



QUARTERLY STATEMENT

AS OF JUNE 30, 2006
OF THE CONDITION AND AFFAIRS OF THE

Great Lake Health Plan, Inc.

| | | | | | | |
|---------------------------------------|---|---|--|-----------------|----------------------|-------------------|
| NAIC Group Code | <u>0707</u> | <u>0707</u> | NAIC Company Code | <u>95467</u> | Employer's ID Number | <u>38-3204052</u> |
| | (Current Period) | (Prior Period) | | | | |
| Organized under the Laws of | <u>Michigan</u> | | State of Domicile or Port of Entry | <u>Michigan</u> | | |
| Country of Domicile | <u>United States of America</u> | | | | | |
| Licensed as business type: | Life, Accident & Health [] | Property/Casualty [] | Dental Service Corporation [] | | | |
| | Vision Service Corporation [] | Other [] | Health Maintenance Organization [X] | | | |
| | Hospital, Medical & Dental Service or Indemnity [] | Is HMO, Federally Qualified? Yes [] No [X] | | | | |
| Incorporated/Organized | <u>01/11/1994</u> | Commenced Business | <u>10/11/1994</u> | | | |
| Statutory Home Office | <u>17117 W. Nine Mile Rd., Suite 1600</u> | | <u>Southfield, MI 48075</u> | | | |
| | (Street and Number) | | (City or Town, State and Zip Code) | | | |
| Main Administrative Office | <u>17117 W. Nine Mile Rd., Suite 1600</u> | <u>Southfield, MI 48075</u> | <u>248-559-5656</u> | | | |
| | (Street and Number) | (City or Town, State and Zip Code) | (Area Code) (Telephone Number) | | | |
| Mail Address | <u>17117 W. Nine Mile Rd., Suite 1600</u> | | <u>Southfield, MI 48075</u> | | | |
| | (Street and Number or P.O. Box) | | (City or Town, State and Zip Code) | | | |
| Primary Location of Books and Records | <u>17117 W. Nine Mile Rd, Suite 1600</u> | <u>Southfield, MI 48075</u> | <u>248-331-4284</u> | | | |
| | (Street and Number) | (City or Town, State and Zip Code) | (Area Code) (Telephone Number) | | | |
| Internet Website Address | <u>www.glhp.com</u> | | | | | |
| Statutory Statement Contact | <u>Chris A Scherer</u> | | <u>248-331-4284</u> | | | |
| | (Name) | | (Area Code) (Telephone Number) (Extension) | | | |
| | <u>cscherer@glhp.com</u> | | <u>248-533-4640</u> | | | |
| | (E-mail Address) | | (FAX Number) | | | |
| Policyowner Relations Contact | <u>17117 W. Nine Mile Rd., Suite 1600</u> | <u>Southfield, MI 48075</u> | <u>248-331-4284</u> | | | |
| | (Street and Number) | (City or Town, State and Zip Code) | (Area Code) (Telephone Number) (Extension) | | | |

OFFICERS

| Name | Title | Name | Title |
|-----------------------------|------------------|--------------------|------------------|
| <u>Chris A. Scherer</u> | <u>President</u> | <u>Eric Wexler</u> | <u>Secretary</u> |
| <u>Robert W. Oberrender</u> | <u>Treasurer</u> | | |

OTHER OFFICERS

| | | | |
|--------------------|--------------------------------|---------------------|---|
| <u>Lisa Gray #</u> | <u>V.P. Customer Relations</u> | <u>Dawn Koehler</u> | <u>V.P. Government & Public Relations</u> |
|--------------------|--------------------------------|---------------------|---|

DIRECTORS OR TRUSTEES

| | | | |
|------------------------------|----------------------|-----------------------|------------------------|
| <u>Deborah Mates Chaskes</u> | <u>Thelma Duggin</u> | <u>Laura Spicer #</u> | <u>William Ralston</u> |
| <u>Stephen T. Swift</u> | | | |

State of
County of SS

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

Chris A. Scherer
President

Eric Wexler
Secretary

Dawn Koehler
V.P. Government & Public Relations

a. Is this an original filing? Yes [X] No []

b. If no,
1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

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

STATEMENT AS OF JUNE 30, 2006 OF THE Great Lake Health Plan, Inc.

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | | | 0 | 0 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | | | 0 | 0 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$ (2,100,802)), cash equivalents (\$ 0) and short-term investments (\$ 52,495,227) | 50,394,425 | | 50,394,425 | 46,889,778 |
| 6. Contract loans, (including \$ premium notes) | | | 0 | 0 |
| 7. Other invested assets | 0 | 0 | 0 | 0 |
| 8. Receivables for securities | | | 0 | 0 |
| 9. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 10. Subtotals, cash and invested assets (Lines 1 to 9) | 50,394,425 | 0 | 50,394,425 | 46,889,778 |
| 11. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 12. Investment income due and accrued | 3,977 | | 3,977 | 3,248 |
| 13. Premiums and considerations: | | | | |
| 13.1 Uncollected premiums and agents' balances in the course of collection | | | 0 | 0 |
| 13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | | | 0 | 0 |
| 13.3 Accrued retrospective premiums | | | 0 | 0 |
| 14. Reinsurance: | | | | |
| 14.1 Amounts recoverable from reinsurers | 2,550 | | 2,550 | 0 |
| 14.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 14.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 15. Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 16.1 Current federal and foreign income tax recoverable and interest thereon | 1,940,344 | 1,727,668 | 212,676 | 2,137,157 |
| 16.2 Net deferred tax asset | 3,027,534 | 2,620,538 | 406,996 | 406,996 |
| 17. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 18. Electronic data processing equipment and software | 4,687 | | 4,687 | 16,368 |
| 19. Furniture and equipment, including health care delivery assets (\$) | 452,535 | 452,535 | 0 | 141,413 |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 21. Receivables from parent, subsidiaries and affiliates | | | 0 | 0 |
| 22. Health care (\$ 1,811,751) and other amounts receivable | 1,811,751 | 116,108 | 1,695,643 | 2,825,519 |
| 23. Aggregate write-ins for other than invested assets | 5,793,147 | 5,793,147 | 0 | 0 |
| 24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) | 63,430,950 | 10,709,996 | 52,720,954 | 52,420,479 |
| 25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 26. Total (Lines 24 and 25) | 63,430,950 | 10,709,996 | 52,720,954 | 52,420,479 |
| DETAILS OF WRITE-INS | | | | |
| 0901. | | | | |
| 0902. | | | | |
| 0903. | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above) | 0 | 0 | 0 | 0 |
| 2301. Intangible Asset | 5,224,147 | 5,224,147 | 0 | 0 |
| 2302. Deposits and Other | | | 0 | 0 |
| 2303. JV Receivable | 569,000 | 569,000 | 0 | 0 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) | 5,793,147 | 5,793,147 | 0 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|------------|------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$ reinsurance ceded) | 20,126,319 | | 20,126,319 | 19,120,844 |
| 2. Accrued medical incentive pool and bonus amounts | | | 0 | 0 |
| 3. Unpaid claims adjustment expenses | 400,000 | | 400,000 | 400,000 |
| 4. Aggregate health policy reserves | | | 0 | 0 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserve | | | 0 | 0 |
| 7. Aggregate health claim reserves | | | 0 | 0 |
| 8. Premiums received in advance | | | 0 | 0 |
| 9. General expenses due or accrued | 456,385 | | 456,385 | 664,882 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses)) | | | 0 | 0 |
| 10.2 Net deferred tax liability | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | | | 0 | 0 |
| 13. Remittances and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current) | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 87,157 | | 87,157 | 36,629 |
| 16. Payable for securities | | | 0 | 0 |
| 17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers) | | | 0 | 0 |
| 18. Reinsurance in unauthorized companies | | | 0 | 0 |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 20. Liability for amounts held under uninsured plans | | | 0 | 0 |
| 21. Aggregate write-ins for other liabilities (including \$ current) | 0 | 0 | 0 | 0 |
| 22. Total liabilities (Lines 1 to 21) | 21,069,861 | 0 | 21,069,861 | 20,222,355 |
| 23. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 0 |
| 24. Common capital stock | XXX | XXX | | 0 |
| 25. Preferred capital stock | XXX | XXX | | 0 |
| 26. Gross paid in and contributed surplus | XXX | XXX | 31,763,489 | 31,763,489 |
| 27. Surplus notes | XXX | XXX | | 0 |
| 28. Aggregate write-ins for other than special surplus funds | XXX | XXX | 0 | 0 |
| 29. Unassigned funds (surplus) | XXX | XXX | (112,396) | 434,635 |
| 30. Less treasury stock, at cost: | | | | |
| 30.1 shares common (value included in Line 24) \$) | XXX | XXX | | 0 |
| 30.2 shares preferred (value included in Line 25) \$) | XXX | XXX | | 0 |
| 31. Total capital and surplus (Lines 23 to 29 minus Line 30) | XXX | XXX | 31,651,093 | 32,198,124 |
| 32. Total liabilities, capital and surplus (Lines 22 and 31) | XXX | XXX | 52,720,954 | 52,420,479 |
| DETAILS OF WRITE-INS | | | | |
| 2101. | | | 0 | 0 |
| 2102. | | | | |
| 2103. | | | | |
| 2198. Summary of remaining write-ins for Line 21 from overflow page | 0 | 0 | 0 | 0 |
| 2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above) | 0 | 0 | 0 | 0 |
| 2301. | XXX | XXX | | |
| 2302. | XXX | XXX | | |
| 2303. | XXX | XXX | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | XXX | XXX | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above) | XXX | XXX | 0 | 0 |
| 2801. | XXX | XXX | | |
| 2802. | XXX | XXX | | |
| 2803. | XXX | XXX | | |
| 2898. Summary of remaining write-ins for Line 28 from overflow page | XXX | XXX | 0 | 0 |
| 2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above) | XXX | XXX | 0 | 0 |

STATEMENT AS OF JUNE 30, 2006 OF THE Great Lake Health Plan, Inc.

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date |
|--|----------------------|-------------|--------------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 649,981 | 648,946 |
| 2. Net premium income (including \$ non-health premium income)..... | XXX | 125,723,357 | 124,572,882 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | | 0 |
| 4. Fee-for-service (net of \$ medical expenses) | XXX | | 0 |
| 5. Risk revenue | XXX | | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | (7,544,331) | (7,536,931) |
| 8. Total revenues (Lines 2 to 7) | XXX | 118,179,026 | 117,035,951 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | | 75,093,129 | 68,878,629 |
| 10. Other professional services | | 5,099,978 | 4,601,894 |
| 11. Outside referrals | | | 0 |
| 12. Emergency room and out-of-area | | 6,795,392 | 6,927,116 |
| 13. Prescription drugs | | 18,702,415 | 15,609,809 |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | | 0 |
| 16. Subtotal (Lines 9 to 15) | 0 | 105,690,914 | 96,017,448 |
| Less: | | | |
| 17. Net reinsurance recoveries | | 211,760 | 619,569 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 105,479,154 | 95,397,879 |
| 19. Non-health claims (net)..... | | | 0 |
| 20. Claims adjustment expenses, including \$ 1,887,426 cost containment expenses..... | | 2,547,703 | 2,504,449 |
| 21. General administrative expenses..... | | 12,171,416 | 12,534,121 |
| 22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only)..... | | | 0 |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 120,198,273 | 110,436,449 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (2,019,247) | 6,599,502 |
| 25. Net investment income earned | | 1,297,856 | 756,833 |
| 26. Net realized capital gains (losses) less capital gains tax of \$ | | | 0 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 1,297,856 | 756,833 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)] | | | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | 0 | 0 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | (721,391) | 7,356,335 |
| 31. Federal and foreign income taxes incurred | XXX | (108,519) | 2,743,544 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | (612,872) | 4,612,791 |
| DETAILS OF WRITE-INS | | | |
| 0601. | XXX | | |
| 0602. | XXX | | |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | XXX | 0 | 0 |
| 0701. QAAP Assessment..... | XXX | (7,544,331) | (7,536,931) |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) | XXX | (7,544,331) | (7,536,931) |
| 1401. | | | 0 |
| 1402. | | | 0 |
| 1403. | | | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 |
| 2901. Rental Income..... | | | 0 |
| 2902. | | | 0 |
| 2903. | | | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) | 0 | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year |
|---|------------------------------|----------------------------|-----------------|
| CAPITAL AND SURPLUS ACCOUNT: | | | |
| 33. Capital and surplus prior reporting year..... | 32,198,124 | 40,028,468 | 40,028,468 |
| 34. Net income or (loss) from Line 32..... | (612,872) | 4,612,791 | 5,777,080 |
| 35. Change in valuation basis of aggregate policy and claim reserves..... | | 0 | 0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$..... | | 0 | 0 |
| 37. Change in net unrealized foreign exchange capital gain or (loss)..... | | 0 | 0 |
| 38. Change in net deferred income tax..... | | 0 | (431,258) |
| 39. Change in nonadmitted assets..... | 65,841 | 232,832 | (46,948) |
| 40. Change in unauthorized reinsurance..... | 0 | 0 | 0 |
| 41. Change in treasury stock..... | | 0 | 0 |
| 42. Change in surplus notes..... | 0 | (14,000,000) | (14,000,000) |
| 43. Cumulative effect of changes in accounting principles..... | | 0 | 0 |
| 44. Capital Changes: | | | |
| 44.1 Paid in..... | | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend)..... | | 0 | 0 |
| 44.3 Transferred to surplus..... | | 0 | 0 |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in..... | | 0 | 0 |
| 45.2 Transferred to capital (Stock Dividend)..... | 0 | 0 | 0 |
| 45.3 Transferred from capital..... | | 0 | 0 |
| 46. Dividends to stockholders..... | | 0 | 0 |
| 47. Aggregate write-ins for gains or (losses) in surplus..... | 0 | 870,782 | 870,782 |
| 48. Net change in capital & surplus (Lines 34 to 47)..... | (547,031) | (8,283,595) | (7,830,344) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 31,651,093 | 31,744,873 | 32,198,124 |
| DETAILS OF WRITE-INS | | | |
| 4701. Audit Adjustments..... | | 870,782 | 870,782 |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page..... | 0 | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above) | 0 | 870,782 | 870,782 |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year Ended December 31 |
|--|------------------------------|--------------------------------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance..... | 126,837,650 | 254,788,593 |
| 2. Net investment income | 1,297,127 | 1,706,698 |
| 3. Miscellaneous income | (7,544,331) | (15,053,141) |
| 4. Total (Lines 1 to 3) | 120,590,446 | 241,442,150 |
| 5. Benefits and loss related payments | 104,476,229 | 199,927,866 |
| 6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 14,253,098 | 27,715,064 |
| 8. Dividends paid to policyholders | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses) | (1,593,000) | 6,598,495 |
| 10. Total (Lines 5 through 9) | 117,136,327 | 234,241,425 |
| 11. Net cash from operations (Line 4 minus Line 10) | 3,454,119 | 7,200,724 |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 0 | 0 |
| 12.2 Stocks | 0 | 0 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 0 | 0 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 0 | 0 |
| 13.2 Stocks | 0 | 0 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 0 | 0 |
| 14. Net increase (or decrease) in contract loans and premium notes | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | 0 | 0 |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | 0 | (14,000,000) |
| 16.2 Capital and paid in surplus, less treasury stock | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 |
| 16.6 Other cash provided (applied)..... | 50,528 | (10,972,051) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | 50,528 | (24,972,051) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Lines 15 and 17) | 3,504,647 | (17,771,326) |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year..... | 46,889,780 | 64,661,106 |
| 19.2 End of period (Line 18 plus Line 19.1) | 50,394,427 | 46,889,780 |

STATEMENT AS OF JUNE 30, 2006 OF THE Great Lake Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefit Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Stop Loss | 11 Disability Income | 12 Long-Term Care | 13 Other |
|---|-------------|---------------------------------------|------------|-----------------------------|---------------------|---------------------|---|------------------------------|----------------------------|--------------------|----------------------------|-------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | | | | |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior Year | 108,034 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | 108,034 | .0 | .0 | .0 | .0 |
| 2. First Quarter | 108,586 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | 108,586 | .0 | .0 | .0 | .0 |
| 3. Second Quarter | 107,579 | | | | | | | | 107,579 | | | | |
| 4. Third Quarter | .0 | | | | | | | | | | | | |
| 5. Current Year | 0 | | | | | | | | | | | | |
| 6. Current Year Member Months | 649,981 | | | | | | | | 649,981 | | | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | | | | |
| 7. Physician | 294,581 | | | | | | | | 294,581 | | | | |
| 8. Non-Physician | 153,305 | | | | | | | | 153,305 | | | | |
| 9. Total | 447,886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 447,886 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 25,882 | | | | | | | | 25,882 | | | | |
| 11. Number of Inpatient Admissions | 6,053 | | | | | | | | 6,053 | | | | |
| 12. Health Premiums Written | 126,146,911 | | | | | | | | 126,146,911 | | | | |
| 13. Life Premiums Direct | .0 | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written | .0 | | | | | | | | | | | | |
| 15. Health Premiums Earned | 126,146,911 | | | | | | | | 126,146,911 | | | | |
| 16. Property/Casualty Premiums Earned | .0 | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 104,685,439 | | | | | | | | 104,685,439 | | | | |
| 18. Amount Incurred for Provision of Health Care Services | 105,690,914 | | | | | | | | 105,690,914 | | | | |

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STATEMENT AS OF JUNE 30, 2006 OF THE Great Lake Health Plan, Inc.

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

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year |
|---|---|------------------------------------|--|------------------------------------|---|--|
| | 1 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid Dec. 31 of Prior Year | On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital & medical) | | | | | .0 | .0 |
| 2. Medicare Supplement | | | | | .0 | .0 |
| 3. Dental Only | | | | | .0 | .0 |
| 4. Vision Only | | | | | .0 | .0 |
| 5. Federal Employees Health Benefits Plan | | | | | .0 | .0 |
| 6. Title XVIII - Medicare | | | | | .0 | .0 |
| 7. Title XIX - Medicaid | 14,949,790 | 89,523,889 | 856,621 | 19,269,698 | 15,806,411 | 19,120,845 |
| 8. Other Health | | | | | .0 | .0 |
| 9. Health Subtotal (Lines 1 to 8)..... | 14,949,790 | 89,523,889 | 856,621 | 19,269,698 | 15,806,411 | 19,120,845 |
| 10. Healthcare receivables (a) | | | | | .0 | .0 |
| 11. Other non-health | | | | | .0 | .0 |
| 12. Medical incentive pools and bonus amounts | | | | | .0 | .0 |
| 13. Totals | 14,949,790 | 89,523,889 | 856,621 | 19,269,698 | 15,806,411 | 19,120,845 |

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

6

NOTES TO FINANCIAL STATEMENTS

(1) Significant Accounting Policies

Basis of Presentation – The financial statements of Great Lakes Health Plan, Inc. (GLHP or the “Company”) have been prepared in conformity with the accounting practices prescribed or permitted by the Office of Financial and Insurance Services of the State of Michigan Department (OFIS). These statutory practices vary from generally accepted accounting practices (GAAP) in the following material respects:

The effects of reinsurance are netted against the corresponding assets, liabilities, income, or expenses

Certain assets, such as premiums over 90 days past due, goodwill, excess of book value over market value for securities, and prepaid expenses are “nonadmitted” and are charged against surplus. Under statutory accounting practices, goodwill is amortized over its estimated useful life while goodwill is no longer amortized under GAAP

Income taxes are provided for the current liability without adjustment for deferred tax assets or liabilities attributable to differences between amounts reported for financial statement and for tax return purposes

Computer software applications are treated as a nonadmitted asset and charged against surplus

Surplus notes are included in capital and surplus rather than liabilities. No interest on surplus notes has been expensed or accrued for statutory purposes.

Fixed maturity investments are held at amortized costs; while under GAAP, fixed maturity investments which the Company does not have the positive intent and ability to hold to maturity are recorded at fair value.

Effective January 1, 2003, OFIS required that HMO’s domiciled in the State of Michigan prepare their statutory financial statements in accordance with the National Association of Insurance Commissioner’s (NAIC) Accounting Practices and Procedures Manual (NAIC SAP) as modified by OFIS. Accordingly the admitted assets, liabilities, capital and surplus and the results of its operations and its cash flows of the Company have been determined in accordance with the NAIC Manual. The State of Michigan has provided for transitional implementation of certain Statements of Statutory Accounting Principles (SSAPs) that will impact admitted assets.

Cash and Cash Equivalents—For the purpose of the statements of cash flows, cash equivalents represent other short-term investments with original maturities of less than three months.

Property and Equipment—Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated lives of the assets and includes amortization of equipment under capital leases. The estimated useful lives of the assets range from three to ten years for computer equipment and furniture.

Claims Unpaid—Health care costs are accrued in the period services are provided to the enrolled members based in part on estimates, including an accrual for medical services provided but not yet reported. Such estimates are based on historical payment patterns using actuarial techniques and are regularly reviewed and updated. Differences in estimates resulting there from are reflected in current operations.

Premiums—Qualified health plan contracts are entered annually, subject to cancellation by the State of Michigan, Department of Community Health, or the Company upon 90 days written notice on the basis of, and subject to, cause as reflected in the respective contracts. Premiums are due monthly and are recognized as revenue during the period in which the Company is obligated to provide benefits to members.

Statutory Reserves—As a condition of licensure with the State of Michigan, the Company is required to maintain a minimum deposit of \$1,000,000 in a segregated account. These funds can only be used by the Company at the direction of the Commissioner. The deposited amounts are stated at fair value and consist of cash and money market funds.

Provider Reimbursement Arrangements—The Company reimburses its providers based on contractual agreements that vary in accordance with the terms and conditions of each arrangement. The three most common arrangements are: capitated (fixed) rate paid on a per member per month (“PMPM”) basis; fee-for-service; and per-diem rate. The Company’s various providers are generally paid as follows:

- a. Capitated rate:
 - Primary care providers
 - Pharmacy
 - Laboratory fees
 - Transportation
- b. Fee-for-service:
 - All physician specialists
 - Primary care providers
 - Other medical disciplines (e.g., dentistry, chiropractor)
 - Ancillary services

NOTES TO FINANCIAL STATEMENTS

c. Per-diem rate and percent of charges:

- Inpatient hospital and emergency (facility)

Dividends—Dividends paid by a Michigan HMO are subject to limitations imposed by the Michigan Insurance Code (the “Code”). Under the Code, an HMO may pay dividends only from statutory earnings and capital and surplus. In addition, a Michigan HMO may not pay an “extraordinary” dividend to its stockholders without prior approval of OFIS.

Use of Estimates—The preparation of financial statements in conformity with OFIS’ accounting practices and permitted practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities as of the date of the statement of admitted assets, liabilities, and capital and surplus—statutory basis, and revenues and expenses—statutory basis for the period reported on. Actual results could differ from those estimates.

(2) Accounting Changes and Corrections of Errors

No change

(3) Business Combinations and Goodwill

On June 1, 1999, the Company purchased, for \$2,880,900, (consisting of cash, short-term debt totaling \$746,000 and long-term debt totaling \$659,900) the assets of the Thumb Area Health Plan (“TAHP”), increasing its Medicaid members by 10,335. In connection with the purchase, the Company recorded a covenant not to compete of \$450,000 and goodwill of \$2,430,900.

On February 26, 2004, AmeriChoice Corporation purchased all of the outstanding stock of the Company from HealthCor, Inc for approximately \$28 million. AmeriChoice is a subsidiary of the United Health Group Incorporated.

(4) Discontinued Operations

No change

(5) Investments

No change

(6) Joint Ventures, Partnerships and Limited Liability Companies

No change

(7) Investment Income

No change

(8) Derivative Investments

No change

(9) Income Taxes

A. The components of the net deferred tax asset/(liability) at June 30, 2006 are as follows:

| | |
|--|-------------------|
| (1) Total of all deferred tax assets (Admit and Non) | \$ 3,027,534 |
| (2) Total of all deferred Tax Liabilities | 0 |
| (3) Total deferred assets non-admitted | <u>2,620,538</u> |
| (4) Total of all deferred tax assets Admitted | <u>\$ 406,996</u> |
| (5) Increase (decrease in deferred tax assets nonadmitted) | 0 |

C. The components of current income tax recoverable for the Qtr ended June 30, 2006 is as follows:

| | |
|---------|---------------------|
| Federal | \$ (108,519) |
| State | <u>-</u> |
| Total | <u>\$ (108,519)</u> |

F. The Company’s federal income tax return for the period beginning February 27, 2004 forward will be combined with United Health Group Incorporated. Tax liability for each member of the consolidated group will be determined as if the member had filed a separate federal, state, and local income tax return.

United Health Group Incorporated 41-1321939

(10) Information Concerning Parent, Subsidiaries and Affiliates

a. The Company is wholly owned by AmeriChoice, Inc. Which I a majority owned subsidiary of United Health Group, Inc.

Inter-Co Receivable Balance at June 30, 2006 \$0

b. Inter-Co Payable Balance at June 30, 2006 \$ 87,157

c. The Company does not hold any investments in its parent or affiliate companies.

d. Transactions between the Company and its parent and affiliates are not health care delivery related transactions

NOTES TO FINANCIAL STATEMENTS

- (11) **Debt**
No Change
- (12) **Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans**
No Change
- (13) **Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**
- a. Dividend Restrictions
No Change.
 - b. Quasi reorganization
No change
 - c. Surplus Notes
No change.
- (14) **Contingencies**
No change
- (15) **Leases**
No Change
- (16) **Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**
Not Applicable
- (17) **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**
Not Applicable
- (18) **Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans**
Not Applicable
- (19) **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**
Not Applicable
- (20) **September 11 Events**
Not Applicable
- (21) **Other Items**
Not Applicable
- (22) **Events Subsequent**
The company entered into an asset purchase agreement with Physicians Health Plan of Southwest Michigan on May 1, 2006. As a result of the agreement, the company will assume approximately 34,000 Medicaid members who are scheduled to be transferred to the plan on September 1, 2006.
- (23) **Reinsurance**
No Change
- (24) **Retrospectively Rated Contracts & Contracts Subject to Redetermination**
Not Applicable
- (25) **Change in Incurred Claims and Claim Adjustment Expense**
Claims Payable increased by \$1,005,475 from \$19,120,844 at December 31, 2005 to \$20,126,319 at June 30, 2006. The portion of incurred expense related to 2005 and prior is \$(3,314,433). Claims adjustment expense was \$400,000 at June 30, 2006 and December 31, 2005.
- (26) **Inter-company Pooling Arrangements**
Not Applicable
- (27) **Structured Settlements**
Not Applicable
- (28) **Health Care Receivables**
No Change
- (29) **Participating Policies**
No Change
- (30) **Premium Deficiency Reserves**

NOTES TO FINANCIAL STATEMENTS

Not Applicable

(31) Anticipated Salvage and Subrogation

Not Applicable

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2004
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2004
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/07/2006
- 6.4 By what department or departments?
.....
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 OTS | 6 FDIC | 7 SEC |
|---------------------|--------------------------------|----------|----------|----------|-----------|----------|
| Exante Bank..... | Salt Lake City, Utah..... | | | | Yes..... | |

GENERAL INTERROGATORIES

FINANCIAL

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

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]
 10.2 If yes, explain:

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

13. Amount of real estate and mortgages held in short-term investments: \$

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

- 14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Statement Value |
|--|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ | \$ |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)..... | \$0 | \$0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [X]

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|------------------------|
| N/A..... | N/A..... |

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

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

- 16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]

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

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |

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

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|--------------|--------------|
| | | |

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

- 17.2 If no, list exceptions:

SCHEDULE A - VERIFICATION

Real Estate

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| NONE | | |
| 1. Book/adjusted carrying value, December 31 of prior year | 0 | 0 |
| 2. Increase (decrease) by adjustment | | 0 |
| 3. Cost of acquired | | 0 |
| 4. Cost of additions to and permanent improvements | | 0 |
| 5. Total profit (loss) on sales | | 0 |
| 6. Increase (decrease) by foreign exchange adjustment | | 0 |
| 7. Amount received on sales | | 0 |
| 8. Book/adjusted carrying value at end of current period | 0 | 0 |
| 9. Total valuation allowance | | 0 |
| 10. Subtotal (Lines 8 plus 9) | 0 | 0 |
| 11. Total nonadmitted amounts | | 0 |
| 12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) | 0 | 0 |

SCHEDULE B – VERIFICATION

Mortgage Loans

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| NONE | | |
| 1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year | 0 | 0 |
| 2. Amount loaned during period: | | |
| 2.1. Actual cost at time of acquisitions | | 0 |
| 2.2. Additional investment made after acquisitions | | 0 |
| 3. Accrual of discount and mortgage interest points and commitment fees | | 0 |
| 4. Increase (decrease) by adjustment | | 0 |
| 5. Total profit (loss) on sale | | 0 |
| 6. Amounts paid on account or in full during the period | | 0 |
| 7. Amortization of premium | | 0 |
| 8. Increase (decrease) by foreign exchange adjustment | | 0 |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period | 0 | 0 |
| 10. Total valuation allowance | | 0 |
| 11. Subtotal (Lines 9 plus 10) | 0 | 0 |
| 12. Total nonadmitted amounts | | 0 |
| 13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) | 0 | 0 |

SCHEDULE BA – VERIFICATION

Other Invested Assets

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| NONE | | |
| 1. Book/adjusted carrying value of long-term invested assets owned December 31 of prior year | 0 | 0 |
| 2. Cost of acquisitions during period: | | |
| 2.1. Actual cost at time of acquisitions | | 0 |
| 2.2. Additional investment made after acquisitions | | 0 |
| 3. Accrual of discount | | 0 |
| 4. Increase (decrease) by adjustment | | 0 |
| 5. Total profit (loss) on sale | | 0 |
| 6. Amounts paid on account or in full during the period | | 0 |
| 7. Amortization of premium | | 0 |
| 8. Increase (decrease) by foreign exchange adjustment | | 0 |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period | 0 | 0 |
| 10. Total valuation allowance | | 0 |
| 11. Subtotal (Lines 9 plus 10) | 0 | 0 |
| 12. Total nonadmitted amounts | | 0 |
| 13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) | 0 | 0 |

SCHEDULE D – VERIFICATION

Bonds and Stocks

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| NONE | | |
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 0 | 0 |
| 2. Cost of bonds and stocks acquired | | 0 |
| 3. Accrual of discount | | 0 |
| 4. Increase (decrease) by adjustment | | 0 |
| 5. Increase (decrease) by foreign exchange adjustment | | 0 |
| 6. Total profit (loss) on disposal | | 0 |
| 7. Consideration for bonds and stocks disposed of | | 0 |
| 8. Amortization of premium | | 0 |
| 9. Book/adjusted carrying value, current period | 0 | 0 |
| 10. Total valuation allowance | | 0 |
| 11. Subtotal (Lines 9 plus 10) | 0 | 0 |
| 12. Total nonadmitted amounts | | 0 |
| 13. Statement value | 0 | 0 |

STATEMENT AS OF JUNE 30, 2006 OF THE Great Lake Health Plan, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

| | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-------------------------------------|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. Class 1 | 58,215,497 | 73,978,731 | 79,699,000 | 0 | 58,215,497 | 52,495,227 | 0 | 51,264,100 |
| 2. Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total Bonds | 58,215,497 | 73,978,731 | 79,699,000 | 0 | 58,215,497 | 52,495,227 | 0 | 51,264,100 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds and Preferred Stock | 58,215,497 | 73,978,731 | 79,699,000 | 0 | 58,215,497 | 52,495,227 | 0 | 51,264,100 |

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

| | 1 | 2 | 3 | 4 | 5 |
|----------------|---------------------------------|-----------|-------------|------------------------------------|--|
| | Book/Adjusted Carrying Value | Par Value | Actual Cost | Interest Collected Year To Date | Paid for Accrued Interest Year To Date |
| 8299999 Totals | 52,495,227 | XXX | 52,495,227 | 532,478 | 0 |

SCHEDULE DA - PART 2- VERIFICATION

Short-Term Investments Owned

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year..... | 51,264,100 | 68,099,579 |
| 2. Cost of short-term investments acquired | 144,220,636 | 541,819,224 |
| 3. Increase (decrease) by adjustment | 0 | 0 |
| 4. Increase (decrease) by foreign exchange adjustment | 0 | 0 |
| 5. Total profit (loss) on disposal of short-term investments | 0 | 0 |
| 6. Consideration received on disposal of short-term investments | 142,989,509 | 558,654,703 |
| 7. Book/adjusted carrying value, current period | 52,495,227 | 51,264,100 |
| 8. Total valuation allowance | 0 | 0 |
| 9. Subtotal (Lines 7 plus 8) | 52,495,227 | 51,264,100 |
| 10. Total nonadmitted amounts | 0 | 0 |
| 11. Statement value (Lines 9 minus 10) | 52,495,227 | 51,264,100 |
| 12. Income collected during period | 1,297,856 | 1,613,688 |
| 13. Income earned during period | 1,297,856 | 1,613,688 |

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| States, Etc. | 1 Guaranty Fund (Yes or No) | 2 Is Insurer Licensed? (Yes or No) | Direct Business Only Year-to-Date | | | | | | |
|---|-----------------------------------|--|--------------------------------------|------------------------------|----------------------------|--|---|--|---|
| | | | 3 Accident and Health Premiums | 4 Medicare Title XVIII | 5 Medicaid Title XIX | 6 Federal Employees Health Benefit Program Premiums | 7 Life and Annuity Premiums and Deposit-Type Contract Funds | 8 Property/ Casualty Premiums | |
| 1. Alabama | AL | | | | | | | | |
| 2. Alaska | AK | | | | | | | | |
| 3. Arizona | AZ | | | | | | | | |
| 4. Arkansas | AR | | | | | | | | |
| 5. California | CA | | | | | | | | |
| 6. Colorado | CO | | | | | | | | |
| 7. Connecticut | CT | | | | | | | | |
| 8. Delaware | DE | | | | | | | | |
| 9. District of Columbia | DC | | | | | | | | |
| 10. Florida | FL | | | | | | | | |
| 11. Georgia | GA | | | | | | | | |
| 12. Hawaii | HI | | | | | | | | |
| 13. Idaho | ID | | | | | | | | |
| 14. Illinois | IL | | | | | | | | |
| 15. Indiana | IN | | | | | | | | |
| 16. Iowa | IA | | | | | | | | |
| 17. Kansas | KS | | | | | | | | |
| 18. Kentucky | KY | | | | | | | | |
| 19. Louisiana | LA | | | | | | | | |
| 20. Maine | ME | | | | | | | | |
| 21. Maryland | MD | | | | | | | | |
| 22. Massachusetts | MA | | | | | | | | |
| 23. Michigan | MI | No | Yes | | | 126,146,911 | | | |
| 24. Minnesota | MN | | | | | | | | |
| 25. Mississippi | MS | | | | | | | | |
| 26. Missouri | MO | | | | | | | | |
| 27. Montana | MT | | | | | | | | |
| 28. Nebraska | NE | | | | | | | | |
| 29. Nevada | NV | | | | | | | | |
| 30. New Hampshire | NH | | | | | | | | |
| 31. New Jersey | NJ | | | | | | | | |
| 32. New Mexico | NM | | | | | | | | |
| 33. New York | NY | | | | | | | | |
| 34. North Carolina | NC | | | | | | | | |
| 35. North Dakota | ND | | | | | | | | |
| 36. Ohio | OH | | | | | | | | |
| 37. Oklahoma | OK | | | | | | | | |
| 38. Oregon | OR | | | | | | | | |
| 39. Pennsylvania | PA | | | | | | | | |
| 40. Rhode Island | RI | | | | | | | | |
| 41. South Carolina | SC | | | | | | | | |
| 42. South Dakota | SD | | | | | | | | |
| 43. Tennessee | TN | | | | | | | | |
| 44. Texas | TX | | | | | | | | |
| 45. Utah | UT | | | | | | | | |
| 46. Vermont | VT | | | | | | | | |
| 47. Virginia | VA | | | | | | | | |
| 48. Washington | WA | | | | | | | | |
| 49. West Virginia | WV | | | | | | | | |
| 50. Wisconsin | WI | | | | | | | | |
| 51. Wyoming | WY | | | | | | | | |
| 52. American Samoa | AS | | | | | | | | |
| 53. Guam | GU | | | | | | | | |
| 54. Puerto Rico | PR | | | | | | | | |
| 55. U.S. Virgin Islands | VI | | | | | | | | |
| 56. Northern Mariana Islands | MP | | | | | | | | |
| 57. Canada | CN | | | | | | | | |
| 58. Aggregate Other Alien | OT | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | | XXX | XXX | 0 | 0 | 126,146,911 | 0 | 0 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | | XXX | XXX | | | | | | |
| 61. Total (Direct Business) | | XXX | (a) 1 | 0 | 0 | 126,146,911 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 5801. | | | | | | | | | |
| 5802. | | | | | | | | | |
| 5803. | | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| 5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above) | | | | 0 | 0 | 0 | 0 | 0 | 0 |

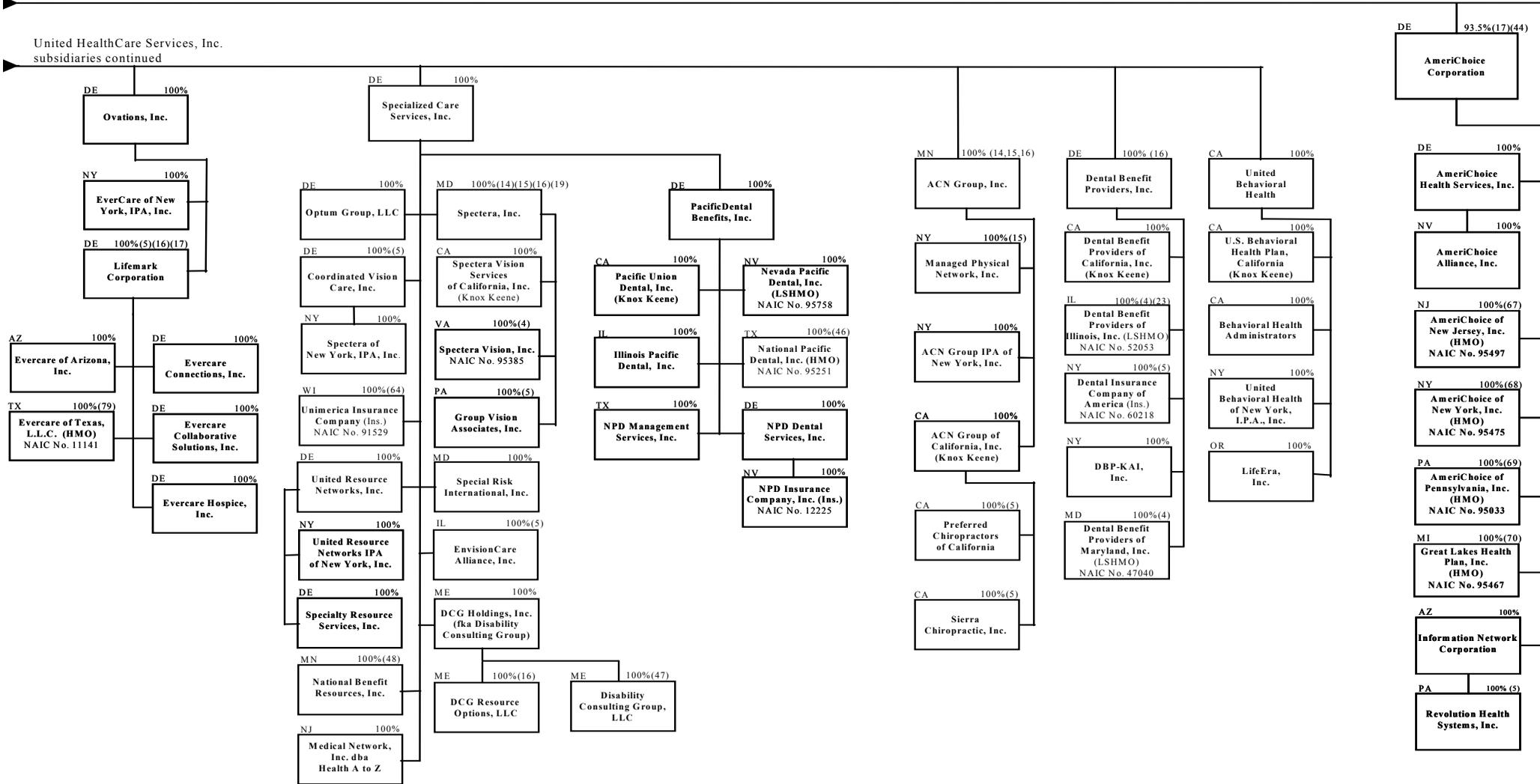
(a) Insert the number of yes responses except for Canada and other Alien.

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

UnitedHealth Group Incorporated
subsidiaries continued

Continued

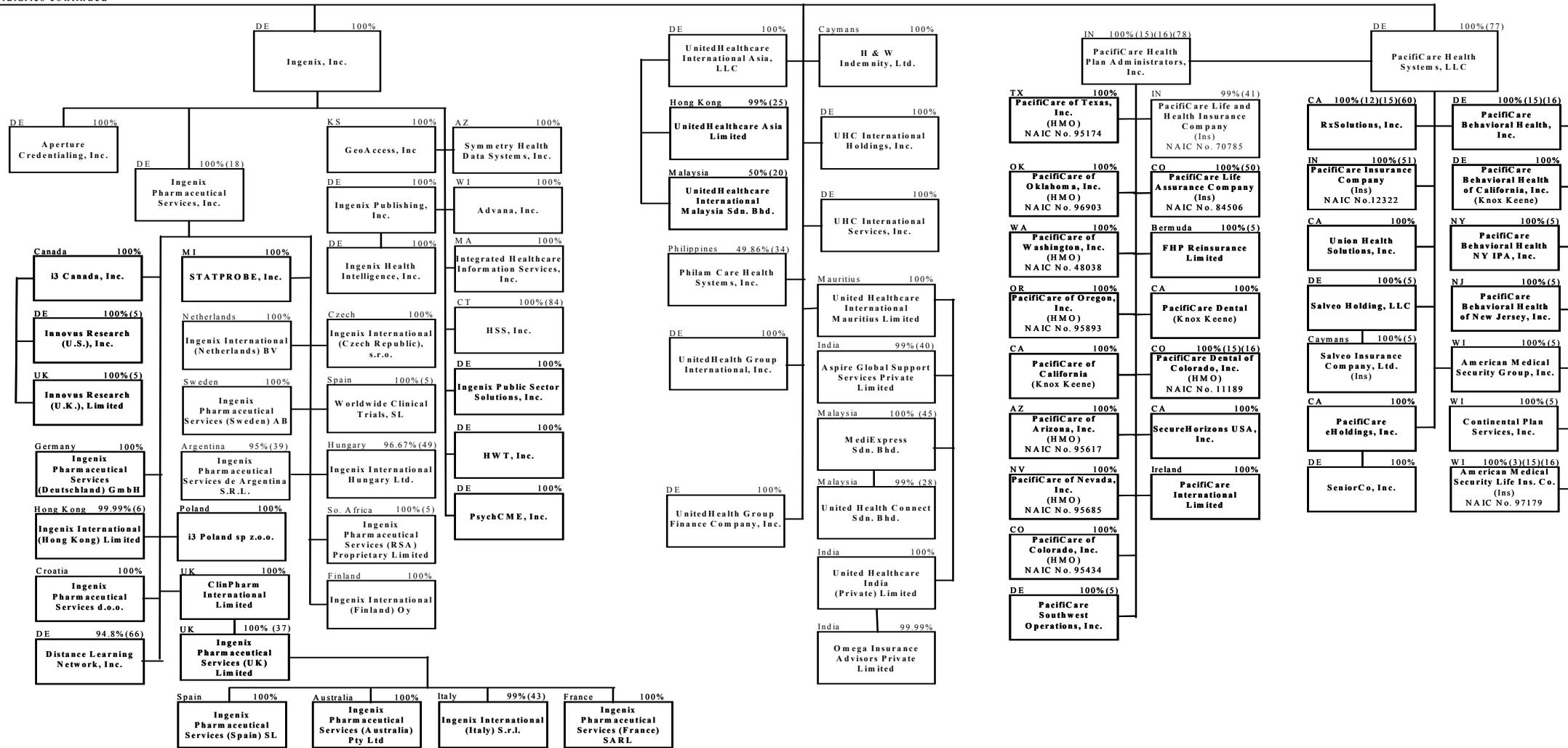
United HealthCare Services, Inc.
subsidiaries continued



19.1

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

UnitedHealth Group Incorporated
subsidiaries continued



19.2

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

PART 1 - ORGANIZATIONAL CHART

NOTES

Page 4 of 5
As of June 30, 2006

- (1) **UnitedHealth Group Incorporated** ("UHG") (d/b/a UnitedHealth Group) is a Minnesota corporation whose shares of common stock are listed on the NYSE (i.e., it is publicly held). Name was changed from United HealthCare Corporation on March 6, 2000. It only does business in MN. It is the ultimate parent company of all the other UnitedHealth Group entities. It is not licensed as anything, i.e., it is not an HMO, insurance company, TPA, PPO, etc. It is a holding company. It should not be the party to any contract except for certain limited situations. This is not the entity that (i) manages or directly owns the HMOs (that is, for the most part, United HealthCare Services, Inc. ("UHS") for management and UHS or UnitedHealthcare, Inc. for ownership), or (ii) offers the ASO, PPO, or other products (that is usually United HealthCare Insurance Company).
- (2) d/b/a: Western Ohio Health Care Corporation; also licensed in Kentucky.
- (3) Licensed as a life, accident and health insurance company in AL, AR, AZ, CA, CO, DC, DE, FL, GA, IA, ID, IL, IN, KS, KY, LA, MD, MI, MN, MO, MS, MT, NC, ND, NE, NM, NV, OH, OK, OR, PA, SC, SD, TN, TX, UT, VA, WA, WI, WV, & WY.
- (4) Limited or single service health Plan ("LSHMO"). Spectera Vision, Inc. is licensed as LSHMO in VA and IN.
- (5) This entity will dissolve or merge with another UHG legal entity, subject to any required regulatory approval.
- (6) Ingenix, Inc. owns .01%. Established a representative office in Beijing, China.
- (7) United HealthCare of Illinois, Inc. (DE domicile) merged into UnitedHealthcare (Newco), Inc. (IL domicile) in order to redomesticate to IL and changed its name to UnitedHealthcare of Illinois, Inc. effective 5/31/02. Also licensed in Indiana.
- (8) Licensed in Iowa and Nebraska.
- (9) Licensed in Rhode Island and Massachusetts.
- (10) UnitedHealthcare of Minnesota, Inc. merged into UnitedHealthcare Alliance LLC effective 12/31/02. This LLC holds the intangible assets of UnitedHealthcare and is the employer of its top management.
- (11) Licensed in Missouri, Illinois and Kansas.
- (12) Db a Prescription Solutions. Licensed as Pharmacy and TPA in many states.
- (13) **United HealthCare Services, Inc.** ("UHS") (formerly UHC Management Company, Inc. and before that Charter Med, Inc.) is a Minnesota corporation and wholly owned subsidiary of UnitedHealth Group. It is the technical employing entity (i.e., it files the payroll taxes in the 50 states) for substantially all UnitedHealth Group personnel. It is qualified to do business in all 50 states and the District of Columbia. It is not licensed as an HMO or an insurance company but is licensed in numerous states as a TPA or UR agent. It is the management company for almost all the health plans and the insurance companies. It owns most of the assets (i.e., desks, computers etc.) used by all employees. It rents most of the space used by all UnitedHealth Group entities and people. Many of the specialty businesses, i.e., Evercare, URN, Optum, Uniprise, Healthmarc, etc., operate as divisions/dbas of UHS, rather than separate legal entities (though there may be a shell bearing a similar name). UHS is the entity that should be the party to the facilities, supply or other contracts that are for UnitedHealth Group generally. See p. 5 for UHS' assumed/fictitious names.
- (14) Licensed as a PPO or MCO in one or more states.
- (15) Licensed as a UR Agent in one or more states.
- (16) Licensed as a TPA in one or more states. (Called "independent adjuster" in New York.)
- (17) "AmeriChoice" is being filed as an assumed name for Lifemark Corporation in California, Indiana, and Michigan. See next page for its UHS filings.
- (18) registered either a DBA, TradeName or Trade Mark of "i3 Research", "i3 Magnifi", and/or "i3 Drug Safety" in several states
- (19) Also has dba of: Care Programs
- (20) Other 50% is owned by UnitedHealthcare Asia Limited currently, but UnitedHealthcare International Asia, LLC will own 99% and UnitedHealthcare Asia Limited will own 1% after additional shares are issued.
- (21) Also licensed in Virginia and the District of Columbia. United HealthCare of Virginia, Inc. merged into it effective 12/31/01 on approval of VA BOI, MIA, & MD DAT (later filing by VA Corp.Comm.).
- (22) Licensed as a life and health insurance company in AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, & WY.
- (23) Licensed as HMO or LSHMO in FL, IN, IL, MO, & VA.
- (24) General partnership interests are held by UHS (89.77%) and its wholly owned subsidiary, Commonwealth Physician Services Corporation (10.23%). UHS also holds 100% of the limited partnership interests. When combining general partner and limited partner interests, UHS owns 94.18%, Commonwealth Physician Services Corporation owns 5.83% (for a combined 100% ownership). (All numbers are rounded to two decimal points.) Licensed as an HMO in Kentucky and Indiana. Has to use the name United HealthCare of Kentucky, L.P. in Indiana.

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

PART 1 - ORGANIZATIONAL CHART

- (25) A Hong Kong “private” limited liability company owned 99% by UnitedHealthcare International Asia, LLC and 1% by UnitedHealth Group International, Inc.
- (26) d/b/a: UnitedHealthcare, Inc., a Corporation of Delaware (obtained for use in Oklahoma).
- (27) Licensed as a life and health insurance company in AK, AR, CO, DE, DC, FL, GA, ID, IL, IN, IA, KS, KY, LA, MD, MI, MS, MT, NE, ND, OH, OK, OR, PA, SC, SD, TN, TX, WV, WI & WY.
- (28) 1% owned by United Healthcare International Malaysia Sdn. Bhd.
- (29) UHG is the sole member of the United Health Foundation, a MN non-profit organization.
- (30) **United HealthCare Insurance Company** (“UHI”) is a Connecticut domestic life & health insurance company that is licensed as an insurance company in 49 states (not New York), District of Columbia, Puerto Rico, Guam the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands, and American Samoa. This entity offers a variety of products including EPO, PPO, ASO/self-funded, and indemnity.
- (31) Licensed in Ohio only.
- (32) Licensed in New York and the District of Columbia.
- (33) Licensed in Illinois only. Voluntarily surrendered COA in Florida.
- (34) PhilamCare Health Systems, Inc. is 49.86% owned by PhilamLife and .28% owned by various individuals.
- (35) Formerly known as R.W. Houser, Inc.
- (36) Licensed in NY for life, annuities, and accident & health. Formerly named United HealthCare Life Insurance Company of New York.
- (37) Branches in Republic of South Africa, Croatia, and Germany. Withdrew from Sweden on April 19, 2002, Hungary on Jan. 2, 2001, and the Netherlands on December 31, 2003.
- (38) Assumed names for UnitedHealth Networks, Inc. that must be used in the states listed below: NH (UHN UnitedHealth Networks), TX (UHN UnitedHealth Networks, Inc.), NY (United Networks), OH & OR (UnitedHealth Network, Inc., a Corporation of Delaware)
- (39) Ingenix, Inc. owns 5%.
- (40) UnitedHealth Group International, Inc. owns remaining 1%.
- (41) Remaining 1% is owned by PacifiCare Health Systems, LLC. Licensed in DC, GU, VI, and all States, except NY. “Commercially domiciled” in CA.
- (42) Licensed as a life and health insurance company in CA & IL.
- (43) One percent owned by ClinPharm International Ltd.
- (44) Around 6.5% of the shares are owned by AmeriChoice management, which United will acquire after five years from Sept. 2002 acquisition, subject to certain acceleration events. UnitedHealth Cares, Inc. fka AmeriChoice Associates Assistance Fund, Inc. is a GA nonprofit qualified in other states. AmeriChoice Behavioral Healthcare, Inc. (inactive affiliate) will be merged/dissolved as soon as practicable:
- (45) 70% owned directly and 30% controlled through individual nominee shareholders from whom we have powers of attorney.
- (46) Licensed as a DPO. in MD and HMO in TX
- (47) Licensed as a reinsurance intermediary in some states
- (48) Licensed as a producer in most states. Formerly named DCG OnLine, LLC.
- (49) 3.33% held by Ingenix, Inc.
- (50) Licensed as life & health insurer in AZ, CA, CO, GU, IL, IN, KY, NV, NJ, NM, OH, OK, OR, TX, UT, WA
- (51) Licensed as a health insurer in IN.
- (52) Mid Atlantic Medical Services, Inc. merged into Mid Atlantic Medical Services, LLC (formerly MU Acquisition LLC) upon acquisition by UnitedHealth Group, with Mid Atlantic Medical Services, LLC as the survivor. It also has the UnitedHealthcare Children’s Foundation fka MAMSI Children’s Foundation and HomeCall Hospice Services Foundation, Inc. It is the sole member of several real estate LLCs: Hillcrest, LLC; Frederick Associates, LLC; 3 Taft Court Associates, LLC; 3-1/2 Taft Court Associates, LLC; Hillcrest Plaza II, LLC; 1&2 Taft, LLC; and 6 Taft LLC. The Jochum Trust for compensation of former CEO is administered by UHG Human Capital.
- (53) Licensed as an HMO in DC, DE, MD, VA, & WV
- (54) Licensed as an HMO in NC & SC
- (55) Licensed as a Collection Agency in MD
- (56) Licensed as a Life, Accident & Health Insurance Company in AL, AR, AZ, CO, DC, DE, GA, HI, ID, IL, IN, KS, KY, LA, MD, MS, MO, NE, NV, NM, NC, ND, OK, PA, SC, SD, TN, TX, UT, VA, & WV
- (57) Formerly named Alliance PPO, LLC when it was a subsidiary of MAMSI Life and Health Ins. Co.
- (58) Licensed as a Producer in several states
- (59) Licensed as a Hospice in MD & VA

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

PART 1 - ORGANIZATIONAL CHART

- (60) Licensed as a Pharmacy in many states. Assumed name of Prescription Solutions.
- (61) JCAHCO; Medicare certification; licensed in MD for nursing, home health aides, physical, occupational & speech therapy, medical social work, home health, & laboratory
- (62) JCAHCO, licensed in MD for residential service, agency skilled nursing & aides, and home health services
- (63) 23.3% owned by Mid Atlantic Medical Services, LLC. Licensed as an HMO in DC, MD, & VA
- (64) Licensed as a Life, Accident & Health Insurance Company countrywide, except in NY(Unimerica Life Insurance Company of New York is licensed in NY).
- (65) Former name was Unimerica, Inc.
- (66) 5.2% owned collectively by Eric Porterfield, and Anthony Cepullio
- (67) Licensed as an HMO in NJ
- (68) Licensed as an HMO in NY
- (69) Licensed as an HMO in PA
- (70) Licensed as an HMO in MI
- (71) Licensed as a life, accident & health insurance company in AK, AR, AZ, CO, DE, IA, ID, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, NM, NV, OH, OK, OR, SC, SD, TX, UT, WA, & WI
- (72) Licensed as an accident & health insurance company in DC, MD (health only), & PA
- (73) Survivor of merger with Oxford Health Plans, Inc. Former name was Ruby Acquisition, LLC. NAIC Group Code of regulated subsidiaries was 1182 prior to acquisition. Two non-stock Political Action Committees: Oxford Health Plans, Inc. (CT) Committee for Quality Health Care, Inc. and Oxford Health Plans, Inc. (NY) Committee for Quality Health Care, Inc., DE corps. Licensed as ins. agency in NY dba The Oxford Agency.
- (74) Licensed in 47 states and the District of Columbia. Not licensed in CT, NY, or VT.
- (75) Licensed as a Health Care Center (HMO) in CT with a Limited License for less than 5,000 members in RI.
- (76) Licensed as an insurance company in CT, NJ, NY, & PA.
- (77) Formerly named Point Acquisition, LLC, the survivor of the merger with PacifiCare Health Systems, Inc., which enabled the acquisition of PacifiCare. Also owns 21.1% of Alere Medical Incorporated, a CA corporation, including 16,068,245 shares of non-voting preferred stock and warrants to purchase an additional 1 million shares of non-voting preferred stock.
- (78) Sole member of PacifiCare Health Systems Foundation, a CA nonprofit corporation.
- (79) TX DOI has accepted a dba of "United HealthCare – Texas" for this company's use by AmeriChoice
- (80) United HealthCare Services, Inc.'s filed assumed names/dbas include (continuation of footnote 13):
- AmeriChoice (FL, IL, IN, MD, NE, RI)
 - Center for Health Care Policy and Evaluation (MN)
 - Charter HealthCare, Inc. (NM, RI)
 - Employee Performance Design (IL, KY, MN, NE, OR)
 - EverCare (numerous states)
 - GenCare PPO (IL, MO)
 - Health Professionals Review (ME)
 - HealthCare Evaluation Services (MN)
 - Healthmarc (numerous states)
 - HealthPro (AK, CT, IL, KY, MA, OH, VT)
 - Institute for Human Resources (FL, OR, WA)
 - Managed Care for the Aged (MN)
 - Optum (MN, CA)
 - Personal Decision Services (MN)
 - SeniorCare Select & Design (MN)
 - UHC Management & Administrators (CA)
 - UHC Management (VT)
 - UHC Management Company (AK, MA, NH, UT, WV)
 - UHC Management Company, Inc. (AL, AZ, AR, CA, CO, CT, DE, FL, GA, ID, IL, IN, IA, KY, LA, ME, MD, MA, MI, MN, MO, MT, NE, NJ, ND, OH, OR, PA, RI, SD, TN, TX, VA, WA)
 - UHC of Illinois Inc. and United HealthCare of Illinois, Inc. (IL)

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

- UHC of Missouri and United HealthCare of Missouri (MO)
- UMC Management Company, Inc. (OH)
- United HealthCare (MA, UT)
- United HealthCare Corporation (AZ, AR, CA, CO, CT, DE, FL, GA, ID, IN, IA, KY, LA, ME, MD, MO, MT, NC, ND, NE, NJ, OH, OR, RI, SD, TX, WA)
- United HealthCare, Inc. (LA, SD, WV)
- United HealthCare Management (VT)
- United HealthCare Management Company, Inc. (IL, MI, OK, PA, TN, VA)
- United HealthCare Management Services (PA, NY)
- United HealthCare Services of Minnesota (NH)
- United HealthCare Services of Minnesota, Inc. (AR, FL, IL, OK, RI, SD, VT, WV)
- United Resource Networks (CA, GA, IL, IN, IA, MD, MI, MN, MO, NE, NY, NC, RI, UT)
- United Resource Networks, Inc. (CO, TN)
- UnitedHealth Group Incorporated (CA)

(81) fka as John Deere Health Care, Inc.

(82) fka as John Deere Health Insurance, Inc. Licensed as an insurance company in IA, IL, TN, & VA.

(83) fka as John Deere Health Plan, Inc. Licensed as an HMO in IA, IL, TN, & VA, withdrew from KY & SC.

(84) Known as HealthCare Software Synergies, Incorporated in MD

OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule D - Part 3

NONE

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

SCHEDULE E - PART 2 CASH EQUIVALENTS

Showing Investments Owned End of Current Quarter

| 1 CUSIP Identification | 2 Description | 3 Code | 4 Date Acquired | 5 Rate of Interest | 6 Maturity Date | 7 Book/Adjusted Carrying Value | 8 Amount of Interest Due and Accrued | 9 Gross Investment Income |
|--------------------------------|------------------|-----------|--------------------|-----------------------|--------------------|--------------------------------------|--|------------------------------|
| NONE | | | | | | | | |
| 0199999 Total Cash Equivalents | | | | | | | | |