# QUARTERLY STATEMENT

OF THE

ALTUS DENTAL

INSURANCE COMPANY, INC.

of PROVIDENCE

in the state of RHODE ISLAND

TO THE

Insurance Department

OF THE

STATE OF RHODE ISLAND

FOR THE QUARTER ENDED
June 30, 2006

HEALTH

2006

52632200620100102

# HEALTH QUARTERLY STATEMENT

**AS OF JUNE 30, 2006**

OF THE CONDITION AND AFFAIRS OF THE

**Altus Dental Insurance Company, Inc.**

**NAIC Group Code** 1571 (Current Period) 1571 (Prior Period) **NAIC Company Code** 52632 **Employer's ID Number** 05-0153223

**Organized under the Laws of** RHODE ISLAND **, State of Domicile or Port of Entry** RHODE ISLAND

**Country of Domicile** UNITED STATES OF AMERICA

**Licensed as business type:**

| | | | | | |
|---|---|---|---|---|---|
| Life, Accident & Health | [ ] | Property/Casualty | [ ] | Hospital, Medical & Dental Service or Indemnity | [ ] |
| Dental Service Corporation | [X] | Vision Service Corporation | [ ] | Health Maintenance Organization | [ ] |
| Other | [ ] | Is HMO Federally Qualified? | | YES [ ] NO [ ] | |

**Incorporated/Organized:** August 1, 2000 **Commenced Business:** September 1, 2001

**Statutory Home Office:** 10 CHARLES STREET PROVIDENCE, RI 02904

**Main Administrative Office:** 10 CHARLES STREET PROVIDENCE, RI 02904 401-752-6000

**Mail Address:** 10 CHARLES STREET PROVIDENCE, RI 02904

**Primary Location of Books and Records:** 10 CHARLES STREET PROVIDENCE, RI 02904 401-752-6000

**Internet Website Address:** www.altusdental.com

**Statutory Statement Contact:** GEORGE J. BEDARD 401-752-6000

gbedard@altusdental.com 401-752-6070

**Policyowner Relations Contact:** , 000-000-0000

## OFFICERS

| | Name | Title |
|---|---|---|
| 1. | JOSEPH A. NAGLE | PRESIDENT |
| 2. | KATHRYN M. SHANLEY | SECRETARY |
| 3. | RICHARD A. FRITZ | TREASURER |

### Vice-Presidents

| Name | Title | Name | Title |
|---|---|---|---|
| GREGORY L. DUBUC | VP - UNDERWRITING | RICHARD A. FRITZ | VP - FINANCE |
| KATHRYN M. SHANLEY | VP - EXTERNAL AFFAIRS | STEPHEN J. SPERANDIO | VP - OPERATIONS/ADMINISTRATION |
| JOSEPH PERRONI | VP - SALES | | |

### DIRECTORS OR TRUSTEES

| | | | |
|---|---|---|---|
| EDWARD ALMON | MARIA M. ASCIOLLA, DMD | PHILLIP C. BARNER, DDS | FRED K. BUTLER |
| VINCENT DELNERO | DAVID DUFFY | DONALD IANNAZZI | PAUL A. MACDONALD |
| WILLIAM A. MEKRUT | SANDRA PARRILLO | STEPHEN J. PUERINI, DMD | EDWIN SANTOS |
| KARL SHERRY | PATRICIA A. SULLIVAN | LEONARD C. TADDEI. DMD | |

State of RI
County of PROVIDENCE 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.

| (Signature) | (Signature) | (Signature) |
|---|---|---|
| JOSEPH A. NAGLE | KATHRYN M. SHANLEY | RICHARD A. FRITZ |
| (Printed Name) | (Printed Name) | (Printed Name) |
| 1. | 2. | 3. |
| PRESIDENT | SECRETARY | TREASURER |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me this

15th day of AUGUST , 2006

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

PAMELA B. BUTERA
MY COMMISSION EXPIRES 08/24/2006

# ASSETS

| | | Current Statement Date 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 December 31 Prior Year Net Admitted Assets |
|---|---|---|---|---|---|
| 1. | Bonds | 5,825,823 | | 5,825,823 | 5,342,162 |
| 2. | Stocks: | | | | |
| | 2.1 Preferred stocks | | | | |
| | 2.2 Common stocks | | | | |
| 3. | Mortgage loans on real estate: | | | | |
| | 3.1 First liens | | | | |
| | 3.2 Other than first liens | | | | |
| 4. | Real estate: | | | | |
| | 4.1 Properties occupied by the company (less $ 0 encumbrances) | | | | |
| | 4.2 Properties held for the production of income (less $ 0 encumbrances) | | | | |
| | 4.3 Properties held for sale (less $ 0 encumbrances) | | | | |
| 5. | Cash ($ (932,821) ), cash equivalents ($ 0 ) and short-term investments ($ 0 ) | (932,821) | | (932,821) | (52,886) |
| 6. | Contract loans (including $ 0 premium notes) | | | | |
| 7. | Other invested assets | | | | |
| 8. | Receivables for securities | | | | |
| 9. | Aggregate write-ins for invested assets | | | | |
| 10. | Subtotals, cash and invested assets (Lines 1 to 9) | 4,893,002 | | 4,893,002 | 5,289,276 |
| 11. | Title plants less $ 0 charged off (for Title insurers only) | | | | |
| 12. | Investment income due and accrued | 60,864 | | 60,864 | 67,338 |
| 13. | Premiums and considerations: | | | | |
| | 13.1 Uncollected premiums and agents' balances in the course of collection | 78,679 | | 78,679 | 85,244 |
| | 13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ 0 earned but unbilled premiums) | | | | |
| | 13.3 Accrued retrospective premiums | | | | |
| 14. | Reinsurance: | | | | |
| | 14.1 Amounts recoverable from reinsurers | | | | |
| | 14.2 Funds held by or deposited with reinsured companies | | | | |
| | 14.3 Other amounts receivable under reinsurance contracts | | | | |
| 15. | Amounts receivable relating to uninsured plans | | | | |
| 16.1 | Current federal and foreign income tax recoverable and interest thereon | | | | |
| 16.2 | Net deferred tax asset | 21,841 | 21,841 | | |
| 17. | Guaranty funds receivable or on deposit | | | | |
| 18. | Electronic data processing equipment and software | | | | |
| 19. | Furniture and equipment, including health care delivery assets ($ 0 ) | | | | |
| 20. | Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 21. | Receivables from parent, subsidiaries and affiliates | 2,628,299 | 2,628,299 | | |
| 22. | Health care ($ 0 ) and other amounts receivable | | | | |
| 23. | Aggregate write-ins for other than invested assets | | | | |
| 24. | Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) | 7,682,685 | 2,650,140 | 5,032,545 | 5,441,858 |
| 25. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 26. | Total (Lines 24 and 25) | 7,682,685 | 2,650,140 | 5,032,545 | 5,441,858 |

| DETAILS OF WRITE-INS | | | | |
|---|---|---|---|---|
| 0901. | | | | |
| 0902. | | | | |
| 0903. | | | | |
| 0998. Summary of remaining write-ins for Line 09 from overflow page | | | | |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above) | | | | |
| 2301. | | | | |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | | | | |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) | | | | |

# LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|---|---|---|---|---|
| | 1<br>Covered | 2<br>Uncovered | 3<br>Total | 4<br>Total |
| 1. Claims unpaid (less $ 0 reinsurance ceded) | 759,050 | | 759,050 | 581,420 |
| 2. Accrued medical incentive pool and bonus amounts | | | | |
| 3. Unpaid claims adjustment expenses | 44,737 | | 44,737 | 35,651 |
| 4. Aggregate health policy reserves | | | | |
| 5. Aggregate life policy reserves | | | | |
| 6. Property/casualty unearned premium reserve | | | | |
| 7. Aggregate health claim reserves | | | | |
| 8. Premiums received in advance | 515,584 | | 515,584 | 267,929 |
| 9. General expenses due or accrued | 79,657 | | 79,657 | 196,956 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including $ 0 on realized gains (losses)) | | | | |
| 10.2 Net deferred tax liability | | | | |
| 11. Ceded reinsurance premiums payable | | | | |
| 12. Amounts withheld or retained for the account of others | | | | |
| 13. Remittances and items not allocated | | | | |
| 14. Borrowed money (including $ 0 current) and interest thereon $ 0 (including $ 0 current) | | | | |
| 15. Amounts due to parent, subsidiaries and affiliates | 245,774 | | 245,774 | 254,175 |
| 16. Payable for securities | | | | |
| 17. Funds held under reinsurance treaties (with $ 0 authorized reinsurers and $ 0 unauthorized reinsurers) | | | | |
| 18. Reinsurance in unauthorized companies | | | | |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 20. Liability for amounts held under uninsured plans | | | | |
| 21. Aggregate write-ins for other liabilities (including $ 0 current) | 10,000 | | 10,000 | 10,000 |
| 22. Total liabilities (Lines 1 to 21) | 1,654,802 | | 1,654,802 | 1,346,131 |
| 23. Aggregate write-ins for special surplus funds | XXX | XXX | | |
| 24. Common capital stock | XXX | XXX | 3,000,000 | 3,000,000 |
| 25. Preferred capital stock | XXX | XXX | | |
| 26. Gross paid in and contributed surplus | XXX | XXX | 2,069,861 | 2,069,861 |
| 27. Surplus notes | XXX | XXX | | |
| 28. Aggregate write-ins for other than special surplus funds | XXX | XXX | | |
| 29. Unassigned funds (surplus) | XXX | XXX | (1,692,118) | (974,134) |
| 30. Less treasury stock, at cost: | | | | |
| 30.1 0 shares common (value included in Line 24 $ 0 ) | XXX | XXX | | |
| 30.2 0 shares preferred (value included in Line 25 $ 0 ) | XXX | XXX | | |
| 31. Total capital and surplus (Lines 23 to 29 minus Line 30) | XXX | XXX | 3,377,743 | 4,095,727 |
| 32. Total liabilities, capital and surplus (Lines 22 and 31) | XXX | XXX | 5,032,545 | 5,441,858 |

| DETAILS OF WRITE-INS | | | | |
|---|---|---|---|---|
| 2101. ADVANCE DEPOSITS | 10,000 | | 10,000 | 10,000 |
| 2102. | | | | |
| 2103. | | | | |
| 2198. Summary of remaining write-ins for Line 21 from overflow page | | | | |
| 2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above) | 10,000 | | 10,000 | 10,000 |
| 2301. | XXX | XXX | | |
| 2302. | XXX | XXX | | |
| 2303. | XXX | XXX | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | XXX | XXX | | |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) | XXX | XXX | | |
| 2801. | XXX | XXX | | |
| 2802. | XXX | XXX | | |
| 2803. | XXX | XXX | | |
| 2898. Summary of remaining write-ins for Line 28 from overflow page | XXX | XXX | | |
| 2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above) | XXX | XXX | | |

# STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date |
|---|---|---|---|
| | 1 | 2 | 3 |
| | Uncovered | Total | Total |
| 1. Member Months | XXX | 309,319 | 201,124 |
| 2. Net premium income (including $ 0 non-health premium income) | XXX | 7,275,152 | 5,688,852 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | | |
| 4. Fee-for-service (net of $ 0 medical expenses) | XXX | | |
| 5. Risk revenue | XXX | | |
| 6. Aggregate write-ins for other health care related revenues | XXX | | |
| 7. Aggregate write-ins for other non-health revenues | XXX | | |
| 8. Total revenues (Lines 2 to 7) | XXX | 7,275,152 | 5,688,852 |
| **Hospital and Medical:** | | | |
| 9. Hospital/medical benefits | | | |
| 10. Other professional services | | 6,609,286 | 4,514,121 |
| 11. Outside referrals | | | |
| 12. Emergency room and out-of-area | | | |
| 13. Prescription drugs | | | |
| 14. Aggregate write-ins for other hospital and medical | | | |
| 15. Incentive pool, withhold adjustments and bonus amounts | | | |
| 16. Subtotal (Lines 9 to 15) | | 6,609,286 | 4,514,121 |
| **Less:** | | | |
| 17. Net reinsurance recoveries | | | |
| 18. Total hospital and medical (Lines 16 minus 17) | | 6,609,286 | 4,514,121 |
| 19. Non-health claims (net) | | | |
| 20. Claims adjustment expenses, including $ 0 cost containment expenses | | 292,906 | 273,793 |
| 21. General administrative expenses | | 1,168,702 | 791,010 |
| 22. Increase in reserves for life and accident and health contracts (including $ 0 increase in reserves for life only) | | | |
| 23. Total underwriting deductions (Lines 18 through 22) | | 8,070,894 | 5,578,924 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (795,742) | 109,928 |
| 25. Net investment income earned | | 155,672 | 93,534 |
| 26. Net realized capital gains (losses) less capital gains tax of $ 0 | | | |
| 27. Net investment gains (losses) (Lines 25 plus 26) | | 155,672 | 93,534 |
| 28. Net gain or (loss) from agents' or premium balances charged off [( amount recovered $ 0 ) (amount charged off $ 0 )] | | | |
| 29. Aggregate write-ins for other income or expenses | | | |
| 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 | (640,070) | 203,462 |
| 31. Federal and foreign income taxes incurred | XXX | | 62,600 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | (640,070) | 140,862 |

| DETAILS OF WRITE-INS | | | |
|---|---|---|---|
| 0601. | XXX | | |
| 0602. | XXX | | |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | | |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) | XXX | | |
| 0701. | XXX | | |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | | |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above) | XXX | | |
| 1401. | | | |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) | | | |
| 2901. | | | |
| 2902. | | | |
| 2903. | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | | | |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | | | |

# STATEMENT OF REVENUE AND EXPENSES (Continued)

| CAPITAL & SURPLUS ACCOUNT | 1<br>Current Year<br>To Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year |
|---|---|---|---|
| 33. Capital and surplus prior reporting year | 4,095,727 | 4,367,890 | 4,367,890 |
| 34. Net income or (loss) from Line 32 | (640,070) | 140,862 | 406,871 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of $ 0 | | | |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | | |
| 38. Change in net deferred income tax | | | |
| 39. Change in nonadmitted assets | (77,914) | (181,851) | (679,034) |
| 40. Change in unauthorized reinsurance | | | |
| 41. Change in treasury stock | | | |
| 42. Change in surplus notes | | | |
| 43. Cumulative effect of changes in accounting principles | | | |
| 44. Capital Changes: | | | |
| 44.1 Paid in | | | |
| 44.2 Transferred from surplus (Stock Dividend) | | | |
| 44.3 Transferred to surplus | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | | | |
| 45.2 Transferred to capital (Stock Dividend) | | | |
| 45.3 Transferred from capital | | | |
| 46. Dividends to stockholders | | | |
| 47. Aggregate write-ins for gains or (losses) in surplus | | | |
| 48. Net change in capital and surplus (Lines 34 to 47) | (717,984) | (40,989) | (272,163) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 3,377,743 | 4,326,901 | 4,095,727 |

| DETAILS OF WRITE-INS | | | |
|---|---|---|---|
| 4701. | | | |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | | | |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above) | | | |

# CASH FLOW

| Cash from Operations | 1<br>Current Year<br>To Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Premiums collected net of reinsurance | 7,529,372 | 12,458,438 |
| 2. Net investment income | 164,160 | 276,385 |
| 3. Miscellaneous income | | |
| 4. Total (Lines 1 to 3) | 7,693,532 | 12,734,823 |
| 5. Benefit and loss related payments | 6,431,656 | 9,560,509 |
| 6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 1,569,821 | 2,571,381 |
| 8. Dividends paid to policyholders | | |
| 9. Federal and foreign income taxes paid (recovered) $ 0 net of tax on capital gains (losses) | | |
| 10. Total (Lines 5 through 9) | 8,001,477 | 12,131,890 |
| 11. Net cash from operations (Line 4 minus Line 10) | (307,945) | 602,933 |
| **Cash from Investments** | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 500,000 | 1,300,000 |
| 12.2 Stocks | | |
| 12.3 Mortgage loans | | |
| 12.4 Real estate | | |
| 12.5 Other invested assets | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | | |
| 12.7 Miscellaneous proceeds | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 500,000 | 1,300,000 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 985,675 | 1,048,530 |
| 13.2 Stocks | | |
| 13.3 Mortgage loans | | |
| 13.4 Real estate | | |
| 13.5 Other invested assets | | |
| 13.6 Miscellaneous applications | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 985,675 | 1,048,530 |
| 14. Net increase (or decrease) in contract loans and premium notes | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (485,675) | 251,470 |
| **Cash from Financing and Miscellaneous Sources** | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | | |
| 16.2 Capital and paid in surplus, less treasury stock | | |
| 16.3 Borrowed funds | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | |
| 16.5 Dividends to stockholders | | |
| 16.6 Other cash provided (applied) | (86,315) | (522,837) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | (86,315) | (522,837) |
| **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) | (879,935) | 331,566 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | (52,886) | (384,452) |
| 19.2 End of period (Line 18 plus Line 19.1) | (932,821) | (52,886) |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | |
|---|---|---|
| 20.0001. | | |
| 20.0002. | | |
| 20.0003. | | |

# EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total | 2<br>Individual | 3<br>Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior Year | 39,173 | | | | | 39,173 | | | | | | | |
| 2. First Quarter | 51,549 | | | | | 51,549 | | | | | | | |
| 3. Second Quarter | 52,083 | | | | | 52,083 | | | | | | | |
| 4. Third Quarter | | | | | | | | | | | | | |
| 5. Current Year | | | | | | | | | | | | | |
| 6. Current Year Member Months | 309,319 | | | | | 309,319 | | | | | | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | | | | |
| 7. Physician | | | | | | | | | | | | | |
| 8. Non-Physician | | | | | | | | | | | | | |
| 9. Total | | | | | | | | | | | | | |
| 10. Hospital Patient Days Incurred | | | | | | | | | | | | | |
| 11. Number of Inpatient Admissions | | | | | | | | | | | | | |
| 12. Health Premiums Written | 7,529,372 | | | | | 7,529,372 | | | | | | | |
| 13. Life Premiums Direct | | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written | | | | | | | | | | | | | |
| 15. Health Premiums Earned | 7,275,152 | | | | | 7,275,152 | | | | | | | |
| 16. Property/Casualty Premiums Earned | | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 6,431,656 | | | | | 6,431,656 | | | | | | | |
| 18. Amount Incurred for Provision of Health Care Services | 6,609,286 | | | | | 6,609,286 | | | | | | | |

# CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

## Aging Analysis of Unpaid Claims

| 1<br>Account | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>91 - 120 Days | 6<br>Over 120 Days | 7<br>Total |
|---|---|---|---|---|---|---|
| 0299999 Aggregate accounts not individually listed - uncovered | 468,551 | 102,630 | 66,656 | 46,846 | 74,367 | 759,050 |
| 0499999 Subtotals | 468,551 | 102,630 | 66,656 | 46,846 | 74,367 | 759,050 |
| 0799999 Total claims unpaid | | | | | | 759,050 |
| 0899999 Accrued medical incentive pool and bonus amounts | | | | | | |

# 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 | 6 |
|---|---|---|---|---|---|---|
| | 1<br>On Claims Incurred Prior to January 1 of Current Year | 2<br>On Claims Incurred During the Year | 3<br>On Claims Unpaid Dec. 31 of Prior Year | 4<br>On Claims Incurred During the Year | Claims Incurred in Prior Years (Columns 1 + 3) | Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year |
| 1. Comprehensive (hospital and medical) | | | | | | |
| 2. Medicare Supplement | | | | | | |
| 3. Dental only | 452,638 | 5,979,018 | 30,998 | 728,052 | 483,636 | 581,420 |
| 4. Vision only | | | | | | |
| 5. Federal Employees Health Benefits Plan | | | | | | |
| 6. Title XVIII - Medicare | | | | | | |
| 7. Title XIX - Medicaid | | | | | | |
| 8. Other health | | | | | | |
| 9. Health subtotal (Lines 1 to 8) | 452,638 | 5,979,018 | 30,998 | 728,052 | 483,636 | 581,420 |
| 10. Healthcare receivables (a) | | | | | | |
| 11. Other non-health | | | | | | |
| 12. Medical incentive pools and bonus amounts | | | | | | |
| 13. Totals | 452,638 | 5,979,018 | 30,998 | 728,052 | 483,636 | 581,420 |

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

# NOTES TO FINANCIAL STATEMENTS

# GENERAL INTERROGATORIES

**(Responses to these interrogatories should be based on changes that have occurred since 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 [ X ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]

2.2 If yes, date of change:

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [ X ]
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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---|---|---|
| | 00000 | |
| | 00000 | |
| | 00000 | |
| | 00000 | |
| | 00000 | |

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 [ ] N/A [ X ]
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. 12/31/2002

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. 12/31/2002

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). 09/15/2004

6.4 By what department or departments? INSURANCE DIVISION, DEPARTMENT OF BUSINESS REGULATION, STATE OF RHODE ISLAND

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 [ ] No [ X ]

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<br>Affiliate Name | 2<br>Location<br>(City, State) | 3<br>FRB | 4<br>OCC | 5<br>OTS | 6<br>FDIC | 7<br>SEC |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

# GENERAL INTERROGATORIES (Continued)

## FINANCIAL

9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]

9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 2,628,299

## 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 [ X ] No [ ]

14.2 If yes, please complete the following:

| | 1<br>Prior Year-End Book/<br>Adjusted Carrying Value | 2<br>Current Quarter<br>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 | $ 2,550,384 | $ 2,628,299 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | $ 2,550,384 | $ 2,628,299 |
| 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<br>Name of Custodian(s) | 2<br>Custodian Address |
|---|---|
| CITIZENS BANK | ONE CITIZENS PLAZA, PROVIDENCE, RI 02903 |

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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|---|---|---|---|

16.5 Identify all investment advisors, broker/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<br>Central Registration Depository | 2<br>Name(s) | 3<br>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

NONE

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | | |
| 2. Increase (decrease) by adjustment | | |
| 3. Cost of acquired | | |
| 4. Cost of additions to and permanent improvements | | |
| 5. Total profit (loss) on sales | | |
| 6. Increase (decrease) by foreign exchange adjustment | | |
| 7. Amount received on sales | | |
| 8. Book/adjusted carrying value at end of current period | | |
| 9. Total valuation allowance | | |
| 10. Subtotal (Lines 8 plus 9) | | |
| 11. Total nonadmitted amounts | | |
| 12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) | | |

# SCHEDULE B - VERIFICATION
## Mortgage Loans

NONE

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year | | |
| 2. Amount loaned during period: | | |
| 2.1 Actual cost at time of acquisitions | | |
| 2.2 Additional investment made after acquisitions | | |
| 3. Accrual of discount and mortgage interest points and commitment fees | | |
| 4. Increase (decrease) by adjustment | | |
| 5. Total profit (loss) on sale | | |
| 6. Amounts paid on account or in full during the period | | |
| 7. Amortization of premium | | |
| 8. Increase (decrease) by foreign exchange adjustment | | |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period | | |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | | |
| 12. Total nonadmitted amounts | | |
| 13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) | | |

# SCHEDULE BA - VERIFICATION
## Other Invested Assets

NONE

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year | | |
| 2. Cost of acquisitions during period: | | |
| 2.1 Actual cost at time of acquisitions | | |
| 2.2 Additional investment made after acquisitions | | |
| 3. Accrual of discount | | |
| 4. Increase (decrease) by adjustment | | |
| 5. Total profit (loss) on sale | | |
| 6. Amounts paid on account or in full during the period | | |
| 7. Amortization of premium | | |
| 8. Increase (decrease) by foreign exchange adjustment | | |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period | | |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | | |
| 12. Total nonadmitted amounts | | |
| 13. Statement value of long term invested assets at end of current period (Page 2, Line 7, Column 3) | | |

# SCHEDULE D - VERIFICATION
## Bonds and Stocks

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 5,342,162 | 5,596,117 |
| 2. Cost of bonds and stocks acquired | 985,675 | 1,048,530 |
| 3. Accrual of discount | | (2,719) |
| 4. Increase (decrease) by adjustment | (2,014) | 234 |
| 5. Increase (decrease) by foreign exchange adjustment | | |
| 6. Total profit (loss) on disposal | | |
| 7. Consideration for bonds and stocks disposed of | 500,000 | 1,300,000 |
| 8. Amortization of premium | | |
| 9. Book/adjusted carrying value, current period | 5,825,823 | 5,342,162 |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | 5,825,823 | 5,342,162 |
| 12. Total nonadmitted amounts | | |
| 13. Statement value | 5,825,823 | 5,342,162 |

# 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<br>Book / Adjusted Carrying Value Beginning of Current Quarter | 2<br>Acquisitions During Current Quarter | 3<br>Dispositions During Current Quarter | 4<br>Non-Trading Activity During Current Quarter | 5<br>Book / Adjusted Carrying Value End of First Quarter | 6<br>Book / Adjusted Carrying Value End of Second Quarter | 7<br>Book / Adjusted Carrying Value End of Third Quarter | 8<br>Book / Adjusted Carrying Value December 31 Prior Year |
|---|---|---|---|---|---|---|---|---|
| **BONDS** | | | | | | | | |
| 1. Class 1 | 5,341,055 | 985,675 | 500,000 | (907) | 5,341,055 | 5,825,823 | | 5,845,501 |
| 2. Class 2 | | | | | | | | |
| 3. Class 3 | | | | | | | | |
| 4. Class 4 | | | | | | | | |
| 5. Class 5 | | | | | | | | |
| 6. Class 6 | | | | | | | | |
| 7. Total Bonds | 5,341,055 | 985,675 | 500,000 | (907) | 5,341,055 | 5,825,823 | | 5,845,501 |
| **PREFERRED STOCK** | | | | | | | | |
| 8. Class 1 | | | | | | | | |
| 9. Class 2 | | | | | | | | |
| 10. Class 3 | | | | | | | | |
| 11. Class 4 | | | | | | | | |
| 12. Class 5 | | | | | | | | |
| 13. Class 6 | | | | | | | | |
| 14. Total Preferred Stock | | | | | | | | |
| 15. Total Bonds & Preferred Stock | 5,341,055 | 985,675 | 500,000 | (907) | 5,341,055 | 5,825,823 | | 5,845,501 |

# SCHEDULE DA - PART 1

## Short-Term Investments Owned End of Current Quarter

| | 1<br>Book/Adjusted Carrying Value | 2<br>Par Value | 3<br>Actual Cost | 4<br>Interest Collected Year To Date | 5<br>Paid for Accrued Interest Year To Date |
|---|---|---|---|---|---|
| 8299999 Totals | | X X X | | | |

# SCHEDULE DA - PART 2 - VERIFICATION

## Short-Term Investments Owned

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 503,339 | |
| 2. Cost of short-term investments acquired | | 759,095 |
| 3. Increase (decrease) by adjustment | (3,339) | |
| 4. Increase (decrease) by foreign exchange adjustment | | (5,756) |
| 5. Total profit (loss) on disposal of short-term investments | | |
| 6. Consideration received on disposal of short-term investments | 500,000 | 250,000 |
| 7. Book/adjusted carrying value, current period | | 503,339 |
| 8. Total valuation allowance | | |
| 9. Subtotal (Lines 7 plus 8) | | 503,339 |
| 10. Total nonadmitted amounts | | |
| 11. Statement value (Lines 9 minus 10) | | 503,339 |
| 12. Income collected during period | 15,250 | 7,156 |
| 13. Income earned during period | 15,250 | 13,595 |

# SCHEDULE DB - PART F - SECTION 1

## Replicated (Synthetic) Assets Open

| Replicated (Synthetic) Asset | | | | | Components of the Replicated (Synthetic) Asset | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Derivative Instruments Open | | Cash Instrument(s) Held | | | | |
| 1<br>Replication RSAT Number | 2<br>Description | 3<br>NAIC Designation or Other Description | 4<br>Statement Value | 5<br>Fair Value | 6<br>Description | 7<br>Fair Value | 8<br>CUSIP | 9<br>Description | 10<br>Statement Value | 11<br>Fair Value | 12<br>NAIC Designation or Other Description |
| | | | | | NONE | | | | | | |

# SCHEDULE DB - PART F - SECTION 2

## Reconciliation of Replicated (Synthetic) Assets Open

| | First Quarter | | Second Quarter | | Third Quarter | | Fourth Quarter | | Year To Date | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1<br>Number of Positions | 2<br>Total Replicated (Synthetic) Assets Statement Value | 3<br>Number of Positions | 4<br>Total Replicated (Synthetic) Assets Statement Value | 5<br>Number of Positions | 6<br>Total Replicated (Synthetic) Assets Statement Value | 7<br>Number of Positions | 8<br>Total Replicated (Synthetic) Assets Statement Value | 9<br>Number of Positions | 10<br>Total Replicated (Synthetic) Assets Statement Value |
| 1. Beginning Inventory | | | | | | | | | | |
| 2. Add: Opened or Acquired Transactions | | | | | | | | | | |
| 3. Add: Increases in Replicated Asset Statement Value | XXX | | XXX | | XXX | | XXX | | XXX | |
| 4. Less: Closed or Disposed of Transactions | | | | | | | | | | |
| 5. Less: Positions Disposed of for Failing Effectiveness Criteria | | | | | | | | | | |
| 6. Less: Decreases in Replicated (Synthetic) Asset Statement Value | XXX | | XXX | | XXX | | XXX | | XXX | |
| 7. Ending Inventory | | | | | | | | | | |

NONE

# SCHEDULE S - CEDED REINSURANCE
## Showing All New Reinsurers - Current Year to Date

| 1<br>NAIC Company Code | 2<br>Federal ID Number | 3<br>Name of Reinsurer | 4<br>Location | 5<br>Is Insurer Authorized? (Yes or No) |
|---|---|---|---|---|
| | | Life and Annuity - Affiliates | | |
| | | Life and Annuity - Non-Affiliates | | |
| | | Accident and Health - Affiliates | | |
| | | Accident and Health - Non-Affiliates | | |

NONE

# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

## Current Year to Date - Allocated by States and Territories

| | | 1 | 2 | Direct Business Only Year To Date | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | 3 | 4 | 5 | 6 | 7 | 8 |
| State, Etc. | | Guaranty Fund (Yes or No) | Is Insurer Licensed (Yes or No) | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums and Deposit-Type Contract Funds | Property/ Casualty Premiums |
| 1. Alabama | AL | NO | NO | | | | | | |
| 2. Alaska | AK | NO | NO | | | | | | |
| 3. Arizona | AZ | NO | NO | | | | | | |
| 4. Arkansas | AR | NO | NO | | | | | | |
| 5. California | CA | NO | NO | | | | | | |
| 6. Colorado | CO | NO | NO | | | | | | |
| 7. Connecticut | CT | NO | NO | | | | | | |
| 8. Delaware | DE | NO | NO | | | | | | |
| 9. Dist. Columbia | DC | NO | NO | | | | | | |
| 10. Florida | FL | NO | NO | | | | | | |
| 11. Georgia | GA | NO | NO | | | | | | |
| 12. Hawaii | HI | NO | NO | | | | | | |
| 13. Idaho | ID | NO | NO | | | | | | |
| 14. Illinois | IL | NO | NO | | | | | | |
| 15. Indiana | IN | NO | NO | | | | | | |
| 16. Iowa | IA | NO | NO | | | | | | |
| 17. Kansas | KS | NO | NO | | | | | | |
| 18. Kentucky | KY | NO | NO | | | | | | |
| 19. Louisiana | LA | NO | NO | | | | | | |
| 20. Maine | ME | NO | NO | | | | | | |
| 21. Maryland | MD | NO | NO | | | | | | |
| 22. Massachusetts | MA | NO | NO | 7,275,151 | | | | | |
| 23. Michigan | MI | NO | NO | | | | | | |
| 24. Minnesota | MN | NO | NO | | | | | | |
| 25. Mississippi | MS | NO | NO | | | | | | |
| 26. Missouri | MO | NO | NO | | | | | | |
| 27. Montana | MT | NO | NO | | | | | | |
| 28. Nebraska | NE | NO | NO | | | | | | |
| 29. Nevada | NV | NO | NO | | | | | | |
| 30. New Hampshire | NH | NO | NO | | | | | | |
| 31. New Jersey | NJ | NO | NO | | | | | | |
| 32. New Mexico | NM | NO | NO | | | | | | |
| 33. New York | NY | NO | NO | | | | | | |
| 34. North Carolina | NC | NO | NO | | | | | | |
| 35. North Dakota | ND | NO | NO | | | | | | |
| 36. Ohio | OH | NO | NO | | | | | | |
| 37. Oklahoma | OK | NO | NO | | | | | | |
| 38. Oregon | OR | NO | NO | | | | | | |
| 39. Pennsylvania | PA | NO | NO | | | | | | |
| 40. Rhode Island | RI | NO | NO | | | | | | |
| 41. South Carolina | SC | NO | NO | | | | | | |
| 42. South Dakota | SD | NO | NO | | | | | | |
| 43. Tennessee | TN | NO | NO | | | | | | |
| 44. Texas | TX | NO | NO | | | | | | |
| 45. Utah | UT | NO | NO | | | | | | |
| 46. Vermont | VT | NO | NO | | | | | | |
| 47. Virginia | VA | NO | NO | | | | | | |
| 48. Washington | WA | NO | NO | | | | | | |
| 49. West Virginia | WV | NO | NO | | | | | | |
| 50. Wisconsin | WI | NO | NO | | | | | | |
| 51. Wyoming | WY | NO | NO | | | | | | |
| 52. American Samoa | AS | NO | NO | | | | | | |
| 53. Guam | GU | NO | NO | | | | | | |
| 54. Puerto Rico | PR | NO | NO | | | | | | |
| 55. U.S. Virgin Islands | VI | NO | NO | | | | | | |
| 56. Northern Mariana Islands | MP | NO | NO | | | | | | |
| 57. Canada | CN | NO | NO | | | | | | |
| 58. Aggregate other alien | OT | X X X | X X X | | | | | | |
| 59. Subtotal | | X X X | X X X | 7,275,151 | | | | | |
| 60. Reporting entity contributions for Employee Benefit Plans | | X X X | X X X | | | | | | |
| 61. Total (Direct Business) | | X X X | (a) 0 | 7,275,151 | | | | | |

| DETAILS OF WRITE-INS | | | | | | |
|---|---|---|---|---|---|---|
| 5801. | | | | | | |
| 5802. | | | | | | |
| 5803. | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | | | | | | |
| 5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above) | | | | | | |

(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

| | | | | | |
|---|---|---|---|---|---|
| 1571 | DELTA DENTAL OF RHODE ISLAND | 52632 | RI | 05-0513223 | ALTUS DENTAL INSURANCE COMPANY INC. |

# OVERFLOW PAGE FOR WRITE-INS

# SCHEDULE A - PART 2

## Showing All Real Estate ACQUIRED During the Current Quarter

| 1 | Location | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | | |
| Description of Property | City | State | Date Acquired | Name of Vendor | Actual Cost | Amount of Encumbrances | Book/Adjusted Carrying Value Less Encumbrances | Expended for Additions and Permanent Improvements |

NONE

# SCHEDULE A - PART 3

## Showing All Real Estate SOLD During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

| 1 | Location | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | | | | | | | | | |
| Description of Property | City | State | Disposal Date | Name of Purchaser | Actual Cost | Increase (Decrease) by Adjustment | Increase (Decrease) by Foreign Exchange Adjustment | Expended for Additions, Permanent Improvements and Changes in Encumbrances | Book/Adjusted Carrying Value Less Encumbrances | Amounts Received | Foreign Exchange Profit (Loss) on Sale | Realized Profit (Loss) on Sale | Total Profit (Loss) on Sale | Gross Income Earned Less Interest Incurred on Encumbrances | Taxes, Repairs and Expenses Incurred |

NONE

# SCHEDULE B - PART 1

## Showing All Mortgage Loans ACQUIRED During the Current Quarter

| 1 | Location | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | | | | | |
| Loan Number | City | State | Loan Type | Actual Cost | Date Acquired | Rate of Interest | Book Value/Recorded Investment Excluding Accrued Interest | Increase (Decrease) by Adjustment | Increase (Decrease) by Foreign Exchange Adjustment | Value of Land and Buildings | Date of Last Appraisal or Valuation |

NONE

# SCHEDULE B - PART 2

## Showing All Mortgage Loans SOLD, Transferred or Paid in Full During the Current Quarter

| 1 | Location | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | | | | | | |
| Loan Number | City | State | Loan Type | Date Acquired | Book Value/Recorded Investment Excluding Accrued Interest Prior Year | Increase (Decrease) by Adjustment | Increase (Decrease) by Foreign Exchange Adjustment | Book Value/Recorded Investment Excluding Accrued Interest at Disposition | Consideration Received | Foreign Exchange Profit (Loss) on Sale | Realized Profit (Loss) on Sale | Total Profit (Loss) on Sale |

NONE

# SCHEDULE BA - PART 1

## Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

| 1 | 2 | Location | | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 3 | 4 | | | | | | | | | | | | |
| CUSIP Ident-ification | Name or Description | City | State | Name of Vendor or General Partner | NAIC Desig-nation | Date Originally Acquired | Type and Strategy | Actual Cost | Amount of Encumbrances | Book/Adjusted Carrying Value Less Encumbrances | Fair Value | Increase (Decrease) by Adjustment | Increase (Decrease) by Foreign Exchange Adjustment | Commitment for Additional Investment | Percentage of Ownership |

NONE

# SCHEDULE BA - PART 2

## Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter

| 1 | 2 | Location | | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 3 | 4 | | | | | | | | | | | |
| CUSIP Ident-ification | Name or Description | City | State | Name of Purchaser or Nature of Disposal | Date Originally Acquired | Book/Adjusted Carrying Value Less Encumbrances Prior Year | Increase (Decrease) by Adjustment | Increase (Decrease) by Foreign Exchange Adjustment | Book/Adjusted Carrying Value Less Encumbrances on Disposal | Consideration Received | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Investment Income |

NONE

# SCHEDULE D - PART 3

## Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

| 1<br>CUSIP Identification | 2<br>Description | 3<br>Foreign | 4<br>Date Acquired | 5<br>Name of Vendor | 6<br>Number of Shares of Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for Accrued Interest and Dividends | 10<br>NAIC Designation or Market Indicator (a) |
|---|---|---|---|---|---|---|---|---|---|
| 31359M-S3-8 | FED NATNL MTG ASSN | | 06/12/2006 | CITIZENS BANK | | 500,000 | 500,000.00 | | 1FE |
| 0399999 | Total Bonds U. S. Government | | | | X X X | 500,000 | 500,000.00 | | X X X |
| 263534-BL-2 | DUPONT | | 04/20/2006 | CITIGROUP SMITH BARNEY | | 485,675 | 500,000.00 | 7,266 | 1FE |
| 4599999 | Total Bonds Industrial and Miscellaneous | | | | X X X | 485,675 | 500,000.00 | 7,266 | X X X |
| 6099997 | Total Bonds Part 3 | | | | X X X | 985,675 | 1,000,000.00 | 7,266 | X X X |
| 6099998 | Summary Item from Part 5 for Bonds | | | | X X X | X X X | X X X | X X X | X X X |
| 6099999 | Total Bonds | | | | X X X | 985,675 | 1,000,000.00 | 7,266 | X X X |
| 7499999 | Totals | | | | | 985,675 | X X X | 7,266 | X X X |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 0 .

# SCHEDULE D - PART 4

## Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Ident-ification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consid-eration | Par Value | Actual Cost | Prior Year Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amort-ization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/ Stock Dividends Received During Year | Maturity Date | NAIC Desig-nation or Market Indicator (a) |

NONE

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 0 .

# SCHEDULE DB - PART A - SECTION 1

## Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

| 1<br>Description | 2<br>Number of Contracts or Notional Amount | 3<br>Date of Maturity, Expiry, or Settlement | 4<br>Strike Price, Rate or Index | 5<br>Date of Acquisition | 6<br>Exchange or Counterparty | 7<br>Cost/ Option Premium | 8<br>Book Value | 9<br>* | 10<br>Statement Value | 11<br>Fair Value | 12<br>Year to Date Increase/ (Decrease) by Adjustment | 13<br>Used to Adjust Basis of Hedged Item | 14<br>Other Investment/ Miscellaneous Income |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | NONE | | | | | | | |

# SCHEDULE DB - PART B - SECTION 1

## Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

| 1<br>Description | 2<br>Number of Contracts or Notional Amount | 3<br>Date of Maturity, Expiry, or Settlement | 4<br>Strike Price, Rate or Index | 5<br>Date of Issuance/ Purchase | 6<br>Exchange or Counterparty | 7<br>Consideration Received | 8<br>Book Value | 9<br>* | 10<br>Statement Value | 11<br>Fair Value | 12<br>Year to Date Increase/ (Decrease) by Adjustment | 13<br>Used to Adjust Basis | 14<br>Other Investment/ Miscellaneous Income |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | NONE | | | | | | | |

# SCHEDULE DB - PART C - SECTION 1

## Showing all Collar, Swap and Forwards Open at Current Statement Date

| 1<br>Description | 2<br>Notional Amount | 3<br>Date of Maturity, Expiry, or Settlement | 4<br>Strike Price, Rate or Index Rec (Pay) | 5<br>Date of Opening Position or Agreement | 6<br>Exchange or Counterparty | 7<br>Cost or (Consideration Received) | 8<br>Book Value | 9<br>* | 10<br>Statement Value | 11<br>Fair Value | 12<br>Year to Date Increase/ (Decrease) by Adjustment | 13<br>Used to Adjust Basis of Hedged Item | 14<br>Other Investment/ Miscellaneous Income | 15<br>Potential Exposure |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | NONE | | | | | | | | |

# SCHEDULE DB - PART D - SECTION 1

## Showing all Futures Contracts and Insurance Futures Contracts Open at Current Statement Date

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Variation Margin Information | | | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 10 | 11 | 12 | |
| Description | Number of Contracts | Maturity Date | Original Value | Current Value | Variation Margin | Date of Opening Position | Exchange or Counterparty | Cash Deposit | Recognized | Used to Adjust Basis of Hedged Item | Deferred | Potential Exposure |
| | | | | | | NONE | | | | | | |

# SCHEDULE E - PART 1 - CASH

## Month End Depository Balances

| 1<br>Depository | 2<br>Code | 3<br>Rate of Interest | 4<br>Amount of Interest Received During Current Quarter | 5<br>Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter<br>6<br>First Month | 7<br>Second Month | 8<br>Third Month | 9<br>* |
|---|---|---|---|---|---|---|---|---|
| Open Depositories | | | | | | | | |
| BANK OF AMERICA - 9428405747PROVIDENCE RI | | | | | (357,943) | (413,926) | (859,913) | |
| BANK OF AMERICA - 9428403311PROVIDENCE RI | | | | | (470,922) | (262,155) | (84,409) | |
| CITIZENS BANK 1050068765 PROVIDENCE RI | | | 5,812 | | 511,896 | 511,699 | 11,502 | |
| 0199998 Deposits in ( 0 ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | X X X | X X X | | | | | | X X X |
| 0199999 Total - Open Depositories | X X X | X X X | 5,812 | | (316,969) | (164,382) | (932,820) | X X X |
| Suspended Depositories | | | | | | | | |
| 0299998 Deposits in ( 0 ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X X X |
| 0299999 Total Suspended Depositories | X X X | X X X | | | | | | X X X |
| 0399999 Total Cash on Deposit | X X X | X X X | 5,812 | | (316,969) | (164,382) | (932,820) | X X X |
| 0499999 Cash in Company's Office | X X X | X X X | X X X | X X X | | | | X X X |
| 0599999 Total | X X X | X X X | 5,812 | | (316,969) | (164,382) | (932,820) | X X X |

# SCHEDULE E - PART 2 - CASH EQUIVALENTS

## Show Investments Owned End of Current Quarter

| 1<br>CUSIP Identification | 2<br>Description | 3<br>Code | 4<br>Date Acquired | 5<br>Rate of Interest | 6<br>Maturity Date | 7<br>Book/Adjusted Carrying Value | 8<br>Amount of Interest Due and Accrued | 9<br>Gross Investment Income |
|---|---|---|---|---|---|---|---|---|

NONE