807,112 | XXX | 2,807,112 |
| 2.3 Pharmaceutical rebates | 466,144 | 124 | | | (1,022) | 75,784 | 541,030 | XXX | 541,030 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | | XXX | |
| 3. Incurred medical incentive pools and bonuses | | | | | | | | XXX | |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | | | | | | | | | |
| 5. 5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10) | 34,043,752 | (3,001) | | | 584,500 | 66,060,633 | 100,685,885 | XXX | 100,685,885 |
| 5.1 Net Assumed less Ceded reinsurance claims incurred | | | | | | (62,038,313) | (62,038,313) | XXX | (62,038,313) |
| 5.2 Other Adjustments due to MLR calculations - Claims | 159,839 | (8) | | | 4,109 | 5,505 | 169,445 | XXX | 169,445 |
| 5.3 Rebates paid | | | | | | | | XXX | |
| 5.4 Estimated rebates unpaid prior year | | | | | | | | XXX | |
| 5.5 Estimated rebates unpaid current year | | | | | | | | XXX | |
| 5.6 Fee for service and co-pay revenue | | | | | | | | XXX | |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 34,203,592 | (3,009) | | | 588,609 | 4,027,825 | 38,817,017 | XXX | 38,817,017 |
| 6. Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than Health Information Technology | 48,657 | 7 | | | 2,167 | 5,596 | 56,447 | | 56,447 |
| 6.2 Type B. Health Information Technology expenses related to health improvement | 43,288 | 4 | | | 983 | 4,978 | 49,253 | | 49,253 |
| 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 91,945 | 11 | | | 3,170 | 10,574 | 105,700 | | 105,700 |
| 7. Preliminary Medical Loss Ratio: MLR ((Lines 4 + 5.0 + 6.3)/Line 1.8 | 0.646 | (0.255) | 0.000 | 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 | 2,147,330 | 453 | | | 61,604 | 246,955 | 2,456,342 | | 2,456,342 |
| 8.2 All other claims adjustment expenses | 493,924 | 250 | | | 13,560 | 56,803 | 564,537 | | 564,537 |
| 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 2,641,254 | 703 | | | 75,164 | 303,758 | 3,020,879 | | 3,020,879 |
| 9. Claims Adjustment Expense Ratio (Line 8.3/Line 1.8) | 0.050 | 0.060 | 0.000 | 0.000 | 0.028 | 0.015 | XXX | XXX | XXX |
| 10. General and Administrative (G&A) Expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | 365,055 | 280 | | | 21,109 | 44,283 | 450,726 | | 450,726 |
| 10.2 Agents and brokers fees and commissions | 5,547,348 | 1,280 | | | 622,484 | 695,792 | 6,866,901 | | 6,866,901 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 348,319 | 87 | | | 266 | 40,058 | 388,730 | | 388,730 |
| 10.4 Other general and administrative expenses | 9,369,350 | 1,951 | | | 984,236 | 1,078,657 | 11,434,197 | | 11,434,197 |
| 10.5 Total general and administrative (Lines 10.1 +10.2 + 10.3 + 10.4) | 15,650,070 | 3,598 | | | 1,628,097 | 1,858,790 | 19,140,554 | | 19,140,554 |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5) | 214,213 | 10,418 | | | 390,859 | (96,914) | 518,377 | XXX | 518,377 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 2,998,593 | XXX | 2,998,593 |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 519,567 | 122 | | | 21,316 | 49,334 | 590,339 | | 590,339 |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14) | XXX | XXX | XXX | XXX | XXX | XXX | 2,926,630 | XXX | 2,926,630 |
| 16. ICD-10 Implementation Expenses (informational only; already included in general expenses) | | | | | | | | | |
| OTHER INDICATORS: | | | | | | | | | |
| 1. Number of certificates/policies | 11,135 | 7 | | | 2,098 | 11,190 | 24,430 | | 24,430 |
| 2. Number of Covered Lives | 16,779 | 8 | | | 2,753 | 12,350 | 31,890 | | 31,890 |
| 3. Number of Groups | XXX | 3 | | | | 2 | 5 | | 5 |
| 4. Member Months | 232,872 | 40 | | | 24,879 | 158,621 | 416,412 | | 416,412 |

SUPPLEMENT FOR THE YEAR 2010 OF THE TIME INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION TIME INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69477

| | Comprehensive Health Coverage 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Government Business (excluded by statute) | 5 Other Business (excluded by statute) | 6 Other Health | 7 Subtotal (Cols. 1 through 6) | 8 Uninsured Plans | 9 Total 7 + 8 |
|---|---|---|---|---|---|---|---|---|---|
| 1. Premium: | | | | | | | | | |
| 1.1 Health premiums earned (From Part 2, Line 1.8) | 55,925,842 | 16,586 | | | 3,130,613 | 21,380,759 | 80,453,800 | XXX | 80,453,800 |
| 1.2 Federal high risk pools | | | | | | | | XXX | |
| 1.3 State high risk pools | 51,751 | (75) | | | 8,990 | 5,697 | 66,363 | XXX | 66,363 |
| 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 55,977,593 | 16,511 | | | 3,139,603 | 21,386,456 | 80,520,163 | XXX | 80,520,163 |
| 1.5 Federal taxes and federal assessments | 2,180,275 | 4,475 | | | 394,751 | 555,026 | 3,134,528 | | 3,134,528 |
| 1.6 State insurance, premium and other taxes (Similar local taxes of $ 0 ) | 925,168 | 274 | | | 51,143 | 112,807 | 1,089,392 | | 1,089,392 |
| 1.7 Regulatory authority licenses and fees | 71,077 | 42 | | | 8,009 | 8,593 | 87,722 | | 87,722 |
| 1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7) | 52,801,073 | 11,720 | | | 2,685,699 | 20,710,029 | 76,208,522 | XXX | 76,208,522 |
| 1.9 Net Assumed less Ceded reinsurance premiums earned | | | | | | (14,605,995) | (14,605,995) | XXX | (14,605,995) |
| 1.10 Other Adjustments due to MLR calculations - Premiums | | | | | | | | XXX | |
| 1.11 Risk Revenue | | | | | | | | XXX | |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 52,801,073 | 11,720 | | | 2,685,699 | 6,104,034 | 61,602,527 | XXX | 61,602,527 |
| 2. Claims: | | | | | | | | | |
| 2.1 Incurred claims excluding prescription drugs | 32,098,847 | (3,780) | | | 583,476 | 65,743,257 | 98,419,803 | XXX | 98,419,803 |
| 2.2 Prescription drugs | 2,413,049 | 903 | | | | 393,160 | 2,807,112 | XXX | 2,807,112 |
| 2.3 Pharmaceutical rebates | 466,144 | 124 | | | (1,022) | 75,784 | 541,030 | XXX | 541,030 |
| 2.4 State stop loss, market stabilization and claim/census based assessments | | | | | | | | XXX | |
| 3. Incurred medical incentive pools and bonuses | | | | | | | | XXX | |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | | | | | | | | | |
| 5. 5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10) | 34,043,752 | (3,001) | | | 584,500 | 66,060,633 | 100,685,885 | XXX | 100,685,885 |
| 5.1 Net Assumed less Ceded reinsurance claims incurred | | | | | | (62,038,313) | (62,038,313) | XXX | (62,038,313) |
| 5.2 Other Adjustments due to MLR calculations - Claims | 159,839 | (8) | | | 4,109 | 5,505 | 169,445 | XXX | 169,445 |
| 5.3 Rebates paid | | | | | | | | XXX | |
| 5.4 Estimated rebates unpaid prior year | | | | | | | | XXX | |
| 5.5 Estimated rebates unpaid current year | | | | | | | | XXX | |
| 5.6 Fee for service and co-pay revenue | | | | | | | | XXX | |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 34,203,592 | (3,009) | | | 588,609 | 4,027,825 | 38,817,017 | XXX | 38,817,017 |
| 6. Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| 6.1 Type A. Expenses for health improvements other than Health Information Technology | 48,657 | 7 | | | 2,187 | 5,596 | 56,447 | | 56,447 |
| 6.2 Type B. Health Information Technology expenses related to health improvement | 43,288 | 4 | | | 993 | 4,978 | 49,253 | | 49,253 |
| 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 91,945 | 11 | | | 3,170 | 10,574 | 105,700 | | 105,700 |
| 7. Preliminary Medical Loss Ratio: MLR ((Lines 4 + 5.0 + 6.3)/Line 1.8 | 0.646 | (0.255) | 0.000 | 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 | 2,147,330 | 453 | | | 61,604 | 246,955 | 2,456,342 | | 2,456,342 |
| 8.2 All other claims adjustment expenses | 493,924 | 250 | | | 13,560 | 56,803 | 564,537 | | 564,537 |
| 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 2,641,254 | 703 | | | 75,164 | 303,758 | 3,020,879 | | 3,020,879 |
| 9. Claims Adjustment Expense Ratio (Line 8.3/Line 1.8) | 0.050 | 0.060 | 0.000 | 0.000 | 0.028 | 0.015 | XXX | XXX | XXX |
| 10. General and Administrative (G&A) Expenses: | | | | | | | | | |
| 10.1 Direct sales salaries and benefits | 365,055 | 280 | | | 21,109 | 44,283 | 450,726 | | 450,726 |
| 10.2 Agents and brokers fees and commissions | 5,547,348 | 1,280 | | | 622,484 | 695,792 | 6,866,901 | | 6,866,901 |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 348,319 | 87 | | | 266 | 40,058 | 388,730 | | 388,730 |
| 10.4 Other general and administrative expenses | 9,369,350 | 1,951 | | | 984,238 | 1,078,657 | 11,434,197 | | 11,434,197 |
| 10.5 Total general and administrative (Lines 10.1 +10.2 + 10.3 + 10.4) | 15,650,070 | 3,598 | | | 1,628,097 | 1,858,790 | 19,140,554 | | 19,140,554 |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5) | 214,213 | 10,418 | | | 390,659 | (96,914) | 518,377 | XXX | 518,377 |
| 12. Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | 2,998,593 | XXX | 2,998,593 |
| 13. Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | | | |
| 14. Federal income taxes (excluding taxes on Line 1.5 above) | 519,567 | 122 | | | 21,316 | 49,334 | 590,339 | | 590,339 |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14) | XXX | XXX | XXX | XXX | XXX | XXX | 2,926,630 | XXX | 2,926,630 |
| 16. ICD-10 Implementation Expenses (Informational only; already included in general expenses) | | | | | | | | | |
| OTHER INDICATORS: | | | | | | | | | |
| 1. Number of certificates/policies | 11,195 | 7 | | | 2,098 | 11,190 | 24,430 | | 24,430 |
| 2. Number of Covered Lives | 16,779 | 8 | | | 2,753 | 12,350 | 31,890 | | 31,890 |
| 3. Number of Groups | XXX | 3 | | | | 2 | 5 | | 5 |
| 4. Member Months | 232,872 | 40 | | | 24,879 | 158,621 | 416,412 | | 416,412 |

SUPPLEMENT FOR THE YEAR 2010 OF THE TIME INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION TIME INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69477

| | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. Health Premiums Earned: | | | | | | | |
| 1.1 Direct premiums written | 55,347,821 | 18,155 | | | 3,102,111 | 20,977,319 | 79,445,406 |
| 1.2 Unearned premium prior year | 4,240,385 | | | | 233,386 | 3,720,793 | 8,194,564 |
| 1.3 Unearned premium current year | 3,662,364 | 1,569 | | | 204,884 | 3,317,354 | 7,186,171 |
| 1.4 Change in unearned premium (Lines 1.2 - 1.3) | 578,021 | (1,569) | | | 28,502 | 403,440 | 1,008,394 |
| 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 $ 0 write offs) | 55,925,842 | 16,586 | | | 3,130,613 | 21,380,759 | 80,453,800 |
| 1.9 Assumed premiums earned from non-affiliates | | | | | | | |
| 1.10 Net Assumed less Ceded premiums earned from affiliates | | | | | | | |
| 1.11 Ceded premiums earned to non-affiliates | | | | | | 14,605,995 | 14,605,995 |
| 1.12 Other Adjustments due to MLR calculation - Premiums | | | | | | | |
| 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 - 1.11 + 1.12) | 55,925,842 | 16,586 | | | 3,130,613 | 6,774,764 | 65,847,805 |
| 2. Direct Claims Incurred: | | | | | | | |
| 2.1 Paid claims during the year | 36,068,533 | (4,784) | | | 1,197,716 | 33,552,395 | 70,813,850 |
| 2.2 Direct claim liability current year | 7,737,076 | 1,839 | | | 586,095 | 901,831 | 9,226,841 |
| 2.3 Direct claim liability prior year | 9,542,328 | 41 | | | 1,180,006 | 1,090,324 | 11,812,698 |
| 2.4 Direct claim reserves current year | | 6 | | | 2,854 | | 2,860 |
| 2.5 Direct claim reserves prior year | 225,540 | | | | 25,115 | | 250,655 |
| 2.6 Direct contract reserves current year | | | | | 18,924 | 200,010,314 | 200,029,238 |
| 2.7 Direct contract reserves prior year | 2,375 | | | | 18,071 | 167,314,937 | 167,335,383 |
| 2.8 Incurred medical incentive pools and bonuses (Lines 2.8a + 2.8b - 2.8c) | | | | | | | |
| 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) | (8,386) | 25 | | | (2,103) | (1,364) | (11,828) |
| 2.9a Healthcare receivables current year | 122,054 | 25 | | | | 19,843 | 141,922 |
| 2.9b Healthcare receivables prior year | 130,440 | | | | 2,103 | 21,207 | 153,750 |
| 2.10 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 - 2.9) | 34,043,752 | (3,005) | | | 584,500 | 66,060,633 | 100,685,882 |
| 2.11 Assumed Incurred Claims from non-affiliates | | | | | | | |
| 2.12 Net Assumed less Ceded Incurred Claims from affiliates | | | | | | | |
| 2.13 Ceded Incurred Claims to non-affiliates | | | | | | 62,038,313 | 62,038,313 |
| 2.14 Other Adjustments due to MLR calculation - Claims | 159,839 | (8) | | | 4,109 | 5,505 | 169,445 |
| 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 - 2.13 + 2.14) | 34,203,592 | (3,013) | | | 588,609 | 4,027,825 | 38,817,013 |
| 3. Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | | | | | | | |

SUPPLEMENT FOR THE YEAR 2010 OF THE TIME INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION TIME INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69477

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 1.1 Salaries (including $ 0 for affiliated services) | 15,585 | 12,172 | 5,848 | 9,708 | 5,830 | 49,143 | 509,108 | 234,286 | 4,558,539 | 5,351,147 |
| | 1.2 Outsourced Services | | | | | | | 175,909 | 209,971 | 1,262,521 | 1,648,401 |
| | 1.3 EDP Equipment and Software (incl $ 0 for affiliated services) | 481 | 371 | 172 | 271 | 176 | 1,471 | 76,739 | 11,404 | 47,114 | 136,727 |
| | 1.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | 30 | | 2,331 | 2,361 |
| | 1.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 1.6 Other Expenses (incl $ 0 for affiliated services) | 1,462 | 1,140 | 546 | 901 | 37,281 | 41,331 | 1,365,455 | 38,282 | 3,883,899 | 5,348,968 |
| | 1.7 Subtotal before Reimbursements and Taxes (Lines 1.1 to 1.6) | 17,527 | 13,683 | 6,566 | 10,881 | 43,288 | 91,945 | 2,147,330 | 493,924 | 9,754,405 | 12,487,604 |
| | 1.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 1.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 348,319 |
| | 1.10 Total (1.7 to 1.9) | 17,527 | 13,683 | 6,566 | 10,881 | 43,288 | 91,945 | 2,147,330 | 493,924 | 9,754,405 | 12,835,922 |
| | 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 2.1 Salaries (including $ 0 for affiliated services) | 2 | 2 | 1 | 2 | 2 | 9 | 126 | 124 | 1,249 | 1,507 |
| | 2.2 Outsourced Services | | | | | | | 64 | 99 | 418 | 581 |
| | 2.3 EDP Equipment and Software (incl $ 0 for affiliated services) | | | | | | | 13 | 6 | 16 | 35 |
| | 2.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | | 1 | 1 |
| | 2.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 2.6 Other Expenses (incl $ 0 for affiliated services) | | | | | 2 | 2 | 250 | 21 | 549 | 822 |
| | 2.7 Subtotal before Reimbursements and Taxes (Lines 2.1 to 2.6) | 2 | 2 | 1 | 2 | 4 | 11 | 453 | 250 | 2,232 | 2,946 |
| | 2.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 2.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 87 |
| | 2.10 Total (2.7 to 2.9) | 2 | 2 | 1 | 2 | 4 | 11 | 453 | 250 | 2,232 | 3,033 |
| | 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 3.1 Salaries (including $ 0 for affiliated services) | | | | | | | | | | |
| | 3.2 Outsourced Services | | | | | | | | | | |
| | 3.3 EDP Equipment and Software (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 3.6 Other Expenses (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.7 Subtotal before Reimbursements and Taxes (Lines 3.1 to 3.6) | | | | | | | | | | |
| | 3.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 3.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| | 3.10 Total (3.7 to 3.9) | | | | | | | | | | |
| | 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| | 1.1 HIT Expenses | 15,594 | 12,174 | 5,841 | 9,879 | 43,288 |
| | 1.2 Other than HIT expenses | 17,527 | 13,683 | 6,566 | 10,881 | 48,657 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| | 2.1 HIT Expenses | 1 | 1 | 1 | 1 | 4 |
| | 2.2 Other than HIT expenses | 2 | 2 | 1 | 2 | 7 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| | 3.1 HIT Expenses | | | | | |
| | 3.2 Other than HIT expenses | | | | | |
| 4. | Subtotals/Totals: | | | | | |
| | 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 15,595 | 12,175 | 5,842 | 9,880 | 43,292 |
| | 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 17,529 | 13,685 | 6,567 | 10,883 | 48,664 |
| | 4.3 Total (Lines 4.1 + 4.2) | 33,124 | 25,860 | 12,409 | 20,763 | 91,956 |

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SUPPLEMENT FOR THE YEAR 2010 OF THE TIME INSURANCE COMPANY

# SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION TIME INSURANCE COMPANY 2. 501 West Michigan Street Milwaukee, WI 53203 (LOCATION)

NAIC Group Code 0019 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 69477

| 3A | All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 1.1 Salaries (including $ 0 for affiliated services) | 15,595 | 12,172 | 5,848 | 9,706 | 5,830 | 49,143 | 509,198 | 234,286 | 4,558,539 | 5,351,147 |
| | 1.2 Outsourced Services | | | | | | | 175,909 | 209,971 | 1,262,521 | 1,648,401 |
| | 1.3 EDP Equipment and Software (incl $ 0 for affiliated services) | 461 | 371 | 172 | 271 | 176 | 1,471 | 76,739 | 11,404 | 47,114 | 136,727 |
| | 1.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | 30 | | 2,331 | 2,361 |
| | 1.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 1.6 Other Expenses (incl $ 0 for affiliated services) | 1,462 | 1,140 | 546 | 901 | 37,281 | 41,331 | 1,365,458 | 38,282 | 3,883,868 | 5,348,988 |
| | 1.7 Subtotal before Reimbursements and Taxes (Lines 1.1 to 1.6) | 17,527 | 13,683 | 6,566 | 10,881 | 43,288 | 91,945 | 2,147,330 | 493,924 | 9,754,405 | 12,487,604 |
| | 1.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 1.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 348,319 |
| | 1.10 Total (1.7 to 1.9) | 17,527 | 13,683 | 6,566 | 10,881 | 43,288 | 91,945 | 2,147,330 | 493,924 | 9,754,405 | 12,835,922 |
| | 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 2.1 Salaries (including $ 0 for affiliated services) | 2 | 2 | 1 | 2 | 2 | 9 | 126 | 124 | 1,248 | 1,507 |
| | 2.2 Outsourced Services | | | | | | | 54 | 80 | 418 | 581 |
| | 2.3 EDP Equipment and Software (incl $ 0 for affiliated services) | | | | | | | 13 | 6 | 16 | 35 |
| | 2.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | | 1 | 1 |
| | 2.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 2.6 Other Expenses (incl $ 0 for affiliated services) | | | | | 2 | 2 | 250 | 21 | 549 | 822 |
| | 2.7 Subtotal before Reimbursements and Taxes (Lines 2.1 to 2.6) | 2 | 2 | 1 | 2 | 4 | 11 | 453 | 250 | 2,232 | 2,946 |
| | 2.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 2.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 87 |
| | 2.10 Total (2.7 to 2.9) | 2 | 2 | 1 | 2 | 4 | 11 | 453 | 250 | 2,232 | 3,033 |
| | 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| | 3.1 Salaries (including $ 0 for affiliated services) | | | | | | | | | | |
| | 3.2 Outsourced Services | | | | | | | | | | |
| | 3.3 EDP Equipment and Software (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.4 Other Equipment (excl. EDP) (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.5 Accreditation and Certification (incl $ 0 for affiliated services) | | XXX | XXX | XXX | XXX | | | | | |
| | 3.6 Other Expenses (incl $ 0 for affiliated services) | | | | | | | | | | |
| | 3.7 Subtotal before Reimbursements and Taxes (Lines 3.1 to 3.6) | | | | | | | | | | |
| | 3.8 Reimbursements by uninsured plans and fiscal intermediaries | | | | | | | | | | |
| | 3.9 Taxes, Licenses and Fees (in total, for typing purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| | 3.10 Total (3.7 to 3.9) | | | | | | | | | | |
| | 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | | | | | |

| 3B | Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|---|
| | | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. | Individual Comprehensive Coverage Expenses: | | | | | |
| | 1.1 HIT Expenses | 15,594 | 12,174 | 5,841 | 9,679 | 43,288 |
| | 1.2 Other than HIT expenses | 17,527 | 13,683 | 6,566 | 10,881 | 48,657 |
| 2. | Small Group Comprehensive Coverage Expenses: | | | | | |
| | 2.1 HIT Expenses | 1 | 1 | 1 | 1 | 4 |
| | 2.2 Other than HIT expenses | 2 | 2 | 1 | 2 | 7 |
| 3. | Large Group Comprehensive Coverage Expenses: | | | | | |
| | 3.1 HIT Expenses | | | | | |
| | 3.2 Other than HIT expenses | | | | | |
| 4. | Subtotals/Totals: | | | | | |
| | 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 15,595 | 12,175 | 5,842 | 9,680 | 43,292 |
| | 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 17,529 | 13,685 | 6,567 | 10,883 | 48,664 |
| | 4.3 Total (Lines 4.1 + 4.2) | 33,124 | 25,860 | 12,409 | 20,563 | 91,956 |

7 0 6 2 9 2 0 1 0 2 1 6 1 0 1 0 0

# SUPPLEMENT FOR THE YEAR 2010 OF THE World Insurance Company

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

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

REPORT FOR: 1. CORPORATION World Insurance Company 2. LOCATION

NAIC Group Code 03527 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 70629

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by Statute) | Other Health | Subtotal (Cols 1 thru 6) | Uninsured Plans | Total (7 + 8) |
| 1. | Premium: | | | | | | | | | |
| | 1.1 Health premiums earned (From Part 2, Line 1.8) | 4,764,686 | 0 | 0 | 0 | 684,702 | 830,909 | 6,280,298 | XXX | 6,280,298 |
| | 1.2 Federal high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.3 State high risk pools | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) | 4,764,686 | 0 | 0 | 0 | 684,702 | 830,909 | 6,280,298 | XXX | 6,280,298 |
| | 1.5 Federal taxes and federal assessments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.6 State insurance, premium and other taxes (Similar local taxes of $ ) | 80,837 | 0 | 0 | 0 | 11,625 | 13,838 | 106,300 | 0 | 106,300 |
| | 1.7 Regulatory authority licenses and fees | 1,635 | 0 | 0 | 0 | 235 | 280 | 2,150 | 0 | 2,150 |
| | 1.8 Adjusted Premiums Earned (Lines 1.4 – 1.5 – 1.6 – 1.7) | 4,682,215 | 0 | 0 | 0 | 672,842 | 816,791 | 6,171,848 | XXX | 6,171,848 |
| | 1.9 Net Assumed less Ceded reinsurance premiums earned | 0 | 0 | 0 | 0 | 0 | (13,998) | (13,998) | XXX | (13,998) |
| | 1.10 Other Adjustments due to MLR calculations – Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.11 Risk Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11) | 4,682,215 | 0 | 0 | 0 | 672,842 | 802,793 | 6,157,850 | XXX | 6,157,850 |
| 2. | Claims: | | | | | | | | | |
| | 2.1 Incurred claims excluding prescription drugs | 3,399,188 | 0 | 0 | 0 | 803,202 | 426,660 | 4,629,050 | XXX | 4,629,050 |
| | 2.2 Prescription drugs | 224,199 | 0 | 0 | 0 | 0 | 14,395 | 238,594 | XXX | 238,594 |
| | 2.3 Pharmaceutical rebates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 2.4 State stop loss, market stabilization and claim/census based assessments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 3. | Incurred medical incentive pools and bonuses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| 4. | Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. | 5.0 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 – 2.4 + 3) (From Part 2, Line 2.10) | 3,623,387 | 0 | 0 | 0 | 803,202 | 441,055 | 4,867,644 | XXX | 4,867,644 |
| | 5.1 Net Assumed less Ceded reinsurance claims incurred | 0 | 0 | 0 | 0 | 0 | (11,300) | (11,300) | XXX | (11,300) |
| | 5.2 Other Adjustments due to MLR calculations – Claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.3 Rebates Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.4 Estimated rebates unpaid prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.5 Estimated rebates unpaid current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.6 Fee for service and co-pay revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 |
| | 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6) | 3,623,387 | 0 | 0 | 0 | 803,202 | 429,755 | 4,856,344 | XXX | 4,856,344 |
| 6. | Improving Health Care Quality Expenses Incurred: | | | | | | | | | |
| | 6.1 Type A Expenses for health improvements other than Health Information Technology | 22,613 | 0 | 0 | 0 | 0 | 0 | 22,613 | 0 | 22,613 |
| | 6.2 Type B Health Information Technology expenses related to health improvement | 26,335 | 0 | 0 | 0 | 0 | 0 | 26,335 | 0 | 26,335 |
| | 6.3 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2) | 48,947 | 0 | 0 | 0 | 0 | 0 | 48,947 | 0 | 48,947 |
| 7. | Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.3) / Line 18 | 0.784 | 0.000 | 0.000 | 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 | 184,599 | 0 | 0 | 0 | 0 | 0 | 184,599 | 0 | 184,599 |
| | 8.2 All other claims adjustment expenses | (22,699) | 0 | 0 | 0 | 0 | 0 | (22,699) | 0 | (22,699) |
| | 8.3 Total claims adjustment expenses (Lines 8.1 + 8.2) | 161,900 | 0 | 0 | 0 | 0 | 0 | 161,900 | 0 | 161,900 |
| 9. | Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8) | 0.035 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | XXX | XXX | XXX |
| 10. | General and Administrative (G&A) Expenses: | | | | | | | | | |
| | 10.1 Direct sales salaries and benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 10.2 Agents and brokers fees and commissions | 553,436 | 0 | 0 | 0 | 1,100 | 334,958 | 889,494 | 0 | 889,494 |
| | 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 10.4 Other general and administrative expenses | 627,201 | 0 | 0 | 0 | 86,976 | 162,386 | 876,563 | 0 | 876,563 |
| | 10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4) | 1,180,637 | 0 | 0 | 0 | 88,076 | 497,343 | 1,766,057 | 0 | 1,766,057 |
| 11. | Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.3 – 8.3 – 10.5) | (332,656) | 0 | 0 | 0 | (218,436) | (124,305) | (675,399) | XXX | (675,399) |
| 12. | Income from fees of uninsured plans | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 | 0 |
| 13. | Net investment and other gain/(loss) | XXX | XXX | XXX | XXX | XXX | XXX | 202,776 | XXX | 202,776 |
| 14. | Federal income taxes (excluding taxes on Line 15 above) | (4,597) | 0 | 0 | 0 | (3,019) | (1,718) | (9,334) | 0 | (9,334) |
| 15. | Net gain or (loss) (Lines 11 + 12 + 13 – 14) | XXX | XXX | XXX | XXX | XXX | XXX | (463,289) | XXX | (463,289) |
| 16. | ICD-10 Implementation Expenses (informational only; already included in general expenses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | OTHER INDICATORS: | | | | | | | | | |
| 1. | Number of Certificates/Policies | 1,331 | 0 | 0 | 0 | 275 | 34 | 1,640 | 0 | 1,640 |
| 2. | Number of Covered Lives | 2,167 | 0 | 0 | 0 | 279 | 39 | 2,485 | 0 | 2,485 |
| 3. | Number of Groups | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Member Months | 23,741 | 0 | 0 | 0 | 3,531 | 517 | 27,789 | 0 | 27,789 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE World Insurance Company

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

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

REPORT FOR: 1. CORPORATION World Insurance Company 2. LOCATION

NAIC Group Code 03527 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 70629

| | | Comprehensive Health Coverage | | | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|---|
| | | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | Government Business (excluded by statute) | Other Business (excluded by statute) | Other Health | Total |
| 1. | Health Premiums Earned: | | | | | | | |
| | 1.1 Direct premiums written | 5,021,150 | 0 | 0 | 0 | 878,265 | 840,473 | 6,537,888 |
| | 1.2 Unearned premium prior year | 252,637 | 0 | 0 | 0 | 108,345 | 17,705 | 378,687 |
| | 1.3 Unearned premium current year | 509,300 | 0 | 0 | 0 | 99,908 | 27,269 | 636,477 |
| | 1.4 Change in unearned premium (Lines 1.2 – 1.3) | (256,463) | 0 | 0 | 0 | 8,437 | (9,564) | (257,590) |
| | 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) | 4,764,686 | 0 | 0 | 0 | 684,702 | 830,909 | 6,280,298 |
| | 1.9 Assumed premiums earned from non-affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.10 Net Assumed less Ceded premiums earned from affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.11 Ceded premiums earned to non-affiliates | 0 | 0 | 0 | 0 | 0 | 13,998 | 13,998 |
| | 1.12 Net Other Adjustments due to MLR calculation – Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 1.13 Net premiums earned (Lines 1.8 + 1.9 + 1.10 – 1.11 – 1.12) | 4,764,686 | 0 | 0 | 0 | 684,702 | 816,911 | 6,266,299 |
| 2. | Direct Claims Incurred: | | | | | | | |
| | 2.1 Paid claims during the year | 3,032,206 | 0 | 0 | 0 | 800,319 | 380,871 | 4,213,396 |
| | 2.2 Direct claim liability current year | 1,025,376 | 0 | 0 | 0 | 98,985 | 121,741 | 1,246,102 |
| | 2.3 Direct claim liability prior year | 432,483 | 0 | 0 | 0 | 95,520 | 60,146 | 588,149 |
| | 2.4 Direct claim reserves current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.5 Direct claim reserves prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.6 Direct contract reserves current year | 7,132 | 0 | 0 | 0 | 8,317 | 5,878 | 21,327 |
| | 2.7 Direct contract reserves prior year | 8,843 | 0 | 0 | 0 | 8,899 | 7,289 | 25,031 |
| | 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 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.8b Accrued medical incentive pools and bonuses current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.8c Accrued medical incentive pools and bonuses prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9 Net healthcare receivables (Lines 2.9a – 2.9b) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9a Healthcare receivables current year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.9b Healthcare receivables prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.10 Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 + 2.4 – 2.5 + 2.6 – 2.7 + 2.8 – 2.9) | 3,623,387 | 0 | 0 | 0 | 803,202 | 441,055 | 4,867,644 |
| | 2.11 Assumed Incurred Claims from non-affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.12 Net Assumed less Ceded Incurred Claims from affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.13 Ceded Incurred Claims to non-affiliates | 0 | 0 | 0 | 0 | 0 | 11,300 | 11,300 |
| | 2.14 Other Adjustments due to MLR calculation – Claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2.15 Net Incurred Claims (Lines 2.10 + 2.11 + 2.12 – 2.13 – 2.14) | 3,623,387 | 0 | 0 | 0 | 803,202 | 429,755 | 4,856,344 |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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# SUPPLEMENT FOR THE YEAR 2010 OF THE World Insurance Company

## SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

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

REPORT FOR: 1. CORPORATION World Insurance Company 2. LOCATION

NAIC Group Code 03527 BUSINESS IN THE STATE OF Florida DURING THE YEAR 2010 NAIC Company Code 70629

| 3A All Expenses | Improving Health Care Quality Expenses | | | | | | Claims Adjustment Expenses | | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 HIT Expenses | 6 Total (1 to 5) | 7 Cost Containment Expenses | 8 Other Claims Adjustment Expenses | General Administrative Expenses | Total Expenses (6 to 9) |
| 1. Individual Comprehensive Coverage Expenses: | | | | | | | | | | |
| 1.1 Salaries (including $ for affiliated services) | 14,144 | | 0 | 0 | 16,805 | 30,949 | 8,464 | 0 | 582,094 | 621,527 |
| 1.2 Outsourced Services | 8,469 | | 0 | 0 | 0 | 8,469 | 133,456 | 0 | 31,350 | 173,275 |
| 1.3 EDP Equipment and Software (incl $ for affiliated services) | 0 | | 0 | 0 | 5,447 | 5,447 | 0 | 0 | 20,076 | 25,523 |
| 1.4 Other Equipment (excl. EDP) (incl $ for affiliated services) | 0 | | 0 | 0 | 124 | 124 | 0 | 0 | 1,299 | 1,423 |
| 1.5 Accreditation and Certification (incl $ for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 3,249 | 3,249 |
| 1.6 Other Expenses (incl $ for affiliated services) | 0 | | 0 | 0 | 3,957 | 3,957 | 29,238 | (22,699) | 225,467 | 235,963 |
| 1.7 Subtotal before Reimbursements and Taxes (1.1 to 1.6) | 22,613 | 0 | 0 | 0 | 26,333 | 48,946 | 171,178 | (22,699) | 863,535 | 1,060,960 |
| 1.8 Reimbursements by uninsured plans and fiscal intermediaries | 0 | | 0 | 0 | 0 | 0 | 13,420 | 0 | 13,029 | 26,449 |
| 1.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1.10 Total (1.7 to 1.9) | 22,613 | 0 | 0 | 0 | 26,333 | 48,946 | 184,599 | (22,699) | 876,563 | 1,087,409 |
| 1.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Small Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 2.1 Salaries (including $ for affiliated services) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.2 Outsourced Services | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.3 EDP Equipment and Software (incl $ for affiliated services) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.4 Other Equipment (excl. EDP) (incl $ for affiliated services) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.5 Accreditation and Certification (incl $ for affiliated services) | 0 | XXX | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 |
| 2.6 Other Expenses (incl $ for affiliated services) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.7 Subtotal before Reimbursements and Taxes (2.1 to 2.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.8 Reimbursements by uninsured plans and fiscal intermediaries | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.9 Taxes, Licenses and Fees (in total, for tying purposes) | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 2.10 Total (2.7 to 2.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Large Group Comprehensive Coverage Expenses: | | | | | | | | | | |
| 3.1 Salaries (including $ for affiliated services) | | | | | | 0 | | | | 0 |
| 3.2 Outsourced Services | | | | | | 0 | | | | 0 |
| 3.3 EDP Equipment and Software (incl $ for affiliated services) | | | | | | 0 | | | | 0 |
| 3.4 Other Equipment (excl. EDP) (incl $ for affiliated services) | | | | | | 0 | | | | 0 |
| 3.5 Accreditation and Certification (incl $ for affiliated services) | | XXX | XXX | XXX | XXX | 0 | | | | 0 |
| 3.6 Other Expenses (incl $ for affiliated services) | | | | | | 0 | | | | 0 |
| 3.7 Subtotal before Reimbursements and Taxes (3.1 to 3.6) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | |
| 3.10 Total (3.7 to 3.9) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.11 Total Fraud and Abuse Detection/Recovery Expenses included in Column 7 (informational only) | | | | | | 0 | | | | 0 |

| 3B Quality Improvement Expenses Only | Improving Health Care Quality Expenses | | | | |
|---|---|---|---|---|---|
| | 1 Improve Health Outcomes | 2 Activities to Prevent Hospital Readmissions | 3 Improve Patient Safety and Reduce Medical Errors | 4 Wellness & Health Promotion Activities | 5 Total (1 to 4) |
| 1. Individual Comprehensive Coverage Expenses: | | | | | |
| 1.1 HIT expenses | 26,335 | 0 | 0 | 0 | 26,335 |
| 1.2 Other than HIT expenses | 22,613 | 0 | 0 | 0 | 22,613 |
| 2. Small Group Comprehensive Coverage Expenses: | | | | | |
| 2.1 HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 2.2 Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 3. Large Group Comprehensive Coverage Expenses: | | | | | |
| 3.1 HIT Expenses | 0 | 0 | 0 | 0 | 0 |
| 3.2 Other than HIT expenses | 0 | 0 | 0 | 0 | 0 |
| 4. Subtotals/Totals: | | | | | |
| 4.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1) | 26,335 | 0 | 0 | 0 | 26,335 |
| 4.2 Subtotal Other than HIT expenses (Lines 1.2 + 2.2 + 3.2) | 22,613 | 0 | 0 | 0 | 22,613 |
| 4.3 Total (Lines 4.1 + 4.2) | 48,947 | 0 | 0 | 0 | 48,947 |