



**HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2008
OF THE CONDITION AND AFFAIRS OF THE**

Neighborhood Health Plan of Rhode Island

NAIC Group Code 0000 , 0000 NAIC Company Code 95402 Employer's ID Number 05-0477052
(Current Period) (Prior Period)

Organized under the Laws of Rhode Island , State of Domicile or Port of Entry Rhode Island

Country of Domicile United States

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 12/09/1993 Commenced Business 12/01/1994

Statutory Home Office 299 Promenade St , Providence, RI 02908
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 299 Promenade St
(Street and Number) Providence, RI 02908
(City or Town, State and Zip Code) 401-459-6000
(Area Code) (Telephone Number)

Mail Address 299 Promenade St , Providence, RI 02908
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 299 Promenade St
(Street and Number) Providence, RI 02908
(City or Town, State and Zip Code) 401-459-6124
(Area Code) (Telephone Number)

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Statutory Statement Contact GLENN WANG , 401-459-6124
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OFFICERS

Name	Title	Name	Title
<u>Mark Reynolds</u> ,	<u>Chief Executive Officer</u>	<u>Thomas Clark Phillip Jr. CPA #</u> ,	<u>Chief Financial Officer</u>
<u>Leon McTyeire Johnston MD</u> ,	<u>Chief Medical Officer</u>	<u>Nancy Coburn</u> ,	<u>Chief Operating Officer</u>

OTHER OFFICERS

<u>Maria Montanaro</u> ,	<u>Vice Chairman</u>	<u>James Hooley</u> ,	<u>Treasurer</u>
<u>Raymond Joseph Lavoie JR</u> ,	<u>Chairman</u>	<u>Brenda Dowlatshahi #</u> ,	<u>Secretary</u>

DIRECTORS OR TRUSTEES

<u>Maria Montanaro</u>	<u>William Hochstrasser-Walsh</u>	<u>Merrill Thomas</u>	<u>James Hooley</u>
<u>Brenda Dowlatshahi</u>	<u>Raymond Joseph Lavoie JR</u>	<u>Darrell A. Lee</u>	<u>Christine Ferguson J.D. #</u>
<u>Dennis Michael Roy</u>	<u>Mark Reynolds</u>	<u>Peter Bancroft #</u>	<u>Pablo Rodriguez M.D.</u>
<u>Jane Hayward #</u>	<u>M. Lamin Sarr</u>		

State ofState of Rhode Island.....

County ofUSA.....

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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.

Mark Reynolds
Chief Executive Officer

Thomas Clark Phillip, Jr. CPA
Chief Financial Officer

Leon McTyeire Johnston MD
Chief Medical Officer

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

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 _____

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	37,357,672		37,357,672	25,163,473
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	233,271
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
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 (\$(3,933,774) , Schedule E, Part 1), cash equivalents (\$7,260,290 , Schedule E, Part 2) and short-term investments (\$58,030,055 , Schedule DA).....	61,356,571		61,356,571	40,115,612
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	79,362	79,362	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	98,793,605	79,362	98,714,243	65,512,356
11. Title plants less \$charged off (for Title Insurers only)			0	0
12. Investment income due and accrued	448,057		448,057	543,632
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	1,413,837	5,468	1,408,369	2,573,569
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	151,267		151,267	486,609
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	569,790		569,790	136,897
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset.....			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software	1,042,533	849,649	192,884	178,597
19. Furniture and equipment, including health care delivery assets (\$)	440,491	440,491	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$14,500,194) and other amounts receivable.....	14,648,161	147,967	14,500,194	2,105,684
23. Aggregate write-ins for other than invested assets	1,062,385	866,003	196,382	40,987
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	118,570,126	2,388,940	116,181,186	71,578,331
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	118,570,126	2,388,940	116,181,186	71,578,331
DETAILS OF WRITE-INS				
0901. Security Deposits.....	79,362	79,362	0	0
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)	79,362	79,362	0	0
2301. Other Receivable.....	206,122	9,740	196,382	40,987
2302. Prepaid Expenses.....	309,910	309,910	0	0
2303. Leasehold Improvements.....	546,353	546,353	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)	1,062,385	866,003	196,382	40,987

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$669,881 reinsurance ceded)	42,643,614		42,643,614	22,461,637
2. Accrued medical incentive pool and bonus amounts	3,251,774		3,251,774	4,090,698
3. Unpaid claims adjustment expenses	1,453,262		1,453,262	858,799
4. Aggregate health policy reserves	0		0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	24,092,563		24,092,563	0
9. General expenses due or accrued	3,925,690		3,925,690	3,044,917
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital 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	869,763		869,763	749,892
13. Remittance 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			0	0
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	3,071,141		3,071,141	2,229,816
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	34,447
22. Total liabilities (Lines 1 to 21)	79,307,807	0	79,307,807	33,470,206
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		0
27. Surplus notes	XXX	XXX	1,500,000	1,500,000
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	35,373,379	36,608,123
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	36,873,379	38,108,123
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	116,181,186	71,578,329
DETAILS OF WRITE-INS				
2101. Unearned Grant Liability	0	0	0	34,447
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	0	0	0	34,447
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 through 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 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	837,627	795,060
2. Net premium income (including \$0 non-health premium income).....	XXX	253,839,262	187,641,076
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	2,604,166	2,287,720
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	256,443,428	189,928,796
Hospital and Medical:			
9. Hospital/medical benefits	0	106,350,752	74,302,481
10. Other professional services		44,138,615	34,185,123
11. Outside referrals		28,675,593	14,420,261
12. Emergency room and out-of-area		17,839,545	14,584,858
13. Prescription drugs		34,430,172	22,607,451
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		5,648,714	6,087,657
16. Subtotal (Lines 9 to 15)	0	237,083,391	166,187,831
Less:			
17. Net reinsurance recoveries		1,020,701	781,740
18. Total hospital and medical (Lines 16 minus 17)	0	236,062,690	165,406,091
19. Non-health claims (net).....		0	0
20. Claims adjustment expenses, including \$5,083,071 cost containment expenses.....	0	8,132,945	7,506,019
21. General administrative expenses.....		15,642,425	9,303,444
22. Increase in reserves for life and accident and health contracts (including \$0 increase in reserves for life only).....	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	0	259,838,060	182,215,554
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(3,394,632)	7,713,242
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		2,473,968	3,088,748
26. Net realized capital gains (losses) less capital gains tax of \$		11,137	4,920
27. Net investment gains (losses) (Lines 25 plus 26)	0	2,485,105	3,093,668
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		(140,122)	(162,515)
29. Aggregate write-ins for other income or expenses	0	42,626	57,057
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	(1,007,023)	10,701,452
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	(1,007,023)	10,701,452
DETAILS OF WRITE-INS			
0601. Department of Human Services Incentive Income.....	XXX	1,146,345	1,024,198
0602. Other Program Revenue.....	XXX	489,225	582,075
0603. Grant Revenue.....	XXX	425,175	95,868
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	543,421	585,579
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	2,604,166	2,287,720
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Miscellaneous Income.....		4,706	177
2902. Community Access Program Grant Revenue.....			0
2903. Rent Income.....		37,920	56,880
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	42,626	57,057

STATEMENT OF REVENUE AND EXPENSES (continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior-reporting period	38,108,125	28,038,066
34. Net income or (loss) from Line 32	(1,007,023)	10,701,452
35. Change in valuation basis of aggregate policy and claim reserves		0
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)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	(227,723)	(631,393)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital & surplus (Lines 34 to 47)	(1,234,746)	10,070,059
49. Capital and surplus end of reporting period (Line 33 plus 48)	36,873,379	38,108,125
DETAILS OF WRITE-INS		
4701. ROUNDING		0
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	279,091,557	168,100,393
2. Net investment income.....	2,641,248	3,170,000
3. Miscellaneous income.....	2,604,166	2,287,720
4. Total (Lines 1 through 3).....	284,336,971	173,558,113
5. Benefit and loss related payments.....	228,533,629	161,694,262
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	21,989,198	16,575,081
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9).....	250,522,827	178,269,343
11. Net cash from operations (Line 4 minus Line 10).....	33,814,144	(4,711,230)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	26,015,000	20,735,000
12.2 Stocks.....	233,271	246,005
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.....	2,722	147,694
12.7 Miscellaneous proceeds.....	1	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	26,250,994	21,128,699
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	38,272,491	20,117,908
13.2 Stocks.....	0	479,276
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	19,897	147,954
13.7 Total investments acquired (Lines 13.1 to 13.6).....	38,292,388	20,745,138
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(12,041,394)	383,561
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
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).....	(531,792)	(577,901)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(531,792)	(577,901)
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).....	21,240,959	(4,905,570)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	40,115,612	45,021,182
19.2 End of year (Line 18 plus Line 19.1).....	61,356,571	40,115,612

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	253,839,262	0	0	0	0	0	0	253,839,262	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0							0		XXX
5. Aggregate write-ins for other health care related revenues	2,604,166	0	0	0	0	0	0	2,604,166	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	256,443,428	0	0	0	0	0	0	256,443,428	0	0
8. Hospital/medical/ benefits	106,350,752							106,350,752		XXX
9. Other professional services	44,138,615							44,138,615		XXX
10. Outside referrals	28,675,593							28,675,593		XXX
11. Emergency room and out-of-area	17,839,545							17,839,545		XXX
12. Prescription Drugs	34,430,172							34,430,172		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	5,648,714							5,648,714		XXX
15. Subtotal (Lines 8 to 14)	237,083,391	0	0	0	0	0	0	237,083,391	0	XXX
16. Net reinsurance recoveries	1,020,701							1,020,701		XXX
17. Total hospital and medical (Lines 15 minus 16)	236,062,690	0	0	0	0	0	0	236,062,690	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 5,083,071 cost containment expenses	8,132,945							8,132,945		
20. General administrative expenses	15,642,425							15,642,425		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	259,838,060	0	0	0	0	0	0	259,838,060	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(3,394,632)	0	0	0	0	0	0	(3,394,632)	0	0
DETAILS OF WRITE-INS										
0501. Department of Human Services Incentives Income	1,146,345							1,146,345		XXX
0502. Grant Revenue	425,175							425,175		XXX
0503. Other Program Revenue	489,225							489,225		XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	543,421	0	0	0	0	0	0	543,421	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	2,604,166	0	0	0	0	0	0	2,604,166	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

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STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....				.0
2. Medicare Supplement .....				.0
3. Dental Only.....				.0
4. Vision Only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....	254,856,269		1,017,007	253,839,262
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	254,856,269	.0	1,017,007	253,839,262
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	254,856,269	0	1,017,007	253,839,262

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	210,582,819							210,582,819		
1.2 Reinsurance assumed .....	.0									
1.3 Reinsurance ceded	350,820							350,820		
1.4 Net	210,231,999	0	0	0	0	0	0	210,231,999	0	0
2. Paid medical incentive pools and bonuses	6,487,637							6,487,637		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	43,313,495	0	0	0	0	0	0	43,313,495	0	0
3.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	669,881	0	0	0	0	0	0	669,881	0	0
3.4 Net	42,643,614	0	0	0	0	0	0	42,643,614	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....	.0							0		
4.2 Reinsurance assumed .....	.0							0		
4.3 Reinsurance ceded .....	.0	0	0	0	0	0	0	0	0	0
4.4 Net .....	.0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	3,251,774							3,251,774		
6. Net healthcare receivables (a) .....	.0							0		
7. Amounts recoverable from reinsurers December 31, current year .....	.0							0		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	22,461,637	0	0	0	0	0	0	22,461,637	0	0
8.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded .....	.0	0	0	0	0	0	0	0	0	0
8.4 Net	22,461,637	0	0	0	0	0	0	22,461,637	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....	.0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded .....	.0	0	0	0	0	0	0	0	0	0
9.4 Net .....	.0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	4,090,698	0	0	0	0	0	0	4,090,698	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	231,434,677	0	0	0	0	0	0	231,434,677	0	0
12.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	1,020,701	0	0	0	0	0	0	1,020,701	0	0
12.4 Net	230,413,976	0	0	0	0	0	0	230,413,976	0	0
13. Incurred medical incentive pools and bonuses	5,648,713	0	0	0	0	0	0	5,648,713	0	0

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

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STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	7,020,142							7,020,142		
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	669,881							669,881		
1.4. Net	6,350,261	0	0	0	0	0	0	6,350,261	0	0
2. Incurred but Unreported:										
2.1. Direct	36,293,353							36,293,353		
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	0									
2.4. Net	36,293,353	0	0	0	0	0	0	36,293,353	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	0									
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	43,313,495	0	0	0	0	0	0	43,313,495	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	669,881	0	0	0	0	0	0	669,881	0	0
4.4. Net	42,643,614	0	0	0	0	0	0	42,643,614	0	0

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STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					.0	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid.....	19,427,463	190,804,536	104,439	42,539,174	19,531,902	22,461,637
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	19,427,463	190,804,536	104,439	42,539,174	19,531,902	22,461,637
10. Healthcare receivables (a).....					.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts	2,440,759	4,046,878	1,559,273	1,692,501	4,000,032	4,090,698
13. Totals (Lines 9 - 10 + 11 + 12)	21,868,222	194,851,414	1,663,712	44,231,675	23,531,934	26,552,335

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior .....	.60	.61	.61	.61	.61
2. 2004	583	609	609	609	609
3. 2005	XXX	.0	.0	.0	.0
4. 2006	XXX	XXX	.0	.0	.0
5. 2007	XXX	XXX	XXX	.0	.0
6. 2008	XXX	XXX	XXX	XXX	0

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior .....	.60	.61	.61	.61	.61
2. 2004	583	609	609	609	609
3. 2005	XXX	.0	.0	.0	.0
4. 2006	XXX	XXX	.0	.0	.0
5. 2007	XXX	XXX	XXX	.0	.0
6. 2008	XXX	XXX	XXX	XXX	0

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004.....	720	609	26	4.3	635	88.2			635	88.2
2. 2005.....	.0	.0		0.0	.0	0.0			.0	0.0
3. 2006.....	.0	.0		0.0	.0	0.0			.0	0.0
4. 2007.....	.0	.0		0.0	.0	0.0			.0	0.0
5. 2008.....		0		0.0	0	0.0			0	0.0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	12,736	12,765	12,765	12,765	12,765
2. 2004	113,943	125,485	125,508	125,508	125,508
3. 2005	XXX	134,263	151,355	151,346	151,346
4. 2006	XXX	XXX	140,427	158,747	158,735
5. 2007	XXX	XXX	XXX	141,682	163,562
6. 2008	XXX	XXX	XXX	XXX	194,851

Section B – Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	11,235	11,235	12,765	12,765	12,765
2. 2004	129,038	126,784	125,508	125,508	125,508
3. 2005	XXX	151,881	152,197	151,346	151,346
4. 2006	XXX	XXX	161,525	159,332	158,735
5. 2007	XXX	XXX	XXX	167,600	165,359
6. 2008	XXX	XXX	XXX	XXX	238,950

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	133,563	125,508	4,667	3.7	130,175	97.5			130,175	97.5
2. 2005	167,795	151,346	5,843	3.9	157,189	93.7			157,189	93.7
3. 2006	180,925	158,735	6,920	4.4	165,655	91.6			165,655	91.6
4. 2007	187,641	163,562	7,552	4.6	171,114	91.2	1,664	4	172,782	92.1
5. 2008	253,839	194,851	7,049	3.6	201,900	79.5	44,232	1,449	247,581	97.5

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	12,796	12,826	12,826	12,826	12,826
2. 2004	114,526	126,094	126,117	126,117	126,117
3. 2005	XXX	134,263	151,355	151,346	151,346
4. 2006	XXX	XXX	140,427	158,747	158,735
5. 2007	XXX	XXX	XXX	141,682	163,562
6. 2008	XXX	XXX	XXX	XXX	194,851

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2004	2 2005	3 2006	4 2007	5 2008
1. Prior	11,295	11,296	12,826	12,826	12,826
2. 2004	129,621	127,393	126,117	126,117	126,117
3. 2005	XXX	151,881	152,197	151,346	151,346
4. 2006	XXX	XXX	161,525	159,332	158,735
5. 2007	XXX	XXX	XXX	167,600	165,359
6. 2008	XXX	XXX	XXX	XXX	238,950

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2004	134,283	126,117	4,693	3.7	130,810	97.4	0	0	130,810	97.4
2. 2005	167,795	151,346	5,843	3.9	157,189	93.7	0	0	157,189	93.7
3. 2006	180,925	158,735	6,920	4.4	165,655	91.6	0	0	165,655	91.6
4. 2007	187,641	163,562	7,552	4.6	171,114	91.2	1,664	4	172,782	92.1
5. 2008	253,839	194,851	7,049	3.6	201,900	79.5	44,232	1,449	247,581	97.5

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	.0								
2. Additional policy reserves (a) .....	.0							.0	
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) .....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (Gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (Gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0

(a) Includes \$ premium deficiency reserve.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building).....	240,804	152,588	737,478		1,130,870
2. Salaries, wages and other benefits.....	3,699,462	2,041,282	10,824,253		16,564,997
3. Commissions (less \$ ceded plus \$ assumed.....)	0	0	0		0
4. Legal fees and expenses.....	29,037	18,400	88,929		136,366
5. Certifications and accreditation fees.....	0	0			0
6. Auditing, actuarial and other consulting services.....	487,395	308,843	1,492,679		2,288,917
7. Traveling expenses.....	5,280	3,346	16,171		24,797
8. Marketing and advertising.....	158,909	100,694	486,670		746,273
9. Postage, express and telephone.....	72,606	46,007	222,360		340,973
10. Printing and office supplies.....	159,738	101,220	489,208		750,166
11. Occupancy, depreciation and amortization.....	70,663	44,776	216,410		331,849
12. Equipment.....	198,792	125,966	608,812		933,570
13. Cost or depreciation of EDP equipment and software.....	193,223	122,437	591,756		907,416
14. Outsourced services including EDP, claims, and other services.....	256,462	162,509	785,430		1,204,401
15. Boards, bureaus and association fees.....	27,871	17,661	85,356		130,888
16. Insurance, except on real estate.....	46,062	29,187	141,067		216,316
17. Collection and bank service charges.....	26,298	16,664	80,539		123,501
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....	(829,434)	(497,665)	(2,552,464)		(3,879,563)
20. Reimbursements from fiscal intermediaries.....	0				0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					0
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....	5,802	3,676	17,768		27,246
23.4 Payroll taxes.....	234,101	150,271	655,977		1,040,349
23.5 Other (excluding federal income and real estate taxes).....				299,839	299,839
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	102,012	654,026	0	756,038
26. Total expenses incurred (Lines 1 to 25).....	5,083,071	3,049,874	15,642,425	299,839 (a)	24,075,209
27. Less expenses unpaid December 31, current year.....		1,453,262	3,925,690		5,378,952
28. Add expenses unpaid December 31, prior year.....	0	858,799	3,044,917	0	3,903,716
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	5,083,071	2,455,411	14,761,652	299,839	22,599,973
DETAIL OF WRITE-INS					
2501. Conferences, Training, and Tuition.....		54,690	350,632		405,322
2502. Recruitment Fees.....		36,053	231,143		267,196
2503. Meeting.....		11,269	72,251		83,520
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598)(Line 25 above)	0	102,012	654,026	0	756,038

(a) Includes management fees of \$ to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 976,028	1,008,988
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 199,524	143,976
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 1,693,830	1,620,843
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	2,869,382	2,773,807
11. Investment expenses		(g) 299,839
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		299,839
17. Net investment income (Line 10 minus Line 16)		2,473,968
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		0

(a) Includes \$ 21,260 accrual of discount less \$ 92,965 amortization of premium and less \$ 183,098 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 118,028 accrual of discount less \$ 92,969 amortization of premium and less \$ 138,102 paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	8,414		8,414		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)			0		
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments	2,722		2,722		
7. Derivative instruments			0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	11,136	0	11,136	0	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule-E Part 1), cash equivalents (Schedule-E Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	79,362	59,465	(19,897)
10. Subtotals, cash and invested assets (Lines 1 to 9)	79,362	59,465	(19,897)
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	5,468	0	(5,468)
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	0	0	0
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	849,649	606,858	(242,791)
19. Furniture and equipment, including health care delivery assets.....	440,491	261,215	(179,276)
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	147,967	393,143	245,176
23. Aggregate write-ins for other than invested assets	866,003	840,536	(25,467)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	2,388,940	2,161,217	(227,723)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	2,388,940	2,161,217	(227,723)
DETAILS OF WRITE-INS			
0901. Security Deposits.....	79,362	59,465	(19,897)
0902.			
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	79,362	59,465	(19,897)
2301. Other Receivables.....	9,740	4,326	(5,414)
2302. Prepaid Expenses.....	309,910	540,847	230,937
2303. Leasehold Improvements.....	546,353	295,363	(250,990)
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	866,003	840,536	(25,467)

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	65,927	65,697	65,799	73,207	74,680	837,627
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	65,927	65,697	65,799	73,207	74,680	837,627
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies.

Basis of presentation and statutory accounting practices:

Neighborhood Health Plan of Rhode Island (Neighborhood) statutory financial statements are presented on the basis of accounting practices prescribed or permitted by DBR. The State of Rhode Island has adopted the National Association of Insurance Commissioners' statutory accounting practices (NAIC SAP) as the basis of its statutory accounting practices (SAP). In addition, DBR has the right to permit other specified practices that may deviate from prescribed practices. At December 31, 2008 and 2007, Neighborhood has not requested permission to deviate from any accounting practices required by NAIC SAP.

Use of estimates:

The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities and disclosure of contingent admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates particularly sensitive to material change in the near term include amounts recorded for the cost of medical and hospital services provided but not reported to Neighborhood and risk share recoveries.

Premium revenue and contingency:

Subscriber/member contracts are executed principally with the Rhode Island Department of Human Services (the State) to service members of the RItE Care and Rhody Health Partners (RHP) programs. For the years ended December 31, 2008 and 2007, Neighborhood earned approximately 100% and 100%, respectively, of premium revenues to service members of the RItE Care or RHP programs. Upon expiration of each RItE Care or RHP contract, Neighborhood submits a proposal to the State to renew the contract. Unlike a commercial product line, premium rates are not fully under the control of Neighborhood, but are principally set by the State. The present RItE Care and RHP contracts between Neighborhood and the State expires June 30, 2009 and March 31, 2009, respectively. The agreement may be terminated by either party within ninety days. Premiums are due monthly and are recognized as revenue during the period in which Neighborhood is obligated to provide services to members.

Medical and hospital expense recognition:

Neighborhood contracts with some health care providers on a capitation basis for the provision of certain primary care services to its members. Neighborhood records these capitation costs in the period incurred. Neighborhood records costs incurred under primary care incentive programs in the period incurred.

The cost of non-capitated medical services and all hospital services provided or contracted for, including behavioral health and pharmacy, is generally on a fee for service basis and is accrued in the period in which it is provided to a member, based in part on estimates. The estimates are actuarially determined and include an accrual for medical and hospital service expenses provided but not yet reported to Neighborhood.

Pharmaceutical rebates:

Pharmaceutical rebates are recorded as a reduction of medical and hospital expenses as earned, based in part on estimates using historical trends. At the years ended December 31, 2008 and 2007, \$255 and \$0 of pharmaceutical rebates are included in health care receivables. For the years ended December 31, 2008 and 2007, approximately \$543 and \$586, of pharmaceutical rebates are added to aggregate write-ins for other health care related revenues and deducted from medical and hospital expenses, respectively.

Cash and cash equivalents and concentration of credit risk:

NOTES TO FINANCIAL STATEMENTS

Neighborhood considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At December 31, 2008 and 2007, cash equivalents totaled \$7,260 and \$12,256, respectively. At December 31, 2008 and 2007, cash equivalents are comprised of: an ownership of a financial institution debt security purchased under a joint repurchase agreement in the amount of \$7,259 and \$5,268, respectively; travelers check in the amount of \$1 and \$0, respectively; commercial paper in the amount of \$0 and \$6,988, respectively. The debt security at December 31, 2008 was repurchased by the financial institution on January 2, 2009.

At December 31, 2008 and 2007, Neighborhood had cash on deposit with financial institutions totaling (\$3,933) and (\$2,140), respectively.

Grants:

Grant revenue is recognized when program expenditures are incurred within program guidelines. Grants are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which might arise as a result of these audits is not considered by Neighborhood to be material.

Reinsurance (stop-loss insurance):

Reinsurance premiums are reported as a reduction of premiums earned and reinsurance recoveries are reported as a reduction of medical and hospital expenses. Reinsurance experience-rated refund deposits or liabilities contingent on future loss experience are not recorded as an asset or liability.

Contract acquisition and advertising costs:

Neighborhood incurs costs for marketing of subscriber contracts and member enrollment, and community awareness, which are expensed as incurred.

Minimum and ongoing net worth requirement:

In accordance with DBR regulations, Neighborhood is required to maintain at all times statutory net worth and total adjusted capital of:

The greater of \$2,500,000 or the amount necessary to maintain the capital requirements of the National Association of Insurance Commissioners (NAIC) standards. Neighborhood was in compliance with the statutory net worth and total adjusted capital requirements as of December 31, 2008 and 2007.

The director may waive any of the net worth and/or total adjusted capital requirements whenever satisfied that the health maintenance organization has sufficient net worth and/or total adjusted capital and an adequate history of generating net income to assure its financial viability for the next year, or its performance and obligations are guaranteed by an organization with sufficient net worth and an adequate history of generating net income, or the assets of the health maintenance organization or its contracts with insurers, hospital or medical service corporations, governments, or other organizations are sufficient to reasonably assure the performance of its obligations; provided, however, that in no event shall the net worth requirement be less than one hundred thousand dollars (\$100,000).

2. Accounting Changes and Corrections of Errors

Not Applicable

3. Business Combinations and Goodwill

Not Applicable

4. Discontinued Operations

Not Applicable

NOTES TO FINANCIAL STATEMENTS

5. Investments

Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

7. Investment Income

Investments are considered as held to maturity and are recorded at amortized cost. Certificates of deposit with remaining maturities of one year or less at the time of acquisition are considered cash. All other investments with maturities of one year or less at the time of acquisition are considered short-term. Amortization of any bond premium or discount is calculated using the constant yield interest method over the life of the bond. Accrued interest receivable as of December 31, 2008 and 2007 is investment income due and accrued in the amount of \$448 and \$544, respectively.

8. Derivative Instruments

Not Applicable

9. Income Taxes

Not Applicable

10. Information Concerning Parent, Subsidiaries, and Affiliates

An Neighborhood bylaw includes certain Rhode Island Community Health Centers to be "Members of the Corporation" so long as specific criteria continue to be met, which includes having in effect with Neighborhood a contract to provide health care services for Neighborhood's enrollees in exchange for payment. The Member of the Corporation contracts provide for capitation based reimbursement to manage and deliver primary care medical services and fee for service based reimbursement to deliver other medical services. For the years ended December 31, 2008 and 2007, medical and hospital expenses include \$10,475 and \$9,829, respectively, for medical services provided, and incentive arrangements earned, by such Members of the Corporation.

11. Debt

Not Applicable

12. Retirement Plans, Deferred Compensation, Post Employment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

Neighborhood sponsors a Safe Harbor 401(k) Profit Sharing Plan and Trust (the Plan) covering employees meeting certain age and length of service requirements. Neighborhood matches one hundred percent of the first three percent of a participant's eligible compensation and fifty percent of the next two percent of a participant's eligible compensation contribution. Employer contributions to the Plan included in administrative expenses, totaled \$490 and \$373 for the years ended December 31, 2008 and 2007, respectively.

13. Capital and Surplus, shareholders' Dividend Restrictions and Quasi-Reorganizations

NOTES TO FINANCIAL STATEMENTS

As a condition of licensure as an HMO, Rhode Island general laws required Neighborhood to maintain a special deposit held by the General Treasurer for the benefit and protection of all enrollees of the HMO. The special deposit cannot be withdrawn without the permission of DBR. As of March 2008, the condition of licensure as an HMO was met, and the special deposit of \$2,617 held by the General Treasurer for protection against insolvency was released with DBR's permission in March 2008. At December 31, 2007, the special deposit was \$2,560, with \$2,407 in U.S. Treasury Bill and \$153 under a repurchase agreement.

14. Contingencies

Two former employees have filed claims against Neighborhood alleging employment based discrimination. Neighborhood's legal counsel cannot determine the likelihood of an unfavorable outcome or the amount or range of possible loss. It is reasonably possible that the likelihood of an unfavorable outcome or the amount or range of potential loss might be determined in the near term.

15. Leases

On August 1, 2003, the existing operating lease between Neighborhood and the lessor was terminated. Neighborhood entered into a new lease with the same lessor, expiring July 2013. On March 24, 2006 Neighborhood entered a new lease, replacing the existing lease, expiring on July 2013. The new lease agreement is related to expansion of the exiting space, construction was completed during 2006.

Neighborhood entered an agreement with the same lessor for leasing an additional space of 10,612 square feet on the second floor of 297 Promenade Street in 2007. The lease term is from July 2008 to July 2013.

In addition to base rental, Neighborhood pays the increase in real estate taxes and operating expenses over the base year amounts, as well as normal maintenance and insurance costs. Rental expense related to the lease totaled approximately \$1,053 and \$1,015 for the each of the years ended December 31, 2008 and 2007. The operating leases required Neighborhood to deposit with the landlord \$59 and \$20. The security deposits, together with any and all interest accrued thereon, will be held by the landlord during the term of these leases.

At December 31, 2008, annual minimum future lease payments under all non-cancelable operating leases with the Foundry Parcel Six Associates, LLC, excluding real estate tax and operating expense payments, are:

Year ending December 31,		Amount
2009		1,196
2010		1,229
2011		1,241
2012		1,247
2013		729

In June 2001, Neighborhood entered into a Sale-Leaseback Agreement with an unrelated party. The Agreement was amended on August 1, 2004 and May 26, 2005. Under the Sale-Leaseback Agreement, Neighborhood sold \$400 of furniture and equipment to, and leases the property from, the unrelated party through April 2009. The sale did not result in any gain or loss. The Sale-Leaseback Agreement is accounted for as a non-cancelable operating lease since it does not provide for any continuing aspects of ownership involvement on the part of Neighborhood. Approximate annual minimum future lease payments under the related non-cancelable lease total \$39 for the year ending December 31, 2009.

NOTES TO FINANCIAL STATEMENTS

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 Plans and the Uninsured Portion of Partially Insured Plans

Neighborhood receives reimbursement for the cost of medical claims incurred under an Administrative Service Contract (ASC). In accordance with NAIC SAP Statement No. 47, the reimbursements for medical claims incurred, as well as the cost of medical claims incurred, are excluded from Neighborhood's statements of revenues and expenses. Gross reimbursement for medical costs incurred and administrative fees were \$25,384 and \$2,071, respectively, for the year ended December 31, 2008 and \$49,502 and \$4,472, respectively, for the year ended December 31, 2007. The ASC was replaced by an at-risk business model, effective July 2008. At December 31, 2008, liability amount to the State resulting from or overpayment under the ASC was \$3,071. The total active members related to ASC as of 06/30/2008 were 6,955.

During 2005, Neighborhood entered into an Administrative Services Only (ASO) plan with an unrelated third party effective January 1, 2006. The third party reimburses Neighborhood in full for all actual administrative expenses incurred as defined in the contract. Expenses incurred by Neighborhood under the ASO plan are reported as expenses, and administrative fees and related expense reimbursements are presented as a deduction from expenses, in the accompanying statutory statements of revenues and expenses. There were no medical expenses related to this contract for the years ended December 31, 2008 and 2007. Gross reimbursement for administrative fees was \$1,809 and \$1,478, respectively, for the year ended December 31, 2008 and December 31, 2007. At December 31, 2008 and 2007, the amount receivable related to the ASO plan total \$568 and \$135, respectively. The total active members as of December 31, 2008 were 3,074.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not Applicable

20. Other Items

Not Applicable

21. Events Subsequent

Not Applicable

22. Reinsurance

Section 1 – General Interrogatories

1. No
2. No

Section 2 – Ceded Reinsurance Report – Part A

1. No
2. No

NOTES TO FINANCIAL STATEMENTS

Not Applicable

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not Applicable

24. Change in Incurred Claims and Claim Adjustment Expenses

As a result of changes in estimates of prior years reported insured health care costs, medical and hospital expenses were decreased by \$2,773 and \$2,485 during the year ended December 31, 2008 and December 31, 2007, respectively. Changes in estimates of insured health care costs result from differences between initially anticipated and actual costs incurred or revised estimated costs to be incurred.

25. Inter-company Pooling Arrangements

Not Applicable

26. Structured Settlements

Not Applicable

27. Health Care Receivables

Neighborhood Health Plan of Rhode Island
Notes to Statutory Statement
For the Calendar Year Beginning January 1, 2008 and Ending December 31, 2008
 (amounts in thousands)

Pharmaceutical rebates:

In accordance with NAIC SAP Statement No. 84, the following is a summary of the required disclosures relating to pharmaceutical rebates:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/Confirmed	Actual Rebates Collected Within 90 Days of Invoicing/Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/Confirmation
December 31, 2008	\$164	\$255			
September 30, 2008	\$158	\$162			
June 30, 2008	\$161	\$159		\$159	
March 31, 2008	\$132	\$147		\$147	
December 31, 2007	\$181	\$151		\$151	
September 30, 2007	\$197	\$147		\$147	
June 30, 2007	\$221	\$165		\$165	
March 31, 2007	\$191	\$181		\$181	
December 31, 2006	\$165	\$181		\$181	
September 30, 2006	\$110	\$182		\$182	
June 30, 2006	\$208	\$200		\$200	
March 31, 2006	\$215	\$192		\$192	

Risk sharing receivables:

In accordance with NAIC SAP Statement No. 84, the following is a summary of the required disclosures relating to risk sharing activities receivables:

Calendar year	Evaluation period year ending	Risk sharing receivable as estimated and reported in the prior year	Risk sharing receivable as estimated and reported in the current year	Risk sharing receivable invoiced	Risk sharing receivable not invoiced	Actual risk sharing amounts collected in year invoiced	Actual risk sharing amounts collected in first year subsequent	Actual risk sharing amounts collected second year subsequent	Actual risk sharing amounts collected-all other
2008	2008	\$0	\$2,042	\$2,042	\$0	\$0			
	2009	xxx	(3,164)	xxx	(\$3,164)	xxx	xxx		
2007	2007	\$0	\$1,879	\$770	\$1,109	\$0	\$829	\$0	\$0
	2008	xxx	0	xxx	\$0	xxx	xxx	0	0
2006	2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2007	0	0	0	\$0	0	0	0	0

28. Participating Policies

Not Applicable

29. Premium Deficiency Reserve

Not Applicable

30. Anticipated Salvage and Subrogation

Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No [X]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] NA [X]
- 1.3 State Regulating? N/A
- 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:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2005
- 3.2 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.12/31/2005
- 3.3 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).09/06/2007
- 3.4 By what department or departments? RI Department of Business Regulation, Insurance Division.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] NA [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [X] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the 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

- 6.1 Has the 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]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

GENERAL INTERROGATORIES

- 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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Lefkowitz, Garfield, Chiampi & DiRienzo PC
10 Weybosset Street, Suite 700,
Providence, RI 02903
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....
Mr. Robert M. Damler,
Principal and Consulting Actuary
Milliman, Inc.
111 Monument Circle, Suite 601
Indianapolis, IN 16204-6128
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
11.11 Name of real estate holding company
11.12 Number of parcels involved.....
11.13 Total book/adjusted carrying value..... \$.....
- 11.2 If yes, provide explanation
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 13.11 If the response to 13.1 is No, please explain:
- 13.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
15. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
16. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?..... Yes [X] No []

GENERAL INTERROGATORIES

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.11 To directors or other officers .. \$0
 - 18.12 To stockholders not officers ... \$
 - 18.13 Trustees, supreme or grand (Fraternal only) \$
- 18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.21 To directors or other officers ... \$0
 - 18.22 To stockholders not officers \$
 - 18.23 Trustees, supreme or grand (Fraternal only) \$
- 19.1 Were any assets reported in the statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 19.2 If yes, state the amount thereof at December 31 of the current year:
- 19.21 Rented from others \$
 - 19.22 Borrowed from others \$
 - 19.23 Leased from others \$
 - 19.24 Other \$
- 20.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 20.2 If answer is yes:
- 20.21 Amount paid as losses or risk adjustment \$
 - 20.22 Amount paid as expenses \$
 - 20.23 Other amounts paid \$
- 21.1 Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 22.3)..... Yes [X] No []
- 22.2 If no, give full and complete information relating thereto:
- 22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provide)
N/A
- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?..... Yes [] No []
- 22.5 If answer to 22.4 is YES, report amount of collateral \$
- 22.6 If answer to 22.4 is NO, report amount of collateral..... \$
- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3) Yes [] No [X]
- 23.2 If yes, state the amount thereof at December 31 of the current year:
- 23.21 Subject to repurchase agreements \$
 - 23.22 Subject to reverse repurchase agreements..... \$
 - 23.23 Subject to dollar repurchase agreements..... \$
 - 23.24 Subject to reverse dollar repurchase agreements.... \$
 - 23.25 Pledged as collateral..... \$
 - 23.26 Placed under option agreements..... \$
 - 23.27 Letter stock or securities restricted as to sale..... \$
 - 23.28 On deposit with state or other regulatory body..... \$
 - 23.29 Other..... \$
- 23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.
- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES

26. Excluding items in Schedule E-Part 3-Special Deposits, 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 Section 3, III Conducting Examinations, F - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No []

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

1 Name of Custodian(s)	2 Custodian's Address
Merrill Lynch.....	One Citizens Plaza, Suite 1000, Providence, RI 02903.....
RBS Citizens, N.A.....	One Citizens Plaza, Providence, RI 02903.....

26.02 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)	2 Complete Explanation(s)

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [] No []

26.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
The State Street05/31/2008..	Account closed.....

26.05 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 Number(s)	2 Name	2 Address
7691.....	Merrill Lynch.....	One Citizens Plaza, Suite 1000, Providence, RI 02903.....
.....	RBS Citizens, N.A.....	Once Citizens Plaza, Providence, RI 02903.....

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No []

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
27.2999	TOTAL	0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding Of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

GENERAL INTERROGATORIES

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
28.1 Bonds.....	50,677,296	51,109,702	432,407
28.2 Preferred stocks.....	0	0	0
28.3 Totals	50,677,296	51,109,702	432,407

28.4 Describe the sources or methods utilized in determining the fair values:

Custodial statements.....

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

29.2 If no, list exceptions:

OTHER

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$0

30.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

31.1 Amount of payments for legal expenses, if any?.....\$136,366

31.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

32.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$0

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ 0
- 1.62 Total incurred claims \$ 0
- 1.63 Number of covered lives 0
- All years prior to most current three years:
- 1.64 Total premium earned \$ 0
- 1.65 Total incurred claims \$ 0
- 1.66 Number of covered lives 0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ 0
- 1.72 Total incurred claims \$ 0
- 1.73 Number of covered lives 0
- All years prior to most current three years:
- 1.74 Total premium earned \$ 0
- 1.75 Total incurred claims \$ 0
- 1.76 Number of covered lives 0

2. Health Test:

	1 Current Year		2 Prior Year	
2.1 Premium Numerator	\$	253,839,262	\$	187,641,076
2.2 Premium Denominator	\$	253,839,262	\$	187,641,076
2.3 Premium Ratio (2.1/2.2)		1.000		1.000
2.4 Reserve Numerator	\$	45,895,388	\$	26,552,335
2.5 Reserve Denominator	\$	45,895,388	\$	26,552,335
2.6 Reserve Ratio (2.4/2.5)		1.000		1.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [X] No []
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$ 300,000
- 5.32 Medical Only \$ 0
- 5.33 Medicare Supplement \$ 0
- 5.34 Dental and vision \$ 0
- 5.35 Other Limited Benefit Plan \$ 300,000
- 5.36 Other \$ 0
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date base? Yes [X] No []
- 7.2 If no, give details:
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year 3,623
- 8.2 Number of providers at end of reporting year 2,914
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months 0
- 9.22 Business with rate guarantees over 36 months 0

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contract? Yes [] No []
- 10.2 If yes:
- | | | | | |
|--|-------|---|---------|-----------|
| | 10.21 | Maximum amount payable bonuses | \$..... | 5,648,714 |
| | | 10.22 Amount actually paid for year bonuses | \$..... | 4,046,878 |
| | | 10.23 Maximum amount payable withholds | \$..... | |
| | | 10.24 Amount actually paid for year withholds | \$..... | |
- 11.1 Is the reporting entity organized as:
- | | | | | |
|--|-------|---|---|--|
| | 11.12 | A Medical Group/Staff Model, | Yes [<input type="checkbox"/>] | No [<input checked="" type="checkbox"/>] |
| | | 11.13 An Individual Practice Association (IPA), or, | Yes [<input checked="" type="checkbox"/>] | No [<input type="checkbox"/>] |
| | | 11.14 A Mixed Model (combination of above) ? | Yes [<input type="checkbox"/>] | No [<input checked="" type="checkbox"/>] |
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes [] No []
- 11.3 If yes, show the name of the state requiring such net worth.
- 11.4 If yes, show the amount required. \$.....
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No []
- 11.6 If the amount is calculated, show the calculation.
12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area

FIVE-YEAR HISTORICAL DATA

	1 2008	2 2007	3 2006	4 2005	5 2004
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	116,181,186	71,578,331	74,450,408	56,705,626	44,298,551
2. Total liabilities (Page 3, Line 22)	79,307,807	33,470,206	46,412,342	36,517,859	32,158,865
3. Statutory surplus	0	0	0	0	0
4. Total capital and surplus (Page 3, Line 31)	36,873,379	38,108,123	28,038,066	20,187,767	12,139,686
Income Statement (Page 4)					
5. Total revenues (Line 8)	256,443,428	189,928,796	183,082,033	170,305,090	136,866,883
6. Total medical and hospital expenses (Line 18)	236,062,690	165,406,091	161,748,026	149,627,146	121,016,984
7. Claims adjustment expenses (Line 20)	8,132,945	7,506,019	6,825,562	5,635,617	3,410,673
8. Total administrative expenses (Line 21)	15,642,425	9,303,444	8,860,546	7,023,114	8,977,090
9. Net underwriting gain (loss) (Line 24)	(3,394,632)	7,713,242	5,647,899	8,019,213	3,462,136
10. Net investment gain (loss) (Line 27)	2,485,105	3,093,668	2,266,252	1,177,458	350,037
11. Total other income (Lines 28 plus 29)	(97,496)	(105,458)	(58,662)	(92,043)	107,855
12. Net income (loss) (Line 32)	(1,007,023)	10,701,452	7,855,489	9,104,628	3,920,028
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	33,814,144	(4,711,230)	18,583,665	0	0
Risk - Based Capital Analysis					
14. Total adjusted capital	36,873,379	38,108,123	28,038,066	20,187,767	12,139,686
15. Authorized control level risk-based capital	9,474,375	6,742,085	6,517,626	6,101,998	5,060,720
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	74,680	65,927	68,294	68,413	68,206
17. Total member months (Column 6, Line 7)	837,627	795,060	816,658	817,315	806,681
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus 19)	93.0	88.2	89.4	89.2	0.0
20. Cost containment expenses	2.0	2.6	2.5	2.1	XXX
21. Other claims adjustment expenses	1.2	1.4	1.3	1.2	0.0
22. Total underwriting deductions (Line 23)	102.4	97.1	98.1	96.7	99.3
23. Total underwriting gain (loss) (Line 24)	(1.3)	4.1	3.1	4.8	2.6
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	23,531,934	18,942,332	17,207,681	13,692,840	14,317,214
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	26,552,335	21,135,783	16,891,576	15,946,316	14,221,891
Investments In Parent, Subsidiaries And Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 53, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 7)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Neighborhood Health Plan of Rhode Island

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefit Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	N	0	0	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	0	0	
9. District of Columbia	DC	N	0	0	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	0	0	
22. Massachusetts	MA	N	0	0	0	0	0	0	0	
23. Michigan	MI	N	0	0	0	0	0	0	0	
24. Minnesota	MN	N	0	0	0	0	0	0	0	
25. Mississippi	MS	N	0	0	0	0	0	0	0	
26. Missouri	MO	N	0	0	0	0	0	0	0	
27. Montana	MT	N	0	0	0	0	0	0	0	
28. Nebraska	NE	N	0	0	0	0	0	0	0	
29. Nevada	NV	N	0	0	0	0	0	0	0	
30. New Hampshire	NH	N	0	0	0	0	0	0	0	
31. New Jersey	NJ	N	0	0	0	0	0	0	0	
32. New Mexico	NM	N	0	0	0	0	0	0	0	
33. New York	NY	N	0	0	0	0	0	0	0	
34. North Carolina	NC	N	0	0	0	0	0	0	0	
35. North Dakota	ND	N	0	0	0	0	0	0	0	
36. Ohio	OH	N	0	0	0	0	0	0	0	
37. Oklahoma	OK	N	0	0	0	0	0	0	0	
38. Oregon	OR	N	0	0	0	0	0	0	0	
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	
40. Rhode Island	RI	L	0	254,856,269	0	0	0	254,856,269	0	
41. South Carolina	SC	N	0	0	0	0	0	0	0	
42. South Dakota	SD	N	0	0	0	0	0	0	0	
43. Tennessee	TN	N	0	0	0	0	0	0	0	
44. Texas	TX	N	0	0	0	0	0	0	0	
45. Utah	UT	N	0	0	0	0	0	0	0	
46. Vermont	VT	N	0	0	0	0	0	0	0	
47. Virginia	VA	N	0	0	0	0	0	0	0	
48. Washington	WA	N	0	0	0	0	0	0	0	
49. West Virginia	WV	N	0	0	0	0	0	0	0	
50. Wisconsin	WI	N	0	0	0	0	0	0	0	
51. Wyoming	WY	N	0	0	0	0	0	0	0	
52. American Samoa	AS	N	0	0	0	0	0	0	0	
53. Guam	GU	N	0	0	0	0	0	0	0	
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	
57. Canada	CN	N	0	0	0	0	0	0	0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0	0	
59. Subtotal	XXX	0	0	254,856,269	0	0	0	254,856,269	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0	
61. Total (Direct Business)	(a) 1	0	0	254,856,269	0	0	0	254,856,269	0	
DETAILS OF WRITE-INS										
5801.	XXX	0	0	0	0	0	0	0	0	
5802.	XXX	0	0	0	0	0	0	0	0	
5803.	XXX	0	0	0	0	0	0	0	0	
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	

Explanation of basis of allocation by states, premiums by state, etc.

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

Schedule Y - Part 1

NONE

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(http://www.naic.org/committees_e_app_blanks.htm)

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