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QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2010

OF THE CONDITION AND AFFAIRS OF THE

Neighborhood Health Plan of Rhode Island

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

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 [ ] Hospital, Medical & Dental Service or Indemnity [ ]
Dental Service Corporation [ ] Vision Service Corporation [ ] Health Maintenance Organization [X]
Other [ ] Is HMO, Federally Qualified? Yes [ ] No [X]

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

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

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

Internet Web Site Address http://www.nhpri.org/

Statutory Statement Contact Glenn Wang (Name) 401-459-6124 (Area Code) (Telephone Number) (Extension)

gwang@nhpri.org (E-Mail Address) 401-459-6043 (Fax Number)

OFFICERS

Name	Title	Name	Title
Mark Reynolds	Chief Executive Officer	Thomas Clark Phillip Jr. CPA	Chief Financial Officer
Leon McTyeire Johnston MD	Chief Medical Officer	Nancy Coburn	Chief Operating Officer

OTHER OFFICERS

Maria Montanaro #	Chairman	Jane Hayward #	Vice Chairman
Brenda Dowlatshahi	Secretary	Merrill Thomas	Treasurer

DIRECTORS OR TRUSTEES

Maria Montanaro	Merrill Thomas	James Hooley	Brenda Dowlatshahi
Raymond Joseph Lavoie JR	Darrell A. Lee	Mark Reynolds	Pablo Rodriguez M.D.
M. Lamin Sarr	Jane Hayward	Peter Bancroft CPA	Doris De Los Santos
Stephanie McCaffrey #	Jerald Fingerut MD #	Peter Walsh #	

State of Rhode Island
County of ss

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

Mark Reynolds Chief Executive Officer	Thomas Clark Phillip, Jr. CPA Chief Financial Officer	Leon McTyeire Johnston, MD Chief Medical Officer

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

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

Subscribed and sworn to before me this
day of November, 2010

Michelle Tetreault,

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	34,026,620		34,026,620	32,184,023
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	1,904,530
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less $ ..... encumbrances)			0	0
4.2 Properties held for the production of income (less $ ..... encumbrances)			0	0
4.3 Properties held for sale (less $ ..... encumbrances)			0	0
5. Cash ($ 4,653,089), cash equivalents ($ 5,008,043) and short-term investments ($ 29,022,836)	38,683,968		38,683,968	63,928,367
6. Contract loans (including $ ..... premium notes)			0	0
7. Derivatives			0	
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	72,710,588	0	72,710,588	98,016,920
12. Title plants less $ ..... charged off (for Title insurers only)			0	0
13. Investment income due and accrued	248,713		248,713	252,060
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	3,574,497		3,574,497	2,061,074
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)			0	0
14.3 Accrued retrospective premiums			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	66,732		66,732	1,068,456
15.2 Funds held by or deposited with reinsured companies			0	0
15.3 Other amounts receivable under reinsurance contracts			0	0
16. Amounts receivable relating to uninsured plans	0		0	134,969
17.1 Current federal and foreign income tax recoverable and interest thereon			0	0
17.2 Net deferred tax asset			0	0
18. Guaranty funds receivable or on deposit			0	0
19. Electronic data processing equipment and software	390,987	296,566	94,421	146,057
20. Furniture and equipment, including health care delivery assets ($ .....)	263,090	263,090	0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
22. Receivables from parent, subsidiaries and affiliates			0	0
23. Health care ($ 3,045,846) and other amounts receivable	3,396,027	350,181	3,045,846	6,628,317
24. Aggregate write-ins for other than invested assets	2,362,751	2,315,291	47,460	33,625
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	83,013,385	3,225,128	79,788,257	108,341,478
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
27. Total (Lines 25 and 26)	83,013,385	3,225,128	79,788,257	108,341,478
DETAILS OF WRITE-INS				
1001.			0	0
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0	0
2401. Other Receivable	67,426	19,966	47,460	33,625
2402. Prepaid Expenses	1,882,052	1,882,052	0	0
2403. Leasehold Improvement	333,911	333,911	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page	79,362	79,362	0	0
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above)	2,362,751	2,315,291	47,460	33,625

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $ 475,879 reinsurance ceded)	34,491,738		34,491,738	37,985,787
2. Accrued medical incentive pool and bonus amounts	3,253,216		3,253,216	4,508,553
3. Unpaid claims adjustment expenses	717,968		717,968	906,649
4. Aggregate health policy reserves	11,400,000		11,400,000	11,400,000
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	7,167,018		7,167,018	27,613,318
9. General expenses due or accrued	3,691,286		3,691,286	3,161,066
10.1 Current federal and foreign income tax payable and interest thereon (including $ ..... on realized gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	1,083,617		1,083,617	1,017,647
13. Remittances and items not allocated			0	0
14. Borrowed money (including $ ..... current) and interest thereon $ ..... (including $ ..... current)			0	0
15. Amounts due to parent, subsidiaries and affiliates			0	0
16. Derivatives			0	
17. Payable for securities	0		0	1,611,430
18. Funds held under reinsurance treaties (with $ ..... authorized reinsurers and $ ..... unauthorized reinsurers)			0	0
19. Reinsurance in unauthorized companies			0	0
20. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
21. Liability for amounts held under uninsured plans	0		0	1,323,162
22. Aggregate write-ins for other liabilities (including $ ..... current)	0	0	0	0
23. Total liabilities (Lines 1 to 22)	61,804,843	0	61,804,843	89,527,612
24. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
25. Common capital stock	XXX	XXX		0
26. Preferred capital stock	XXX	XXX		0
27. Gross paid in and contributed surplus	XXX	XXX		0
28. Surplus notes	XXX	XXX	1,500,000	1,500,000
29. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
30. Unassigned funds (surplus)	XXX	XXX	16,483,414	17,313,866
31. Less treasury stock, at cost:				
31.1 ..... shares common (value included in Line 25) $ .....)	XXX	XXX		0
31.2 ..... shares preferred (value included in Line 26) $ .....)	XXX	XXX		0
32. Total capital and surplus (Lines 24 to 30 minus Line 31)	XXX	XXX	17,983,414	18,813,866
33. Total liabilities, capital and surplus (Lines 23 and 32)	XXX	XXX	79,788,257	108,341,478
DETAILS OF WRITE-INS				
2201. Unearned Grant Liability			0	0
2202.				
2203.				
2298. Summary of remaining write-ins for Line 22 from overflow page	0	0	0	0
2299. Totals (Lines 2201 through 2203 plus 2298) (Line 22 above)	0	0	0	0
2401.	XXX	XXX		
2402.	XXX	XXX		
2403.	XXX	XXX		
2498. Summary of remaining write-ins for Line 24 from overflow page	XXX	XXX	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	XXX	XXX	0	0
2901.	XXX	XXX		
2902.	XXX	XXX		
2903.	XXX	XXX		
2998. Summary of remaining write-ins for Line 29 from overflow page	XXX	XXX	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	XXX	725,673	682,388	922,359
2. Net premium income (including $ ..... non-health premium income)	XXX	281,488,877	246,312,191	337,045,189
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	0
4. Fee-for-service (net of $ ..... medical expenses)	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	1,397,957	1,368,169	1,459,519
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	282,886,834	247,680,360	338,504,708
Hospital and Medical:				
9. Hospital/medical benefits		101,065,579	99,832,490	133,454,228
10. Other professional services		50,768,692	45,403,563	62,150,814
11. Outside referrals		39,222,897	37,651,696	47,428,507
12. Emergency room and out-of-area		20,910,251	19,557,529	26,382,661
13. Prescription drugs		40,381,183	33,792,083	47,573,707
14. Aggregate write-ins for other hospital and medical	0	(917,971)	(8,444,695)	(6,470,000)
15. Incentive pool, withhold adjustments and bonus amounts		4,325,470	5,144,208	5,981,259
16. Subtotal (Lines 9 to 15)	0	255,756,101	232,936,874	316,501,176
Less:				
17. Net reinsurance recoveries		1,865,644	2,527,494	2,996,764
18. Total hospital and medical (Lines 16 minus 17)	0	253,890,457	230,409,380	313,504,412
19. Non-health claims (net)			0	0
20. Claims adjustment expenses, including $ 4,760,519 ..... cost containment expenses		6,750,948	6,396,149	8,844,106
21. General administrative expenses		22,029,726	18,471,030	25,453,722
22. Increase in reserves for life and accident and health contracts (including $ ..... increase in reserves for life only)			0	11,400,000
23. Total underwriting deductions (Lines 18 through 22)	0	282,671,131	255,276,559	359,202,240
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	215,703	(7,596,199)	(20,697,532)
25. Net investment income earned		447,393	910,078	1,033,346
26. Net realized capital gains (losses) less capital gains tax of $		100,707	46,799	116,179
27. Net investment gains (losses) (Lines 25 plus 26)	0	548,100	956,877	1,149,525
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $ .....) (amount charged off $ (112,063)		(56,360)	(35,377)	(180,218)
29. Aggregate write-ins for other income or expenses	0	8,288	560	566
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	715,731	(6,674,139)	(19,727,659)
31. Federal and foreign income taxes incurred	XXX		0	0
32. Net income (loss) (Lines 30 minus 31)	XXX	715,731	(6,674,139)	(19,727,659)
DETAILS OF WRITE-INS				
0601. DHS Incentive Income	XXX	1,140,545	1,099,282	1,099,282
0602. Other Program Revenue	XXX	255,750	244,800	336,150
0603. Grant Revenue	XXX	1,662	24,087	24,087
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	1,397,957	1,368,169	1,459,519
0701.	XXX		0	0
0702.	XXX		0	0
0703.	XXX		0	0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401. Stop-Loss Recoveies from DHS		(1,720,538)	(846,758)	(1,003,574)
1402. Risk Share Recoveries from DHS		802,567	(7,597,937)	(5,466,426)
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	(917,971)	(8,444,695)	(6,470,000)
2901. Community Access Program Grant revenue			0	566
2902. Miscellanous income		8,288	560	0
2903. Rent income			0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	8,288	560	566

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year to Date	2 Prior Year to Date	3 Prior Year
	CAPITAL AND SURPLUS ACCOUNT:			
33.	Capital and surplus prior reporting year	18,813,867	37,820,924	37,820,924
34.	Net income or (loss) from Line 32	715,731	(6,674,139)	(19,727,659)
35.	Change in valuation basis of aggregate policy and claim reserves		0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $	8,920	0	1,690
37.	Change in net unrealized foreign exchange capital gain or (loss)		0	0
38.	Change in net deferred income tax		0	0
39.	Change in nonadmitted assets	(1,555,100)	(1,300,529)	718,912
40.	Change in unauthorized reinsurance	0	0	0
41.	Change in treasury stock		0	0
42.	Change in surplus notes	0	0	0
43.	Cumulative effect of changes in accounting principles		0	0
44.	Capital Changes:			
	44.1 Paid in		0	0
	44.2 Transferred from surplus (Stock Dividend)		0	0
	44.3 Transferred to surplus		0	0
45.	Surplus adjustments:			
	45.1 Paid in		0	0
	45.2 Transferred to capital (Stock Dividend)	0	0	0
	45.3 Transferred from capital		0	0
46.	Dividends to stockholders		0	0
47.	Aggregate write-ins for gains or (losses) in surplus	0	0	0
48.	Net change in capital and surplus (Lines 34 to 47)	(830,449)	(7,974,668)	(19,007,057)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	17,983,418	29,846,256	18,813,867
	DETAILS OF WRITE-INS			
4701.			0	0
4702.				
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	259,529,154	247,482,741	351,318,707
2. Net investment income	621,831	1,189,089	1,465,200
3. Miscellaneous income	1,397,957	1,368,169	1,459,519
4. Total (Lines 1 to 3)	261,548,942	250,039,999	354,243,426
5. Benefit and loss related payments	254,020,087	225,072,671	320,641,003
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	29,675,400	26,212,651	35,791,912
8. Dividends paid to policyholders		0	0
9. Federal and foreign income taxes paid (recovered) net of $ ..... tax on capital gains (losses)	0	0	0
10. Total (Lines 5 through 9)	283,695,487	251,285,322	356,432,915
11. Net cash from operations (Line 4 minus Line 10)	(22,146,545)	(1,245,323)	(2,189,489)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	7,591,679	22,516,493	36,653,894
12.2 Stocks	1,904,530	1,554,204	1,556,185
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(6)	2,367	3,947
12.7 Miscellaneous proceeds	79,361	1,018,181	1,611,430
12.8 Total investment proceeds (Lines 12.1 to 12.7)	9,575,564	25,091,245	39,825,456
13. Cost of investments acquired (long-term only):			
13.1 Bonds	9,495,733	17,815,090	31,602,179
13.2 Stocks	0	2,998,061	3,460,715
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	1,611,430	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	11,107,163	20,813,151	35,062,894
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,531,599)	4,278,094	4,762,562
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	(1,566,256)	(612,728)	1,510,261
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,566,256)	(612,728)	1,510,261
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)	(25,244,400)	2,420,043	4,083,334
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	63,928,368	59,845,034	59,845,034
19.2 End of period (Line 18 plus Line 19.1)	38,683,968	62,265,077	63,928,368

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	80,647	0	0	0	0	0	0	0	80,647	0
2 First Quarter	80,010	0	0	0	0	0	0	0	80,010	0
3 Second Quarter	80,332	0	0	0	0	0	0	0	80,332	0
4. Third Quarter	82,041								82,041	
5. Current Year	0									
6 Current Year Member Months	725,673								725,673	
Total Member Ambulatory Encounters for Period:										
7. Physician	113,067								113,067	
8. Non-Physician	226,834								226,834	
9. Total	339,901	0	0	0	0	0	0	0	339,901	0
10. Hospital Patient Days Incurred	29,504								29,504	
11. Number of Inpatient Admissions	7,936								7,936	
12. Health Premiums Written(a)	283,192,954								283,192,954	
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	0									
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	260,641,083								260,641,083	
18. Amount Incurred for Provision of Health Care Services	255,756,101								255,756,101	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $ .....

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims unpaid (Reported)						
RHODE ISLAND HOSPITAL	3,356,236	(3,790)	8,359	106,657	(7,929)	3,459,534
WOMEN & INFANT HOSPITAL	2,886,962	(449)	287		(335)	2,886,465
MIRIAM HOSPITAL	658,237					658,237
KENT COUNTY MEMORIAL HOSPITAL	604,914	6,583		293	(192)	611,598
CHILDRENS HOSPITAL	106,484	363,527	19,644	585	11,616	501,856
THE WESTERLY HOSPITAL	235,955					235,955
ST JOSEPH HOSPITAL	221,940				93	222,033
MEMORIAL HOSPITAL	221,082	50			49	221,181
ROGER WILLIAMS HOSPITAL	190,645	88				190,733
NEWPORT HOSPITAL	157,582					157,582
LANDMARK MEDICAL CENTER	97,169					97,169
SOUTH COUNTY HOSPITAL INC	64,735			(325)		64,410
MRI	24,173	757				24,930
DANA FARBER CANCER INSTITUTE	12,906					12,906
0199999 Individually listed claims unpaid	8,839,021	366,766	28,291	107,209	3,302	9,344,588
0299999 Aggregate accounts not individually listed-uncovered						0
0399999 Aggregate accounts not individually listed-covered	67,423	12,359	(2,848)	(361)	(766)	75,808
0499999 Subtotals	8,906,444	379,124	25,443	106,849	2,536	9,420,396
0599999 Unreported claims and other claim reserves	XXX	XXX	XXX	XXX	XXX	25,547,221
0699999 Total amounts withheld	XXX	XXX	XXX	XXX	XXX	
0799999 Total claims unpaid	XXX	XXX	XXX	XXX	XXX	34,967,617
0899999 Accrued medical incentive pool and bonus amounts	XXX	XXX	XXX	XXX	XXX	3,253,216

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 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 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)					0	0
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid	35,100,395	217,958,639	127,804	34,363,935	35,228,199	37,985,787
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	35,100,395	217,958,639	127,804	34,363,935	35,228,199	37,985,787
10. Healthcare receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	2,607,667	2,973,140	1,900,886	1,352,330	4,508,553	4,508,554
13. Totals	37,708,062	220,931,779	2,028,690	35,716,265	39,736,752	42,494,341

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

NOTES TO FINANCIAL STATEMENTS

1A. Summary of Significant Accounting Policies
This statement has been completed in accordance with the Accounting Practices and Procedures Manual. There
are no changes from the footnote #1 of 2009 Annual Statement.

5D. Loan-Backed Securities: Not Applicable.

17C Wash Sales: Not Applicable.
.

18. Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans:

18A0A. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$0
18A0B Total Net other income or expenses	$3,982
18A0C Net gain or (loss) from operations	$3,982
Member Months	-

B. ASC Plans - Discontinued on 12/31/2009:

18B0A Gross reimbursement for medical cost incurred	$0
18B0B Gross administrative fees accrued	$0
18B0C Other income or expenses	$0
18B0D Gross expenses incurred (claims & admin)	$0
18B0E Total net gain/(loss) from operations	$0
Member Months	-

24. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2009 were $43.4 million. As of September 30, 2010, $38.6 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $2.0 million as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a $2.8 million favorable prior year development since December 31, 2009 to September 30, 2010. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are decreased, as additional information becomes known regarding individual claims. Included in this decrease, Neighborhood experienced $0.0 million favorable prior year claim development on retrospectively rated policies. Neighborhood manages Medicaid business for the State, and is not subject to retroactive rate changes.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

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

2.2 If yes, date of change: 08/19/2010

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 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ ] NA [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. 12/31/2005

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. 12/31/2005

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). 05/22/2007

6.4 By what department or departments?

RI Dept of Business Regulation, Insurance Division.....

6.5 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]

6.6 Have all of the recommendations within the latest financial examination report been complied with?..... Yes [ ] No [X] NA [ ]

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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

9.1 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.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

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

INVESTMENT

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: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

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

14.2 If yes, please complete the following:

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

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]
If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. 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 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [ ] No [X]

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

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank	411 West Lafayette, Detroit, MI 48226
RBS Citizens, N.A.	Once 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 Name(s)	2 Location(s)	3 Complete Explanation(s)
RBS Citizens, N.A.	Once Citizens Plaza, Providence, RI 02903	Neighborhood will amend the custodial agreement with RBS Citizens, N.A. to comply Section 1 - Part III .F (Custodial or Safekeeping Agreements) of the NAIC Financial Condition Examiners Handbook

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
105997	Dwight Asset Management Company, LLC	100 Bank Street, Burlington, VT 05401
	RBS Citizens, N.A.	One Citizens Plaza, Providence, RI 02903

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:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1.

	1 Amount
1. Operating Percentages:	
1.1 A&H loss percent	91.9%
1.2 A&H cost containment percent	1.7%
1.3 A&H expense percent excluding cost containment expenses	8.5%
2.1 Do you act as a custodian for health savings accounts?	Yes [ ] No [X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	$
2.3 Do you act as an administrator for health savings accounts?	Yes [ ] No [X]
2.4 If yes, please provide the balance of funds administered as of the reporting date.	$

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			ACCIDENT AND HEALTH AFFILIATES			
			ACCIDENT AND HEALTH NON-AFFILIATES			
22667	95-2371728	04/01/2009	Ace American Insurance Company	436 Walnut St., Philadelphia, PA 19106	SSL/I/L	Yes
22667	95-2371728	04/01/2010	Ace American Insurance Company	436 Walnut St., Philadelphia, PA 19106	SSL/I/L	Yes
			LIFE AND ANNUITY AFFILIATES			
			LIFE AND ANNUITY NON-AFFILIATES			
			PROPERTY/CASUALTY AFFILIATES			
			PROPERTY/CASUALTY NON-AFFILIATES			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. Dist. Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	L			283,192,954				283,192,954	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CN	N							0	
58. Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	283,192,954	0	0	0	283,192,954	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	0	0	283,192,954	0	0	0	283,192,954	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
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

(L) Licensed or Chartered – Licensed Insurance Carrier or Domiciled RRG; (R) Registered – Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible – Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above – Not allowed to write business in the state.

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

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

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1.

Bar Code:

1. 9 5 4 0 2 2 0 1 0 3 6 5 0 0 0 0 3

OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 24.
*ASSETS

	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Prior Year Net Admitted Assets
2404. Security Deposit	79,362	79,362	0	0
2497. Summary of remaining write-ins for Line 24 from Page 02	79,362	79,362	0	0

SCHEDULE A - VERIFICATION

Real Estate

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

NONE

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	34,088,553	37,357,672
2. Cost of bonds and stocks acquired	9,495,733	35,062,893
3. Accrual of discount	20,258	23,223
4. Unrealized valuation increase (decrease)	8,921	1,690
5. Total gain (loss) on disposals	100,713	112,232
6. Deduct consideration for bonds and stocks disposed of	9,496,209	38,210,078
7. Deduct amortization of premium	191,349	259,080
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	34,026,620	34,088,553
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	34,026,620	34,088,553

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	82,803,425	49,400,327	64,112,212	(39,030)	91,102,190	82,803,425	68,052,510	101,350,807
2. Class 2 (a)	0	0	0	0	0	0	0	0
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	0	0	0	0	0	0	0	0
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	82,803,425	49,400,327	64,112,212	(39,030)	91,102,190	82,803,425	68,052,510	101,350,807
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	82,803,425	49,400,327	64,112,212	(39,030)	91,102,190	82,803,425	68,052,510	101,350,807

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 $ 31,785,667 ; NAIC 2 $ 0 ; NAIC 3 $ 0 ; NAIC 4 $ 0 ; NAIC 5 $ 0 ; NAIC 6 $ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	29,022,836	XXX	29,014,424	3,064	1,717

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	57,769,032	58,030,055
2. Cost of short-term investments acquired	238,526,934	235,535,640
3. Accrual of discount	36,568	45,856
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	3	3,947
6. Deduct consideration received on disposals	267,297,724	235,797,662
7. Deduct amortization of premium	11,977	48,805
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	29,022,836	57,769,032
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	29,022,836	57,769,032

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B- Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E-VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	11,397,753	7,260,290
2. Cost of cash equivalents acquired	197,946,143	356,417,799
3. Accrual of discount	4,082	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	(9)	0
6. Deduct consideration received on disposals	204,339,673	352,280,336
7. Deduct amortization of premium	253	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	5,008,043	11,397,753
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	5,008,043	11,397,753

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator [a]
912828-NU-0	US Treasury Notes 0.750% 08/15/13		08/27/2010	Toronto Dominion Securities		748,477	750,000	229	1
0399999 - Total - Bonds - U.S. Government						748,477	750,000	229	XXX
1099999 - Total - Bonds - All Other Government						0	0	0	XXX
1799999 - Total - Bonds - U.S. States, Territories and Possessions						0	0	0	XXX
2499999 - Total - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						0	0	0	XXX
650035-TC-2	New York St Urban Dev Corp Rev Taxable -		07/26/2010	Jefferies & Co Inc.		255,320	250,000	758	1FE
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						255,320	250,000	758	XXX
031162-BD-1	Amgen Inc 3.450% 10/01/20		09/13/2010	Morgan Stanley Dean Witter		249,073	250,000	0	1FE
097023-AZ-8	Boeing Co 4.875% 02/15/20		09/20/2010	Royal Bank of Canada		281,318	250,000	1,287	1FE
548661-CQ-8	Lowes Companies Inc 4.625% 04/15/20		09/20/2010	Jefferies & Co Inc.		276,623	250,000	5,075	1FE
3899999 - Total - Bonds - Industrial, Misc.						807,014	750,000	6,362	XXX
4199999 - Total - Bonds - Credit Tenant Loans						0	0	0	XXX
4899999 - Total - Bonds - Hybrid Securities						0	0	0	XXX
5599999 - Total - Bonds - Parent, Subsidiaries, Affiliates						0	0	0	XXX
8399997 - Total - Bonds - Part 3						1,810,811	1,750,000	7,349	XXX
8399999 - Total - Bonds						1,810,811	1,750,000	7,349	XXX
8499999 - Total - Preferred Stocks - Industrial, Misc.						0	XXX	0	XXX
8599999 - Total - Preferred Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
8999997 - Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	XXX
9099999 - Total - Common Stocks - Industrial, Misc.						0	XXX	0	XXX
9199999 - Total - Common Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
9299999 - Total - Common Stocks - Mutual Funds						0	XXX	0	XXX
9399999 - Total - Common Stocks - Money Market Mutual Funds						0	XXX	0	XXX
9799997 - Total - Common Stocks - Part 3						0	XXX	0	XXX
9799999 - Total - Common Stocks						0	XXX	0	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 - Totals						1,810,811	XXX	7,349	XXX

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

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 Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ 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)
3128X4-FK-2	Freddie Mac Agency Debentures 4.750% 0		08/09/2010	Maturity		700,000	700,000	737,877	709,717	0	(9,717)	0	(9,717)	0	700,000	0	0	0	33,250	08/09/2010	1
3133XC-XV-0	FHLB 4.785% 08/26/10		08/26/2010	Maturity		250,000	250,000	247,617	249,646	0	354	0	354	0	250,000	0	0	0	11,963	08/26/2010	1
912828-LR-9	US Treasury Notes 1.375% 10/15/12		09/17/2010	Deutsche Bank		101,801	100,000	99,758	99,770	0	58	0	58	0	99,829	0	1,972	1,972	1,281	10/15/2012	1
0399999 - Bonds - U.S. Governments						1,051,801	1,050,000	1,085,252	1,059,133	0	(9,305)	0	(9,305)	0	1,049,829	0	1,972	1,972	46,494	XXX	XXX
1099999 - Bonds - All Other Governments						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
1799999 - Bonds - U.S. States, Territories and Possessions						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
31371N-V8-5	FNMA Pool No. 257239 5.500% 06/01/28		09/01/2010	Paydown		33,639	33,639	35,584	0	0	(1,945)	0	(1,945)	0	33,639	0	0	0	777	06/01/2028	1
31392J-2Z-1	FNMA Series 2003-21 Class NB 5.500% 09		09/01/2010	Paydown		22,664	22,664	23,557	23,403	0	(738)	0	(738)	0	22,664	0	0	0	835	01/25/2012	1
31396E-VY-9	FHLMC Series 3061 Class HA 5.500% 04/1		09/01/2010	Paydown		63,967	63,967	66,236	66,036	0	(2,069)	0	(2,069)	0	63,967	0	0	0	2,391	10/15/2011	1
31396J-SK-2	FHLMC Remic Series R006 Class AK 5.750		09/01/2010	Paydown		19,534	19,534	20,511	20,391	0	(857)	0	(857)	0	19,534	0	0	0	754	05/15/2012	1
31396N-PP-5	FHLMC Series R007 Class AL 5.000% 05/1		09/01/2010	Paydown		64,357	64,357	66,047	65,698	0	(1,340)	0	(1,340)	0	64,357	0	0	0	2,141	04/15/2011	1
31397A-GU-1	FGLMC Series 3200 Class DA 5.500% 02/1		09/01/2010	Paydown		41,986	41,986	43,947	43,777	0	(1,791)	0	(1,791)	0	41,986	0	0	0	1,546	04/15/2013	1
31398A-S5-2	FNMA 1.500% 06/01/12		09/01/2010	Call 100.0000		250,000	250,000	250,000	0	0	0	0	0	0	250,000	0	0	0	906	06/01/2012	1
31407J-DQ-2	FNMA Pool 831811 6.000% 09/01/36		09/01/2010	Paydown		29,387	29,387	31,141	31,094	0	(1,706)	0	(1,706)	0	29,387	0	0	0	1,198	09/01/2036	1
31412M-RS-9	FNCI Pool # 929397 4.500% 05/01/23		09/01/2010	Paydown		38,938	38,938	40,240	40,247	0	(1,309)	0	(1,309)	0	38,938	0	0	0	1,195	05/01/2023	1
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						564,472	564,472	577,263	290,646	0	(11,755)	0	(11,755)	0	564,472	0	0	0	11,743	XXX	XXX
059512-AA-1	BANC OF AMERICA COMMERCIAL MOR Series 20		09/01/2010	Paydown		28,786	28,786	29,807	0	0	(1,021)	0	(1,021)	0	28,786	0	0	0	712	03/10/2012	1FE
07388Y-AA-0	Bear Stearns Commercial Mort Series 2007		09/01/2010	Paydown		11,531	11,531	11,981	0	0	(450)	0	(450)	0	11,531	0	0	0	270	02/11/2012	1FE
173067-GM-5	Citigroup Commercial Mortgage Series 200		09/01/2010	Paydown		10,080	10,080	10,106	0	0	(25)	0	(25)	0	10,080	0	0	0	231	01/15/2014	1FE
61745M-YY-3	Morgan Stanley Capital I Series 2004-IQ7		09/01/2010	Paydown		18,560	18,560	18,800	0	0	(241)	0	(241)	0	18,560	0	0	0	387	02/15/2011	1FE
3899999 - Bonds - Industrial and Miscellaneous						68,957	68,957	70,694	0	0	(1,737)	0	(1,737)	0	68,957	0	0	0	1,600	XXX	XXX
4199999 - Bonds - Credit Tenant Loans						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
4899999 - Total - Bonds - Hybrid Securities						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
5599999 - Bonds - Parent, Subsidiaries and Affiliates						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8399997 - Bonds - Part 4						1,685,230	1,683,429	1,733,209	1,349,779	0	(22,797)	0	(22,797)	0	1,683,258	0	1,972	1,972	59,837	XXX	XXX
8399999 - Total - Bonds						1,685,230	1,683,429	1,733,209	1,349,779	0	(22,797)	0	(22,797)	0	1,683,258	0	1,972	1,972	59,837	XXX	XXX
8499999 - Preferred Stocks - Industrial and Miscellaneous						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8599999 - Preferred Stocks - Parent, Subsidiaries and Affiliates						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999997 - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9099999 - Common Stocks - Industrial and Miscellaneous						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9199999 - Common Stocks - Parent, Subsidiaries and Affiliates						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9299999 - Common Stocks - Mutual Funds						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9399999 - Common Stocks - Money Market Mutual Funds						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997 - Common Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 Totals						1,685,230	XXX	1,733,209	1,349,779	0	(22,797)	0	(22,797)	0	1,683,258	0	1,972	1,972	59,837	XXX	XXX

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

Schedule DB - Part A - Section 1

NONE

Sch. DB - Pt. A - Sn. 1 - Footnote (a)

NONE

Schedule DB - Part B - Section 1

NONE

Sch. DB - Pt. B - Sn. 1 - Footnotes

NONE

Schedule DB - Part D

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Comerica Bank Detroit, MI						(4,744)		XXX
Bank of America-Cash Operating Providence, RI					26,396,580	29,372,375	9,210,206	XXX
Bank of America-Pharmacy Claims Providence, RI					12	12	12	XXX
Bank of America-Accounts Payable Providence, RI					(537,078)	(188,557)	(277,386)	XXX
Bank of America-Claims Providence, RI					(2,181,976)	(1,378,025)	(4,289,582)	XXX
Fidelity-401k Recapture					0	6,583	7,839	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX	0	0	0	0	0	XXX
0199999 Totals - Open Depositories	XXX	XXX	0	0	23,677,538	27,807,644	4,651,089	XXX
0399999 Total Cash on Deposit	XXX	XXX	0	0	23,677,538	27,807,644	4,651,089	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	2,000	2,000	2,000	XXX
0599999 Total	XXX	XXX	0	0	23,679,538	27,809,644	4,653,089	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
FHLB Disc Corp.		09/21/2010	0.000	12/15/2010	504,805		26
FHLB Disc Corp.		09/29/2010	0.000	12/27/2010	444,807		4
FHLB		09/08/2010	1.250	10/14/2010	25,009	145	(16)
Federal Home Loan Bank		09/08/2010	0.375	11/03/2010	1,000,163	1,542	(117)
FNMA		07/14/2010	0.000	10/13/2010	63,996		27
FNMA Agency Debentures		08/23/2010	0.000	10/25/2010	299,946		88
FNMA Agency Debentures		09/08/2010	0.000	12/01/2010	84,974		10
0199999 - U.S. Governments - Issuer Obligations					2,423,700	1,687	22
0299999 - U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
0399999 - Total - U.S. Government Bonds					2,423,700	1,687	22
0499999 - All Other Governments - Issuer Obligations					0	0	0
0599999 - All Other Governments - Single Class Mortgage-Backed/ Asset-Backed Securities					0	0	0
0699999 - All Other Governments - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
0799999 - All Other Governments - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
0899999 - All Other Governments - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
0999999 - All Other Governments - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
1099999 - Total - All Other Government Bonds					0	0	0
1199999 - U.S. States, Territories and Possessions - Issuer Obligations					0	0	0
1299999 - U.S. States, Territories and Possessions - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
1399999 - U.S. States, Territories and Possessions - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
1499999 - U.S. States, Territories and Possessions - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
1599999 - U.S. States, Territories and Possessions - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
1699999 - U.S. States, Territories and Possessions - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
1799999 - Total - States, Territories and Possessions Bonds					0	0	0
1899999 - U.S. Political Subdivisions - Issuer Obligations					0	0	0
1999999 - U.S. Political Subdivisions - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
2099999 - U.S. Political Subdivisions - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
2199999 - U.S. Political Subdivisions - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
2299999 - U.S. Political Subdivisions - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
2399999 - U.S. Political Subdivisions - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
2499999 - Total - U.S. Political Subdivisions Bonds					0	0	0
2599999 - U.S. Special Revenue - Issuer Obligations					0	0	0
2699999 - U.S. Special Revenue - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
2799999 - U.S. Special Revenue - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
2899999 - U.S. Special Revenue - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
2999999 - U.S. Special Revenue - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
3099999 - U.S. Special Revenue - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
3199999 - Total - Special Revenue Bonds					0	0	0
Bank of America BA		09/08/2010	0.000	10/18/2010	649,929		96
Bank of America BA		08/19/2010	0.000	11/16/2010	249,904		90
Citigroup Funding Inc.		08/04/2010	0.000	11/02/2010	899,712		522
JP Morgan Chase B BA		07/14/2010	0.000	10/13/2010	109,985		97
JP Morgan Chase B BA		07/14/2010	0.000	10/14/2010	319,954		281
JP Morgan Chase B BA		09/20/2010	0.000	11/30/2010	349,866		25
3299999 - Industrial and Miscellaneous - Issuer Obligations					2,579,350	0	1,111
3399999 - Industrial and Miscellaneous - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
3499999 - Industrial and Miscellaneous - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
3599999 - Industrial and Miscellaneous - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
3699999 - Industrial and Miscellaneous - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
3799999 - Industrial and Miscellaneous - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
3899999 - Total - Industrial and Miscellaneous Bonds					2,579,350	0	1,111
3999999 - Credit Tenant Loans - Issuer Obligations					0	0	0
4099999 - Credit Tenant Loans - Single Class Mortgage-Backed Securities					0	0	0
4199999 - Total - Credit Tenant Loans					0	0	0
4299999 - Hybrid Securities - Issuer Obligations					0	0	0
4399999 - Hybrid Securities - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
4499999 - Hybrid Securities - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
4599999 - Hybrid Securities - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
4699999 - Hybrid Securities - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
4799999 - Hybrid Securities - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
4899999 - Total - Hybrid Securities					0	0	0
4999999 - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations					0	0	0
5099999 - Parent, Subsidiaries and Affiliates Bonds - Single Class Mortgage-Backed/Asset-Backed Securities					0	0	0
5199999 - Parent, Subsidiaries and Affiliates Bonds - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
5299999 - Parent, Subsidiaries and Affiliates Bonds - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
5399999 - Parent, Subsidiaries and Affiliates Bonds - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
5499999 - Parent, Subsidiaries and Affiliates Bonds - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					0	0	0
5599999 - Total - Parent, Subsidiaries and Affiliates Bonds					0	0	0
7799999 - Total - Issuer Obligations					5,003,050	1,687	1,133
7899999 - Total - Single Class Mortgaged-Backed/Asset-Backed Securities					0	0	0
7999999 - Total - Defined Multi-Class Residential Mortgage-Backed Securities					0	0	0
8099999 - Total - Other Multi-Class Residential Mortgage-Backed Securities					0	0	0
8199999 - Total - Defined Multi-Class Commercial Mortgage-Backed Securities					0	0	0
8299999 - Other Multi-Class Commercial Mortgage Backed/Asset-Backed Securities					0	0	0
8399999 - Total - Bonds					5,003,050	1,687	1,133
8499999 - Sweep Accounts					0	0	0
Amex Gift Checks					4,993		
8599999 - Other Cash Equivalents					4,993	0	0
8699999 Totals					5,008,043	1,687	1,133