

**TEXAS HMO SUPPLEMENT**

STATEMENT FOR THE PERIOD ENDING **JUNE 30, 2010**

OF THE **UNICARE Health Plans of Texas, Inc.**  
(Name of Company)

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

(Location)

**EXHIBIT II (Filed Annually and Quarterly)**  
**ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES**

Indicate Reporting Period: Current Quarter

|   | 1.<br>Total | 2.<br>COMMERCIAL RISK<br>(Omit Provider<br>HMO Business) | 3.<br>MEDICARE<br>(Omit Provider HMO Business) |           |        | 4.<br>MEDICAID<br>(Omit Provider<br>HMO Business)          | 5.<br>POINT OF<br>SERVICE RIDER<br>COVERAGE | 6.<br>ASSUMED RISK<br>(as Provider<br>HMO) | 7.<br>CHILDREN'S<br>HEALTH<br>INSURANCE<br>PLAN | 8.<br>OTHER |
|---|-------------|--|--|-----------|--------|--|---|--|---|-------------|
|   |             |  | BASIC  | ADVANTAGE | PART D |  |   |  |   |             |
| 1. ENROLLEES AT THE END OF REPT PERIOD.....                               | 28,127      | 0  | 0  | 0         | 0      | 21,890   | 0   | 0  | 6,237   | 0           |
| 2. MEMBER MONTHS.....   | 84,793      | 651  | 0  | 0         | 0      | 65,168   | 0   | 0  | 18,974  | 0           |
| 3. Direct Premium Income.....   | 185.51      | 616.15   | 0.00   | 0.00      | 0.00   | 209.72   | 0.00  | XXXXXXXX                                   | 87.56   | 0.00        |
| 4. Net Premium Income.....  | 185.51      | 616.15   | 0.00   | 0.00      | 0.00   | 209.72   | 0.00  | 0.00                                       | 87.56   | 0.00        |
| 5. Change in unearned premium reserve and reserve for rate credits.....   | 2.65        | 0.00   | 0.00   | 0.00      | 0.00   | 3.45   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 6. Fee-for-Service (gross revenues).....                                  | 0.00        | XXXXXXXX   | 0.00   | 0.00      | 0.00   | 0.00   | XXXXXXXX                                    | XXXXXXXX                                   | XXXXXXXX  | 0.00        |
| 7. Risk Revenue.....  | 0.00        | XXXXXXXX   | 0.00   | 0.00      | 0.00   | XXXXXXXX   | XXXXXXXX                                    | 0.00                                       | XXXXXXXX  | 0.00        |
| 8. Agg write-in for Other Health Related Revenues.....                    | 0.00        | 0  | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 9. Aggregate write-ins for other non-health revenues.....                 | 0.00        | 0.00   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 10. TOTAL REVENUE (L4 to L9).....   | 188.16      | 616.15   | 0.00   | 0.00      | 0.00   | 213.17   | 0.00  | 0.00                                       | 87.56   | 0.00        |
| 11. Hospital & Medical Benefits.....                                      | 176.87      | 3,259.25   | 0.00   | 0.00      | 0.00   | 174.83   | 0.00  | 0.00                                       | 78.12   | 0.00        |
| 12. Net Reins Recoveries Incurred.....                                    | 0.00        | 0.00   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 13. TOTAL MEDICAL & HOSP (L11 less L12).....                              | 176.87      | 3,259.25   | 0.00   | 0.00      | 0.00   | 174.83   | 0.00  | 0.00                                       | 78.12   | 0.00        |
| 14. Claims Adjustment Expenses.....                                       | 9.13        | 365.45   | 0.00   | 0.00      | 0.00   | 6.71   | 0.00  | 0.00                                       | 5.19  | 0.00        |
| 15. General Administrative Expenses.....                                  | 15.10       | 96.79  | 0.00   | 0.00      | 0.00   | 16.14  | 0.00  | 0.00                                       | 8.72  | 0.00        |
| 16. Increase in Reserves for A&H contracts.....                           | 1.96        | 254.92   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16).....                       | 203.05      | 3,976.40   | 0.00   | 0.00      | 0.00   | 197.68   | 0.00  | 0.00                                       | 92.03   | 0.00        |
| 18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....                           | (14.89)     | (3,360.25)   | 0.00   | 0.00      | 0.00   | 15.49  | 0.00  | 0.00                                       | (4.47)  | 0.00        |
| 19. Net Investments Gains / (Losses).....                                 | 3.52        | 238.43   | 0.00   | 0.00      | 0.00   | 1.95   | 0.00  | 0.00                                       | 0.87  | 0.00        |
| 20. Aggregate write-ins for other expenses.....                           | (2.74)      | 614.44   | 0.00   | 0.00      | 0.00   | (4.81)   | 0.00  | 0.00                                       | (16.79)   | 0.00        |
| 21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20)..... | (14.10)     | (2,507.38)   | 0.00   | 0.00      | 0.00   | 12.63  | 0.00  | 0.00                                       | (20.38)   | 0.00        |
| 22. Federal and foreign income taxes incurred.....                        | (2.12)      | 75.84  | 0.00   | 0.00      | 0.00   | (1.47)   | 0.00  | 0.00                                       | (7.02)  | 0.00        |
| 23. NET INCOME/(LOSS) (L21 less L22).....                                 | (11.99)     | (2,583.22)   | 0.00   | 0.00      | 0.00   | 14.10  | 0.00  | 0.00                                       | (13.37)   | 0.00        |
| NON-TAXABLE COMMERCIAL RISK ENROLLEES.....                                |             | 0  | (Examples of non-taxable enrollees are State   |           |        | * Other (identify products(s); eg Non-Risk Business, PPO): |   |  |   |             |
| NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....                            |             | 0  | of Texas enrollees and Federal employees.)     |           |        | 0  |   |  |   |             |

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**EXHIBIT II (Filed Annually and Quarterly)  
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Indicate Reporting Period: Year-to-Date

|   | 1.<br>Total | 2.<br>COMMERCIAL RISK<br>(Omit Provider<br>HMO Business) | 3.<br>MEDICARE<br>(Omit Provider HMO Business) |           |        | 4.<br>MEDICAID<br>(Omit Provider<br>HMO Business)          | 5.<br>POINT OF<br>SERVICE RIDER<br>COVERAGE | 6.<br>ASSUMED RISK<br>(as Provider<br>HMO) | 7.<br>CHILDREN'S<br>HEALTH<br>INSURANCE<br>PLAN | 8.<br>OTHER |
|---|-------------|--|--|-----------|--------|--|---|--|---|-------------|
|   |             |  | BASIC  | ADVANTAGE | PART D |  |   |  |   |             |
| 1. ENROLLEES AT THE END OF REPT PERIOD.....                               | 28,127      | 0  | 0  | 0         | 0      | 21,890   | 0   | 0  | 6,237   | 0           |
| 2. MEMBER MONTHS.....   | 171,190     | 1,933  | 0  | 0         | 0      | 130,098  | 0   | 0  | 39,159  | 0           |
| 3. Direct Premium Income.....   | 194.19      | 582.14   | 0.00   | 0.00      | 0.00   | 220.48   | 0.00  | XXXXXXXX                                   | 87.71   | 0.00        |
| 4. Net Premium Income.....  | 194.19      | 582.14   | 0.00   | 0.00      | 0.00   | 220.48   | 0.00  | 0.00                                       | 87.71   | 0.00        |
| 5. Change in unearned premium reserve and reserve for rate credits.....   | 2.70        | 0.00   | 0.00   | 0.00      | 0.00   | 3.55   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 6. Fee-for-Service (gross revenues).....                                  | 0.00        | XXXXXXXX   | 0.00   | 0.00      | 0.00   | 0.00   | XXXXXXXX                                    | XXXXXXXX                                   | XXXXXXXX  | 0.00        |
| 7. Risk Revenue.....  | 0.00        | XXXXXXXX   | 0.00   | 0.00      | 0.00   | XXXXXXXX   | XXXXXXXX                                    | 0.00                                       | XXXXXXXX  | 0.00        |
| 8. Agg write-in for Other Health Related Revenues.....                    | 0.00        | 0.00   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 9. Aggregate write-ins for other non-health revenues.....                 | 0.00        | 0.00   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 10. TOTAL REVENUE (L4 to L9).....   | 196.89      | 582.14   | 0.00   | 0.00      | 0.00   | 224.03   | 0.00  | 0.00                                       | 87.71   | 0.00        |
| 11. Hospital & Medical Benefits.....                                      | 158.59      | 1,172.22   | 0.00   | 0.00      | 0.00   | 171.39   | 0.00  | 0.00                                       | 66.00   | 0.00        |
| 12. Net Reins Recoveries Incurred.....                                    | 0.00        | 0.00   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 13. TOTAL MEDICAL & HOSP (L11 less L12).....                              | 158.59      | 1,172.22   | 0.00   | 0.00      | 0.00   | 171.39   | 0.00  | 0.00                                       | 66.00   | 0.00        |
| 14. Claims Adjustment Expenses.....                                       | 10.63       | 509.64   | 0.00   | 0.00      | 0.00   | 5.18   | 0.00  | 0.00                                       | 4.12  | 0.00        |
| 15. General Administrative Expenses.....                                  | 17.58       | (117.51)   | 0.00   | 0.00      | 0.00   | 19.59  | 0.00  | 0.00                                       | 17.55   | 0.00        |
| 16. Increase in Reserves for A&H contracts.....                           | 1.36        | 120.03   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16).....                       | 188.15      | 1,684.38   | 0.00   | 0.00      | 0.00   | 196.16   | 0.00  | 0.00                                       | 87.67   | 0.00        |
| 18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....                           | 8.74        | (1,102.24)   | 0.00   | 0.00      | 0.00   | 27.86  | 0.00  | 0.00                                       | 0.04  | 0.00        |
| 19. Net Investments Gains / (Losses).....                                 | 3.48        | 145.94   | 0.00   | 0.00      | 0.00   | 2.09   | 0.00  | 0.00                                       | 1.06  | 0.00        |
| 20. Aggregate write-ins for other expenses.....                           | 2.34        | 206.93   | 0.00   | 0.00      | 0.00   | 0.00   | 0.00  | 0.00                                       | 0.00  | 0.00        |
| 21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20)..... | 14.55       | (749.37)   | 0.00   | 0.00      | 0.00   | 29.95  | 0.00  | 0.00                                       | 1.09  | 0.00        |
| 22. Federal and foreign income taxes incurred.....                        | 1.67        | (378.88)   | 0.00   | 0.00      | 0.00   | 7.70   | 0.00  | 0.00                                       | 0.41  | 0.00        |
| 23. NET INCOME/(LOSS) (L21 less L22).....                                 | 12.88       | (370.49)   | 0.00   | 0.00      | 0.00   | 22.25  | 0.00  | 0.00                                       | 0.68  | 0.00        |
| NON-TAXABLE COMMERCIAL RISK ENROLLEES.....                                |             | 0  | (Examples of non-taxable enrollees are State   |           |        | * Other (identify products(s); eg Non-Risk Business, PPO): |   |  |   |             |
| NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....                            |             | 0  | of Texas enrollees and Federal employees.)     |           |        | 0  |   |  |   |             |