



**HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2011
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 [] 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 Street , Providence, RI 02908
(Street and Number) (City or Town, State and Zip Code)

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

Mail Address 299 Promenade Street , 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 Street
(Street and Number) 401-459-6124
(Area Code) (Telephone Number)
Providence, RI 02908
(City or Town, State and Zip Code)

Internet Website Address http://www.nhpri.org/

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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>Merrill Thomas #</u>	<u>Chairman</u>	<u>Jane Hayward</u>	<u>Vice Chairman</u>
<u>Brenda Dowlatshahi</u>	<u>Secretary</u>	<u>Peter Walsh #</u>	<u>Treasurer</u>

DIRECTORS OR TRUSTEES

<u>Merrill Thomas</u>	<u>James Hooley</u>	<u>Brenda Dowlatshahi</u>	<u>Raymond Joseph Lavoie Jr.</u>
<u>Darrell A. Lee</u>	<u>Mark Reynolds</u>	<u>Pablo Rodriguez MD</u>	<u>Jane Hayward</u>
<u>Peter Bancroft CPA</u>	<u>Doris De Los Santos</u>	<u>Stephanie McCaffrey</u>	<u>Jerald Fingerut MD</u>
<u>Peter Wash</u>	<u>Christopher Little Esp. #</u>	<u>Charles Jones #</u>	

State of Rhode Island

ss

County of _____

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 _____

Michelle Tetreault

ANNUAL STATEMENT FOR THE YEAR 2011 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).....	44,056,485		44,056,485	39,392,532
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
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 (\$16,430,375 , Schedule E - Part 1), cash equivalents (\$2,589,853 , Schedule E - Part 2) and short-term investments (\$83,920,283 , Schedule DA).....	102,940,511		102,940,511	69,002,191
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	146,996,996	0	146,996,996	108,394,723
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	296,222		296,222	289,938
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	5,508,438		5,508,438	1,366,222
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	470,436		470,436	457,553
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....	332,482	62,736	269,746	131,084
21. Furniture and equipment, including health care delivery assets (\$0)	178,443	178,443	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$1,452,743) and other amounts receivable.....	1,632,743	180,000	1,452,743	2,715,196
25. Aggregate write-ins for other than invested assets	780,689	746,971	33,718	138,420
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	156,196,449	1,168,150	155,028,299	113,493,136
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	156,196,449	1,168,150	155,028,299	113,493,136
DETAILS OF WRITE-INS				
1101.			0	0
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Other Receivable.....	428,718	395,000	33,718	88,420
2502. Prepaid Expense.....	27,988	27,988	0	0
2503. Leasehold Improvement.....	244,621	244,621	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	79,362	79,362	0	50,000
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	780,689	746,971	33,718	138,420

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Neighborhood Health Plan of Rhode Island

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	36,332,727		36,332,727	29,148,749
2. Accrued medical incentive pool and bonus amounts	5,052,901		5,052,901	3,627,806
3. Unpaid claims adjustment expenses	890,392		890,392	708,473
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	28,263,102		28,263,102	8,279,523
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	33,480,209		33,480,209	32,285,054
9. General expenses due or accrued	3,952,733		3,952,733	4,075,275
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	1,646,247		1,646,247	1,083,617
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	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
20. Reinsurance in unauthorized companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	2,042,698	0	2,042,698	1,540,993
24. Total liabilities (Lines 1 to 23)	111,661,009	0	111,661,009	80,749,490
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX		0
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX		0
29. Surplus notes	XXX	XXX	1,000,000	1,500,000
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	42,367,290	31,243,646
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	43,367,290	32,743,646
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	155,028,299	113,493,136
DETAILS OF WRITE-INS				
2301. Unclaimed Property Payable	42,698		42,698	40,993
2302. Community Health Centers Grant Payable	2,000,000		2,000,000	1,500,000
2303.				
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)	2,042,698	0	2,042,698	1,540,993
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Neighborhood Health Plan of Rhode Island

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	1,084,716	987,054
2. Net premium income (including \$0 non-health premium income).....	XXX	429,783,673	384,640,068
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	1,671,934	1,470,995
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	431,455,607	386,111,063
Hospital and Medical:			
9. Hospital/medical benefits		135,431,250	134,452,654
10. Other professional services		76,726,796	68,287,793
11. Outside referrals		52,546,651	53,069,209
12. Emergency room and out-of-area		26,759,803	28,112,964
13. Prescription drugs		58,226,342	54,317,506
14. Aggregate write-ins for other hospital and medical.....	0	21,383,290	3,268,670
15. Incentive pool, withhold adjustments and bonus amounts.....		7,558,748	5,311,609
16. Subtotal (Lines 9 to 15)	0	378,632,880	346,820,405
Less:			
17. Net reinsurance recoveries		804,409	2,422,696
18. Total hospital and medical (Lines 16 minus 17)	0	377,828,471	344,397,709
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$6,705,108 cost containment expenses.....		9,931,251	9,097,978
21. General administrative expenses.....		31,261,836	29,817,177
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	419,021,558	371,912,864
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	12,434,049	14,198,199
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		843,470	649,315
26. Net realized capital gains (losses) less capital gains tax of \$		181,823	101,053
27. Net investment gains (losses) (Lines 25 plus 26)	0	1,025,293	750,368
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$310,544)].....		(310,546)	(139,314)
29. Aggregate write-ins for other income or expenses	0	(1,995,140)	(1,433,350)
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	11,153,656	13,375,903
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	11,153,656	13,375,903
DETAILS OF WRITE-INS			
0601. Department of Human Services Incentive Income.....	XXX	1,416,634	1,140,545
0602. Other Program Revenue.....	XXX	255,300	330,450
0603. Grant Revenue.....	XXX		0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	1,671,934	1,470,995
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. Stop Loss Recoveries from DHS.....		(1,078,497)	(2,534,468)
1402. Gain Shares due to DHS.....		22,461,787	5,803,138
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	21,383,290	3,268,670
2901. Miscellaneous Income.....		4,860	14,988
2902. Grant Revenue.....			51,662
2903. Community Health Centers Grant Expense.....		(2,000,000)	(1,500,000)
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	(1,995,140)	(1,433,350)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting year	32,743,650	18,813,867
34. Net income or (loss) from Line 32	11,153,656	13,375,903
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 \$	9,136	12,854
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	(39,148)	541,026
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	(500,000)	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	(4)	0
48. Net change in capital and surplus (Lines 34 to 47)	10,623,640	13,929,783
49. Capital and surplus end of reporting year (Line 33 plus 48)	43,367,290	32,743,650
DETAILS OF WRITE-INS		
4701. ROUNDING	(4)	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)	(4)	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	446,820,196	386,886,179
2. Net investment income.....	1,049,005	837,581
3. Miscellaneous income.....	1,671,934	1,470,995
4. Total (Lines 1 through 3).....	449,541,135	389,194,755
5. Benefit and loss related payments.....	367,841,044	338,114,519
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	43,439,396	40,959,979
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).....	411,280,440	379,074,498
11. Net cash from operations (Line 4 minus Line 10).....	38,260,695	10,120,257
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	15,842,093	8,187,599
12.2 Stocks.....	0	2,005,679
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.....	111	343
12.7 Miscellaneous proceeds.....	0	79,362
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	15,842,204	10,272,983
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	20,527,017	15,508,683
13.2 Stocks.....	0	101,150
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	1,611,433
13.7 Total investments acquired (Lines 13.1 to 13.6).....	20,527,017	17,221,266
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).....	(4,684,813)	(6,948,283)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	(500,000)	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).....	862,439	1,901,847
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	362,439	1,901,847
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).....	33,938,321	5,073,821
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	69,002,189	63,928,368
19.2 End of year (Line 18 plus Line 19.1).....	102,940,510	69,002,189

ANNUAL STATEMENT FOR THE YEAR 2011 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	429,783,673	0	0	0	0	0	0	429,783,673	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									XXX
5. Aggregate write-ins for other health care related revenues	1,671,934	0	0	0	0	0	0	1,671,934	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)	431,455,607	0	0	0	0	0	0	431,455,607	0	0
8. Hospital/medical benefits	135,431,250							135,431,250		XXX
9. Other professional services	76,726,796							76,726,796		XXX
10. Outside referrals	52,546,651							52,546,651		XXX
11. Emergency room and out-of-area	26,759,803							26,759,803		XXX
12. Prescription drugs	58,226,342							58,226,342		XXX
13. Aggregate write-ins for other hospital and medical	21,383,290	0	0	0	0	0	0	21,383,290	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	7,558,748							7,558,748		XXX
15. Subtotal (Lines 8 to 14)	378,632,880	0	0	0	0	0	0	378,632,880	0	XXX
16. Net reinsurance recoveries	804,409							804,409		XXX
17. Total hospital and medical (Lines 15 minus 16)	377,828,471	0	0	0	0	0	0	377,828,471	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 6,705,108 cost containment expenses	9,931,251							9,931,251		
20. General administrative expenses	31,261,836							31,261,836		
21. Increase in reserves for accident and health contracts	0							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)	419,021,558	0	0	0	0	0	0	419,021,558	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	12,434,049	0	0	0	0	0	0	12,434,049	0	0
DETAILS OF WRITE-INS										
0501. Department of Human Services Incentive Income	1,416,634							1,416,634		XXX
0502. Other Program Revenue	255,300							255,300		XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	1,671,934	0	0	0	0	0	0	1,671,934	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. Stop Loss Recoveries from DHS	(1,078,497)							(1,078,497)		XXX
1302. Gain Shares due to DHS	22,461,787							22,461,787		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)	21,383,290	0	0	0	0	0	0	21,383,290	0	XXX

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STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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.....	433,708,614		3,924,941	429,783,673
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	433,708,614	.0	3,924,941	429,783,673
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	433,708,614	0	3,924,941	429,783,673

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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	364,401,501							364,401,501		
1.2 Reinsurance assumed .....	.0									
1.3 Reinsurance ceded	1,315,756							1,315,756		
1.4 Net	363,085,745	0	0	0	0	0	0	363,085,745	0	0
2. Paid medical incentive pools and bonuses	6,133,653							6,133,653		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	36,332,727	0	0	0	0	0	0	36,332,727	0	0
3.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	.0	0	0	0	0	0	0	0	0	0
3.4 Net	36,332,727	0	0	0	0	0	0	36,332,727	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....	.0							0		
4.2 Reinsurance assumed .....	.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	5,052,901							5,052,901		
6. Net healthcare receivables (a) .....	.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	29,660,096	0	0	0	0	0	0	29,660,096	0	0
8.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	511,347	0	0	0	0	0	0	511,347	0	0
8.4 Net	29,148,749	0	0	0	0	0	0	29,148,749	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	3,627,806	0	0	0	0	0	0	3,627,806	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	371,074,132	0	0	0	0	0	0	371,074,132	0	0
12.2 Reinsurance assumed .....	.0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	804,409	0	0	0	0	0	0	804,409	0	0
12.4 Net	370,269,723	0	0	0	0	0	0	370,269,723	0	0
13. Incurred medical incentive pools and bonuses	7,558,748	0	0	0	0	0	0	7,558,748	0	0

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

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STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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	5,014,644							5,014,644		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	5,014,644	0	0	0	0	0	0	5,014,644	0	0
2. Incurred but Unreported:										
2.1 Direct	31,318,083							31,318,083		
2.2 Reinsurance assumed	0							0		
2.3 Reinsurance ceded	0							0		
2.4 Net	31,318,083	0	0	0	0	0	0	31,318,083	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	36,332,727	0	0	0	0	0	0	36,332,727	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	36,332,727	0	0	0	0	0	0	36,332,727	0	0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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 .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid.....	27,680,146	335,405,599	13,770	36,318,957	27,693,916	29,148,748
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	27,680,146	335,405,599	13,770	36,318,957	27,693,916	29,148,748
10. Healthcare receivables (a).....					.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts	2,348,769	3,784,884	1,281,449	3,771,452	3,630,218	3,627,806
13. Totals (Lines 9 - 10 + 11 + 12)	30,028,915	339,190,483	1,295,219	40,090,409	31,324,134	32,776,554

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	18,310	18,298	18,259	17,682	17,682
2. 2007	141,682	163,562	164,124	164,165	164,722
3. 2008	XXX	193,904	237,502	237,582	237,567
4. 2009	XXX	XXX	272,784	311,234	311,483
5. 2010	XXX	XXX	XXX	316,122	345,360
6. 2011	XXX	XXX	XXX	XXX	339,190

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 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	18,896	18,299	18,259	17,682	17,682
2. 2007	167,600	165,359	165,027	164,968	164,852
3. 2008	XXX	238,002	238,490	237,582	237,567
4. 2009	XXX	XXX	313,388	312,341	312,635
5. 2010	XXX	XXX	XXX	346,190	345,373
6. 2011	XXX	XXX	XXX	XXX	379,281

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. 2007	187,641	164,722	7,549	4.6	172,271	91.8	129	.0	172,400	91.9
2. 2008	253,839	237,567	8,386	3.5	245,952	96.9	.0	.0	245,952	96.9
3. 2009	337,045	311,483	8,756	2.8	320,239	95.0	1,152	.0	321,391	95.4
4. 2010	384,640	345,360	9,114	2.6	354,474	92.2	14	.0	354,488	92.2
5. 2011	429,784	339,190	8,635	2.5	347,826	80.9	40,090	890	388,806	90.5

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 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 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	18,310	18,298	18,259	17,682	17,682
2. 2007	141,682	163,562	164,124	164,165	164,722
3. 2008	XXX	193,904	237,502	237,582	237,567
4. 2009	XXX	XXX	272,784	311,234	311,483
5. 2010	XXX	XXX	XXX	316,122	345,360
6. 2011	XXX	XXX	XXX	XXX	339,190

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 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	18,896	18,299	18,259	17,682	17,682
2. 2007	167,600	165,359	165,027	164,968	164,852
3. 2008	XXX	238,002	238,490	237,582	237,567
4. 2009	XXX	XXX	313,388	312,341	312,635
5. 2010	XXX	XXX	XXX	346,190	345,373
6. 2011	XXX	XXX	XXX	XXX	379,281

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. 2007	187,641	164,722	7,549	4.6	172,271	91.8	129	0	172,400	91.9
2. 2008	253,839	237,567	8,386	3.5	245,952	96.9	0	0	245,952	96.9
3. 2009	337,045	311,483	8,756	2.8	320,239	95.0	1,152	0	321,391	95.4
4. 2010	384,640	345,360	9,114	2.6	354,474	92.2	14	0	354,488	92.2
5. 2011	429,784	339,190	8,635	2.5	347,826	80.9	40,090	890	388,806	90.5

ANNUAL STATEMENT FOR THE YEAR 2011 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								
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income)	28,263,102							28,263,102	
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	28,263,102	.0	.0	.0	.0	.0	.0	28,263,102	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	28,263,102	.0	.0	.0	.0	.0	.0	28,263,102	.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 2011 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).....	283,525	148,466	968,630		1,400,621
2. Salaries, wages and other benefits.....	4,173,784	1,873,024	13,584,871		19,631,679
3. Commissions (less \$ ceded plus \$ assumed.....)					0
4. Legal fees and expenses.....	20,190	10,573	68,978		99,741
5. Certifications and accreditation fees.....			1,950		1,950
6. Auditing, actuarial and other consulting services.....	336,275	176,089	1,148,845		1,661,209
7. Traveling expenses.....	1,926	1,009	6,582		9,517
8. Marketing and advertising.....	161,518	84,578	551,807		797,903
9. Postage, express and telephone.....	50,199	26,286	171,499		247,984
10. Printing and office supplies.....	130,418	68,293	445,560		644,271
11. Occupancy, depreciation and amortization.....	48,723	25,513	166,455		240,691
12. Equipment.....	111,893	58,592	382,268		552,753
13. Cost or depreciation of EDP equipment and software.....	362,905	190,033	1,239,823		1,792,761
14. Outsourced services including EDP, claims, and other services.....	691,334	362,013	2,361,861		3,415,208
15. Boards, bureaus and association fees.....	15,660	8,200	51,551		75,411
16. Insurance, except on real estate.....	37,017	19,384	126,463		182,864
17. Collection and bank service charges.....	13,203	6,914	45,106	57,500	122,723
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					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.....			8,674,172		8,674,172
23.3 Regulatory authority licenses and fees.....	6,960	3,645	23,778		34,383
23.4 Payroll taxes.....	259,578	116,488	844,875		1,220,941
23.5 Other (excluding federal income and real estate taxes).....					0
24. Investment expenses not included elsewhere.....				259,401	259,401
25. Aggregate write-ins for expenses.....	0	47,043	396,762	0	443,805
26. Total expenses incurred (Lines 1 to 25).....	6,705,108	3,226,143	31,261,836	316,901	(a) 41,509,988
27. Less expenses unpaid December 31, current year.....		890,392	3,952,733		4,843,125
28. Add expenses unpaid December 31, prior year.....	0	708,473	4,075,275	0	4,783,748
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)	6,705,108	3,044,224	31,384,378	316,901	41,450,611
DETAIL OF WRITE-INS					
2501. Conferences, Training, and Tuition.....	0	18,323	154,534		172,857
2502. Recruitment Fees.....		19,080	160,922		180,002
2503. Meeting.....		9,640	81,306		90,946
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above)	0	47,043	396,762	0	443,805

(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) 590,235	630,030
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 523,656	477,421
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) 40,199	52,920
7. Derivative instruments	(f)	
8. Other invested assets		0
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	1,154,090	1,160,371
11. Investment expenses		(g) 316,901
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)		316,901
17. Net investment income (Line 10 minus Line 16)		843,470
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 \$ 36,289 accrual of discount less \$ 248,108 amortization of premium and less \$ 48,335 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 \$ 35,192 accrual of discount less \$ 49,334 amortization of premium and less \$ 14,988 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	121,225		121,225	9,136	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	60,487		60,487		
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		
5. Contract loans					
6. Cash, cash equivalents and short-term investments	112		112	0	0
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)	181,824	0	181,824	9,136	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. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	62,736	166,170	103,434
21. Furniture and equipment, including health care delivery assets.....	178,443	242,493	64,050
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	180,000	308,784	128,784
25. Aggregate write-ins for other than invested assets	746,971	411,555	(335,416)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,168,150	1,129,002	(39,148)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	1,168,150	1,129,002	(39,148)
DETAILS OF WRITE-INS			
1101. Security Deposits.....	0	0	0
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. Other Receivables.....	395,000	16,822	(378,178)
2502. Prepaid Expenses.....	27,988	6,160	(21,828)
2503. Leasehold Improvements.....	244,621	309,211	64,590
2598. Summary of remaining write-ins for Line 25 from overflow page	79,362	79,362	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	746,971	411,555	(335,416)

ANNUAL STATEMENT FOR THE YEAR 2011 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.....	90,373	90,261	90,071	89,940	91,215	1,084,716
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	90,373	90,261	90,071	89,940	91,215	1,084,716
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 Rhode Island Department of Business Regulation (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, 2011 and 2010, 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 or gain share calculations.

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 each of the years ended December 31, 2011 and 2010, Neighborhood earned approximately 100% 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, rather are principally set by the State. A new agreement with DHS was signed in 2010, which covers both RItE Care and RHP programs. The agreement may be terminated by either party within ninety days. The new agreement will expire on June 30, 2014, with three one-year option periods. The agreements, with expiration dates on March 31, 2010 for RHP and June 30, 2010 for RItE Care, were amended so there were no gaps between the existing and new agreement. Premiums are due monthly and are recognized as revenues 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 also 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.

Premium Deficiency Reserve:

When the expected claims payments and administration costs exceed the premiums to be collected for the remainder of a contract period, a premium deficiency reserve is recognized by recording an additional liability for the deficiency, with a corresponding charge to operations. No premium deficiency reserves were needed for the years ended December 31, 2011 and 2010.

Pharmaceutical rebates:

Pharmaceutical rebates are recorded as a reduction of medical and hospital expenses as

NOTES TO FINANCIAL STATEMENTS

earned, based in part on estimates using historical trends. At the years ended December 31, 2011 and 2010, \$0 and \$121 of pharmaceutical rebates were included in admitted health care receivables. For the years ended December 31, 2011 and 2010, approximately \$621 and \$894 of pharmaceutical rebates were deducted from medical and hospital expenses, respectively.

Cash and cash equivalents and concentration of credit risk:

Neighborhood considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At December 31, 2011 and 2010, cash equivalents totaled \$2,590 and \$2,558, respectively. At December 31, 2011 and 2010, cash equivalents are comprised of: U.S. government and industrial bonds of \$2,590 and \$2,552, respectively; and travelers check in the amount of \$0 and \$6, respectively. Travelers check of \$4 was reported as cash on hand as of December 31, 2011. Neighborhood discontinued the repo agreement in 2010 since the yielding rate was too low.

At December 31, 2011 and 2010, Neighborhood had cash on deposit with financial institutions totaling \$16,430 and \$17,123, 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, 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 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 for the years ended December 31, 2011 and 2010.

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 \$100.

2. Accounting Changes and Correction of Errors

Not Applicable.

3. Business Combinations and Goodwill

NOTES TO FINANCIAL STATEMENTS

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

- A. Mortgage loan, including Mezzanine Real Estate Loans: N/A
- B. Debt Restructuring: N/A
- C. Reverse Mortgages: N/A
- D. Loan-backed Securities: N/A
- E. Repurchase Agreements and/or Securities Lending Transactions: N/A
- F. Real Estate: N/A
- G. For Investments in low-income housing tax credit: N/A

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 or cash equivalent. Amortization of any bond premium or discount is calculated using the constant yield interest method over the life of the bond. For the years ended December 31, 2011 and 2010, net investment income earned was \$1,025 and \$750, respectively. Accrued interest receivable, which is reported as Investment income due and accrued, was \$296 and \$290, respectively, as of December 31, 2011 and 2010.

8. Derivative Instruments

Not Applicable.

9. Income Taxes

Not Applicable.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A 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's 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, 2011 and 2010, medical and hospital expenses included \$19,725 and \$16,750, respectively, for medical services provided, and incentive arrangements earned, by such Members of the Corporation. Community Health Center Grants of \$2,000 and \$1,500 were created for the Members of Corporation to meet different development needs for the years ended December 31, 2011 and 2010, respectively.

11. Debt

Not Applicable

NOTES TO FINANCIAL STATEMENTS

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 \$473 and \$476 for the years ended December 31, 2011 and 2010, respectively.

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

Neighborhood does not have any capital stock or preferred stock.

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. No special deposit was required for both 2011 and 2010.

Total Capital and Surplus as of December 31, 2011 was \$42,766, which includes unsigned fund (surplus) of \$41,766 and a surplus note of \$1,000. The surplus note balance decreased by \$500 in 2011 due to a scheduled principal payment.

On January 1, 2001, Neighborhood issued to Rhode Island Community Foundation a surplus note in the principal amount of \$2,000. The surplus note bears interest at 5.75% per annum, payable quarterly, requires principal payments of \$500 every five years commencing January 1, 2007, and matures January 1, 2021. Interest payments may be made upon Neighborhood meeting certain pre-established quarterly financial benchmarks. Otherwise, a written permission of DBR is required. Principal payments require prior written approval of DBR. During 2011, interests of \$58 and principal of \$500 were paid, respectively. Total interests of \$1,078 and principal of \$1,000 have been paid since 2001.

14. Contingencies

Not Applicable

15. Leases

On July 16, 2003, Neighborhood entered into a 10 year operating lease agreement with Foundry Parcel Six Associates, LLC to lease approximately 44,328 sq feet of office space. On August 23, 2005, both parties entered into an agreement to amend that lease to include an additional 6,100 sq feet of office space. Construction, and occupation, of the expanded space was completed in March 2006. The termination date of the amended lease, July 2013, is the same as the original lease.

In September 2007, Neighborhood entered into a second operating lease with Foundry Parcel Six Associates, LLC to lease an additional 10,612 sq feet of office space. Construction, and occupation, was completed in June 2008. The lease term is from July 2008 to July 2013.

On December 31, 2010 Neighborhood and Foundry Parcel Six Associates, LLC agreed to enter into an amendment to each of the two existing leases (see above) to extend the terms

NOTES TO FINANCIAL STATEMENTS

and conditions of the leases an additional three (3) years and five (5) months through December 31, 2016.

In addition to base rent, Neighborhood pays increases in real estate taxes and operating expenses over the base year amounts, as well as maintenance and insurance costs. Minimum rent expense related to the leases totaled approximately \$1,312 and \$1,229 for the years ended December 31, 2011 and 2010, respectively.

The above operating leases require Neighborhood to pay the lessor security deposits of \$59 and \$20 on the respective leases. The security deposits, together with any and all accrued interest, will be held by the lessor during the term of the leases.

At December 31, 2011 the annual minimum future lease payments under all non-cancelable operating leases with Foundry Parcel Six Associates, LLC, excluding real estate taxes and operating expenses, are \$6,551.

<u>Year Ending December 31,</u>	<u>Amount</u>
2012	1,203
2013	1,229
2014	1,373
2015	1,373
2016	1,373

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

Not Applicable.

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

Not Applicable

20. Fair Value Measurements

There were two inflation related bonds that are measured at fair value per SAP for both 2011 and 2011. This is a level 1 input within the fair value hierarchy, which is a quoted price in active markets for identical assets. The total fair value of these bonds was \$1,843 and \$1,286 for the years ended December 31, 2011 and 2010, respectively. Neighborhood does not use level 2 and level 3 measures. Level 2 measurement requires significant other observable inputs, and Level 3 requires significant unobservable inputs.

All other assets and liabilities were not measured at fair value.

NOTES TO FINANCIAL STATEMENTS

21. Other Items

- A). Extraordinary Items: N/A
- B). Troubled Debt Restructuring: N/A

C). Other Disclosures: Neighborhood replaced existing Diamond system in October 2011. This new core system project started when the contract with the new core system vendor – HealthEdge Software Inc. was signed on June 30, 2009. Total expense related to this project in 2011 and 2010 was \$2,901 and \$4,567, respectively. Total new core system project cost was \$9,495.

D). The estimated uncollectible amount of premiums was \$311 and \$139 for the years ended December 31, 2011, and 2010, respectively.

- E). Business Interruption Insurance Recoveries: N/A
- F). State Transferable Tax Credits: N/A
- G). Subprime-Mortgage-related Risk Exposure: N/A
- H). Retained Assets: N/A

22. Events Subsequent

Not Applicable.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- 1). Neighborhood does not own or control any of the reinsurers listed on Schedule S.
- 2). There are no policies issued by Neighborhood that are reinsured with a company chartered in a country other than USA that is owned in excess of 10% controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business.

Section 2 – Ceded Reinsurance Report – Part A

- 1). Neighborhood does not have any reinsurance agreements in effect under which reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits.
- 2). Neighborhood does not have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies.

Section 3 – Ceded Reinsurance Report – Part B

- 1). The estimated amount of the aggregate reduction in surplus of termination of all reinsurance agreements, by either party, is not applicable since it does not ceded its reinsurance.
 - 2). Neighborhood does not executed or amended any existing agreements, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement.
- B. Neighborhood does not experience a write-off for uncollectible reinsurance.
 - C. Neighborhood does not experience commutation of ceded reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not Applicable

NOTES TO FINANCIAL STATEMENTS

25. 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 \$1,455 and \$2,591 during the year ended December 31, 2011 and 2010, respectively. The claim adjustment expenses were decreased by \$59 and \$97 during the years ended December 31, 2011 and 2010, respectively. Changes in estimates of insured health care costs resulted from differences between initially anticipated and actual costs incurred or revised estimated costs to be incurred.

26. Inter-company Pooling Arrangements

Not Applicable

27. Structured Settlements

Not Applicable

28. Health Care Receivable

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, 2011	\$320	\$			
September 30, 2011	\$70	\$			
June 30, 2011	\$81	\$118		\$118	
March 31, 2011	\$150	\$199		\$116	\$83
December 31, 2010	\$210	\$186		\$121	\$65
September 30, 2010	\$180	\$248		\$124	\$124
June 30, 2010	\$210	\$252		\$131	\$121
March 31, 2010	\$294	\$257		\$134	\$123
December 31, 2009	\$200	\$290		\$153	\$137
September 30, 2009	\$232	\$226		\$122	\$104
June 30, 2009	\$240	\$229		\$131	\$99
March 31, 2009	\$258	\$247		\$150	\$97

Risk sharing receivables:

In accordance with NAIC SAP Statement No. 84, a summary of risk share receivables are required to disclose here. Since Neighborhood was in a gain share position for the years ended December 31, 2011, and 2010, this disclosure requirement is not applicable.

29. Participating Policies

Not Applicable

30. Premium Deficiency Reserve

No premium deficiency reserves were needed at the years ended December 31, 2011 and 2010, respectively.

NOTES TO FINANCIAL STATEMENTS

31. 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?
- 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.12/31/2009
- 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.12/31/2009
- 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).12/31/2010
- 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 2011 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?
Ernst & Young, LLP, 200 Clarendon Street, Boston, MA 02116
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] NA []
- 10.6 If the response to 10.5 is no or n/a, please explain
11. 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?
Robert M. Damler, Principal and Consulting Actuary, Milliman, Inc., 111 Monument Circle, Suite 601, Indianapolis, IN 16204-6128
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved.....
- 12.13 Total book/adjusted carrying value..... \$
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 14.1 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.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

BOARD OF DIRECTORS

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?..... Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

16. 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 []
17. 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 []
18. 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 []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?..... Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers .. \$.....0
 - 20.12 To stockholders not officers ... \$.....0
 - 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers ... \$.....0
 - 20.22 To stockholders not officers \$.....0
 - 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this 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]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
 - 21.22 Borrowed from others \$.....
 - 21.23 Leased from others \$.....
 - 21.24 Other \$.....
- 22.1 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]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
 - 22.22 Amount paid as expenses \$.....
 - 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:..... \$.....

INVESTMENT

- 24.1 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 24.3)..... Yes [X] No []
- 24.2 If no, give full and complete information, relating thereto
- 24.3 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 17 where this information is also provided)
- Not Applicable
- 24.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?..... Yes [] No [] NA [X]
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. \$.....
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs. \$.....
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?..... Yes [] No [] NA [X]
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?..... Yes [] No [] NA [X]
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?..... Yes [] No [] NA [X]

GENERAL INTERROGATORIES

- 25.1 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 21.1 and 24.3) Yes [] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$
 - 25.22 Subject to reverse repurchase agreements..... \$
 - 25.23 Subject to dollar repurchase agreements..... \$
 - 25.24 Subject to reverse dollar repurchase agreements..... \$
 - 25.25 Pledged as collateral..... \$
 - 25.26 Placed under option agreements..... \$
 - 25.27 Letter stock or securities restricted as to sale..... \$
 - 25.28 On deposit with state or other regulatory body..... \$
 - 25.29 Other..... \$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 26.2 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.
- 27.1 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]
- 27.2 If yes, state the amount thereof at December 31 of the current year \$.....

28. 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 [X] No []

28.01 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
Comerica Bank.....	411 West Lafayette, Detroit, MI 48226.....
RBS Citizens, N.A.....	One Citizens Plaza, Providence, RI 02903.....

28.02 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)	3 Complete Explanation(s)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]
- 28.04 If yes, give full and complete information relating thereto:

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

28.05 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	3 Address
105997.....	Dwight Asset Management Company, LLC.....	100 Bank Street, Burlington, VT 05401.....
00000.....	RBS Citizens, N.A.....	One Citizens Plaza, Providence, RI 02903.....

GENERAL INTERROGATORIES

29.1 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 [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999	TOTAL	0

29.3 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

30. 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 (+)
30.1 Bonds.....	130,566,621	132,072,819	1,506,198
30.2 Preferred Stocks.....	0		0
30.3 Totals	130,566,621	132,072,819	1,506,198

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

Interactive Data Pricing Services.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

Use Interactive Data Pricing Services to determine the fair value for Schedule D.....

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?.....\$1,950

33.2 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
NCOA - HEDIS Annual Assessment Fees.....	1,950

34.1 Amount of payments for legal expenses, if any?.....\$99,741

34.2 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
St. Peter & Kasle.....	40,700
Chase, Ruttenberg, & Freedman, LLP.....	41,264

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

35.2 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	\$	429,783,673	\$	384,640,068
2.2 Premium Denominator	\$	429,783,673	\$	384,640,068
2.3 Premium Ratio (2.1/2.2)		1.000		1.000
2.4 Reserve Numerator	\$	69,648,730	\$	41,056,078
2.5 Reserve Denominator	\$	69,648,730	\$	41,056,078
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 \$390,000
- 5.32 Medical Only \$0
- 5.33 Medicare Supplement \$0
- 5.34 Dental and Vision \$0
- 5.35 Other Limited Benefit Plan \$0
- 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:
 Follow NAIC's RBC requirements
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? 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 3,442
- 8.2 Number of providers at end of reporting year 3,199
- 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
- 9.22 Business with rate guarantees over 36 months

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... Yes [] No []
- 10.2 If yes:
- | | | | |
|--|---|----------|-----------|
| | 10.21 Maximum amount payable bonuses | \$ | 7,558,748 |
| | 10.22 Amount actually paid for year bonuses | \$ | 6,133,653 |
| | 10.23 Maximum amount payable withholds | \$ | 0 |
| | 10.24 Amount actually paid for year withholds | \$ | 0 |
- 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.
Rhode Island
- 11.4 If yes, show the amount required. \$ 29,441,720
- 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
The same as Company Action Level = 200% RBC Authorized Control Level
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Rhode Island
.....

- 13.1 Do you act as a custodian for health savings accounts?..... Yes [] No []
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$
- 13.3 Do you act as an administrator for health savings accounts?..... Yes [] No []
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

FIVE-YEAR HISTORICAL DATA

	1 2011	2 2010	3 2009	4 2008	5 2007
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	155,028,299	113,493,136	108,341,478	115,818,766	71,578,331
2. Total liabilities (Page 3, Line 24)	111,661,009	80,749,490	89,527,612	77,997,844	33,470,206
3. Statutory surplus	29,441,720	27,119,764	24,686,852	18,870,544	13,484,170
4. Total capital and surplus (Page 3, Line 33)	43,367,290	32,743,646	18,813,866	37,820,923	38,108,123
Income Statement (Page 4)					
5. Total revenues (Line 8)	431,455,607	386,111,063	338,504,708	256,443,428	189,928,796
6. Total medical and hospital expenses (Line 18)	377,828,471	344,397,709	313,504,412	235,115,146	165,406,091
7. Claims adjustment expenses (Line 20)	9,931,251	9,097,978	8,844,106	8,132,945	7,506,019
8. Total administrative expenses (Line 21)	31,261,836	29,817,177	25,453,722	15,642,425	9,303,444
9. Net underwriting gain (loss) (Line 24)	12,434,049	14,198,199	(20,697,532)	(2,447,088)	7,713,242
10. Net investment gain (loss) (Line 27)	1,025,293	750,368	1,149,525	2,485,105	3,093,668
11. Total other income (Lines 28 plus 29)	(2,305,686)	(1,572,664)	(179,652)	(97,496)	(105,458)
12. Net income or (loss) (Line 32)	11,153,656	13,375,903	(19,727,659)	(59,479)	10,701,452
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	38,260,695	10,120,257	(2,189,489)	32,504,182	(4,711,230)
Risk - Based Capital Analysis					
14. Total adjusted capital	43,367,290	32,743,646	18,813,866	37,820,923	38,108,123
15. Authorized control level risk-based capital	14,720,860	13,559,882	12,343,426	9,435,272	6,742,085
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	91,215	90,373	80,647	74,680	65,927
17. Total members months (Column 6, Line 7)	1,084,716	987,054	922,359	837,627	795,060
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 Line 19)	87.9	89.5	93.0	92.6	88.2
20. Cost containment expenses	1.6	1.7	1.9	2.0	XXX
21. Other claims adjustment expenses	0.8	0.7	0.8	1.2	1.4
22. Total underwriting deductions (Line 23)	97.5	96.7	106.6	102.0	97.1
23. Total underwriting gain (loss) (Line 24)	2.9	3.7	(6.1)	(1.0)	4.1
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	31,324,134	39,903,562	46,011,863	23,531,934	18,942,332
25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)]	32,776,554	42,494,341	45,895,387	26,552,335	21,135,783
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	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

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain

ANNUAL STATEMENT FOR THE YEAR 2011 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
2. Alaska	AK	N							0	0
3. Arizona	AZ	N							0	0
4. Arkansas	AR	N							0	0
5. California	CA	N							0	0
6. Colorado	CO	N							0	0
7. Connecticut	CT	N							0	0
8. Delaware	DE	N							0	0
9. Dist. of Columbia	DC	N							0	0
10. Florida	FL	N							0	0
11. Georgia	GA	N							0	0
12. Hawaii	HI	N							0	0
13. Idaho	ID	N							0	0
14. Illinois	IL	N							0	0
15. Indiana	IN	N							0	0
16. Iowa	IA	N							0	0
17. Kansas	KS	N							0	0
18. Kentucky	KY	N							0	0
19. Louisiana	LA	N							0	0
20. Maine	ME	N							0	0
21. Maryland	MD	N							0	0
22. Massachusetts	MA	N							0	0
23. Michigan	MI	N							0	0
24. Minnesota	MN	N							0	0
25. Mississippi	MS	N							0	0
26. Missouri	MO	N							0	0
27. Montana	MT	N							0	0
28. Nebraska	NE	N							0	0
29. Nevada	NV	N							0	0
30. New Hampshire	NH	N							0	0
31. New Jersey	NJ	N							0	0
32. New Mexico	NM	N							0	0
33. New York	NY	N							0	0
34. North Carolina	NC	N							0	0
35. North Dakota	ND	N							0	0
36. Ohio	OH	N							0	0
37. Oklahoma	OK	N							0	0
38. Oregon	OR	N							0	0
39. Pennsylvania	PA	N							0	0
40. Rhode Island	RI	L		433,708,614					433,708,614	0
41. South Carolina	SC	N							0	0
42. South Dakota	SD	N							0	0
43. Tennessee	TN	N							0	0
44. Texas	TX	N							0	0
45. Utah	UT	N							0	0
46. Vermont	VT	N							0	0
47. Virginia	VA	N							0	0
48. Washington	WA	N							0	0
49. West Virginia	WV	N							0	0
50. Wisconsin	WI	N							0	0
51. Wyoming	WY	N							0	0
52. American Samoa	AS	N							0	0
53. Guam	GU	N							0	0
54. Puerto Rico	PR	N							0	0
55. U.S. Virgin Islands	VI	N							0	0
56. Northern Mariana Islands	MP	N							0	0
57. Canada	CN	N							0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	433,708,614	0	0	0	433,708,614	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 1	0	0	433,708,614	0	0	0	433,708,614	0	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	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	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.

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

(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

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