

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **DECEMBER 31, 2009**

OF THE **UNICARE Health Plans of Texas, Inc.**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION **CONSOLIDATED**

(Location)

EXHIBIT II (Filed Quarterly/Annually)

ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES

Indicate Reporting Period: Current Quarter

| | 1. Total | 2. COMMERCIAL RISK (Omit Provider HMO Business) | 3. MEDICARE (Omit Provider HMO Business) | | | 4. MEDICAID (Omit Provider HMO Business) | 5. POINT OF SERVICE RIDER COVERAGE | 6. ASSUMED RISK (as Provider HMO) | 7. CHILDREN'S HEALTH INSURANCE PLAN | 8. OTHER * |
|--|-------------|--|--|-----------|--------|---|---|---|---|------------------|
| | | | BASIC | ADVANTAGE | PART D | | | | | |
| 1. ENROLLEES AT THE END OF REPT PERIOD..... | 39,640 | 11,089 | 0 | 0 | 0 | 21,532 | 0 | 0 | 7,019 | 0 |
| 2. MEMBER MONTHS..... | 119,661 | 33,608 | 0 | 0 | 0 | 64,433 | 0 | 0 | 21,620 | 0 |
| 3. Direct premium income..... | 27,460,020 | 11,784,980 | 0 | 0 | 0 | 13,779,202 | 0 | XXXXXXXX | 1,895,838 | 0 |
| 4. Net premium income..... | 27,460,020 | 11,784,980 | 0 | 0 | 0 | 13,779,202 | 0 | 0 | 1,895,838 | 0 |
| 5. Change in unearned premium reserves & reserve for rate credits..... | 999,233 | 4,108 | 0 | 0 | 0 | 995,125 | 0 | 0 | 0 | 0 |
| 6. Fee-for-service (gross revenues)..... | 0 | XXXXXXXX | 0 | 0 | 0 | 0 | XXXXXXXX | XXXXXXXX | XXXXXXXX | 0 |
| 7. Risk revenue..... | 0 | XXXXXXXX | 0 | 0 | 0 | XXXXXXXX | XXXXXXXX | 0 | XXXXXXXX | 0 |
| 8. Aggregate write-ins for other health related revenues..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Aggregate write-ins for other non-health revenues..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. TOTAL REVENUE (L4 to L9)..... | 28,459,253 | 11,789,088 | 0 | 0 | 0 | 14,774,327 | 0 | 0 | 1,895,838 | 0 |
| 11. Hospital and medical benefits..... | 23,259,580 | 14,554,035 | 0 | 0 | 0 | 6,575,796 | 0 | 0 | 2,129,749 | 0 |
| 12. Net reins recoveries..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. TOTAL HOSPITAL & MEDICAL (L11 less L12)..... | 23,259,580 | 14,554,035 | 0 | 0 | 0 | 6,575,796 | 0 | 0 | 2,129,749 | 0 |
| 14. Claims adjustment expenses..... | 897,562 | 914,178 | 0 | 0 | 0 | 231,802 | 0 | 0 | (248,418) | 0 |
| 15. General administrative expenses..... | 3,695,832 | 528,302 | 0 | 0 | 0 | 1,580,056 | 0 | 0 | 1,587,474 | 0 |
| 16. Increase in reserves for A&H contracts..... | 0 | 2,931,449 | 0 | 0 | 0 | (2,931,449) | 0 | 0 | 0 | 0 |
| 17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16)..... | 27,852,974 | 18,927,964 | 0 | 0 | 0 | 5,456,205 | 0 | 0 | 3,468,805 | 0 |
| 18. NET UNDERWRITING GAIN/(LOSS) (L10 - L17)..... | 606,279 | (7,138,876) | 0 | 0 | 0 | 9,318,122 | 0 | 0 | (1,572,967) | 0 |
| 19. Net Investments Gains (Losses)..... | 279,439 | (348,484) | 0 | 0 | 0 | 548,519 | 0 | 0 | 79,404 | 0 |
| 20. Aggregate write-ins for other income or expenses..... | (9,000) | 500,000 | 0 | 0 | 0 | (254,500) | 0 | 0 | (254,500) | 0 |
| 21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20) | 876,718 | (6,987,360) | 0 | 0 | 0 | 9,612,141 | 0 | 0 | (1,748,063) | 0 |
| 22. Federal and foreign income taxes incurred..... | 464,760 | (205,619) | 0 | 0 | 0 | 1,387,940 | 0 | 0 | (717,561) | 0 |
| 23. NET INCOME / (LOSS) (L21 less L22)..... | 411,958 | (6,781,741) | 0 | 0 | 0 | 8,224,201 | 0 | 0 | (1,030,502) | 0 |

24a. NON-TAXABLE COMMERCIAL RISK ENROLLEES..... 0 (Examples of non-taxable enrollees are State * Other (identify products(s); eg PPO, Non-Risk): 0
of Texas enrollees and Federal employees.) Identify Assumptions: _____

24b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS..... 0

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **DECEMBER 31, 2009**

OF THE **UNICARE Health Plans of Texas, Inc.**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION **CONSOLIDATED**

(Location)

EXHIBIT II (Filed Quarterly/Annually)

ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES

Indicate Reporting Period: Year-to-Date

| | 1. Total | 2. COMMERCIAL RISK (Omit Provider HMO Business) | 3. MEDICARE (Omit Provider HMO Business) | | | 4. MEDICAID (Omit Provider HMO Business) | 5. POINT OF SERVICE RIDER COVERAGE | 6. ASSUMED RISK (as Provider HMO) | 7. CHILDREN'S HEALTH INSURANCE PLAN | 8. OTHER * |
|--|-------------|--|--|-----------|--------|---|---|---|---|------------------|
| | | | BASIC | ADVANTAGE | PART D | | | | | |
| 1. ENROLLEES AT THE END OF REPT PERIOD..... | 39,640 | 11,089 | 0 | 0 | 0 | 21,532 | 0 | 0 | 7,019 | 0 |
| 2. MEMBER MONTHS..... | 480,234 | 141,327 | 0 | 0 | 0 | 246,021 | 0 | 0 | 92,886 | 0 |
| 3. Direct premium income..... | 119,753,571 | 48,833,466 | 0 | 0 | 0 | 63,153,702 | 0 | XXXXXXXX | 7,766,403 | 0 |
| 4. Net premium income..... | 119,753,571 | 48,833,466 | 0 | 0 | 0 | 63,153,702 | 0 | 0 | 7,766,403 | 0 |
| 5. Change in unearned premium reserves & reserve for rate credits..... | 998,322 | 3,197 | 0 | 0 | 0 | 995,125 | 0 | 0 | 0 | 0 |
| 6. Fee-for-service (gross revenues)..... | 0 | XXXXXXXX | 0 | 0 | 0 | 0 | XXXXXXXX | XXXXXXXX | XXXXXXXX | 0 |
| 7. Risk revenue..... | 0 | XXXXXXXX | 0 | 0 | 0 | XXXXXXXX | XXXXXXXX | 0 | XXXXXXXX | 0 |
| 8. Aggregate write-ins for other health related revenues..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Aggregate write-ins for other non-health revenues..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. TOTAL REVENUE (L4 to L9)..... | 120,751,893 | 48,836,663 | 0 | 0 | 0 | 64,148,827 | 0 | 0 | 7,766,403 | 0 |
| 11. Hospital and medical benefits..... | 102,153,453 | 44,293,833 | 0 | 0 | 0 | 50,088,709 | 0 | 0 | 7,770,911 | 0 |
| 12. Net reins recoveries..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. TOTAL HOSPITAL & MEDICAL (L11 less L12)..... | 102,153,453 | 44,293,833 | 0 | 0 | 0 | 50,088,709 | 0 | 0 | 7,770,911 | 0 |
| 14. Claims adjustment expenses..... | 5,377,821 | 2,712,644 | 0 | 0 | 0 | 2,628,617 | 0 | 0 | 36,560 | 0 |
| 15. General administrative expenses..... | 8,892,159 | 2,614,212 | 0 | 0 | 0 | 4,359,947 | 0 | 0 | 1,918,000 | 0 |
| 16. Increase in reserves for A&H contracts..... | (2,931,449) | 0 | 0 | 0 | 0 | (2,931,449) | 0 | 0 | 0 | 0 |
| 17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16)..... | 113,491,984 | 49,620,689 | 0 | 0 | 0 | 54,145,824 | 0 | 0 | 9,725,471 | 0 |
| 18. NET UNDERWRITING GAIN/(LOSS) (L10 - L17)..... | 7,259,909 | (784,026) | 0 | 0 | 0 | 10,003,003 | 0 | 0 | (1,959,068) | 0 |
| 19. Net Investments Gains (Losses)..... | 1,214,720 | 586,797 | 0 | 0 | 0 | 548,519 | 0 | 0 | 79,404 | 0 |
| 20. Aggregate write-ins for other income or expenses..... | (108,000) | 401,000 | 0 | 0 | 0 | (254,500) | 0 | 0 | (254,500) | 0 |
| 21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20) | 8,366,629 | 203,771 | 0 | 0 | 0 | 10,297,022 | 0 | 0 | (2,134,164) | 0 |
| 22. Federal and foreign income taxes incurred..... | 1,137,782 | 467,403 | 0 | 0 | 0 | 1,387,940 | 0 | 0 | (717,561) | 0 |
| 23. NET INCOME / (LOSS) (L21 less L22)..... | 7,228,847 | (263,632) | 0 | 0 | 0 | 8,909,082 | 0 | 0 | (1,416,603) | 0 |
| 24a. NON-TAXABLE COMMERCIAL RISK ENROLLEES..... | | 0 | (Examples of non-taxable enrollees are State | | | * Other (identify products(s); eg PPO, Non-Risk): | | | 0 | |
| 24b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS..... | | 0 | of Texas enrollees and Federal employees.) | | | Identify Assumptions: _____ | | | | |