REPORT # 2 - STATEMENT OF REVENUE, EXPENSES AND NET WORTH

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
Member Months	XXX	849,905	512,088
Revenues:			
1. Premium (net of $.....594,933 reinsurance premiums ceded)	XXX	150,212,515	76,201,904
2. Fee-for-service (net of $.....0 medical expenses)	XXX	0	0
3. Risk revenue	XXX	0	0
4. Net investment income (including $.....(9,371) net realized capital gains or (losses))	XXX	1,648,591	605,371
5. Aggregate write-ins for other health care related revenues	XXX	5,606	171,080
6. Aggregate write-ins for other revenues	XXX	0	0
7. Total revenues (Lines 1 to 6)	XXX	151,866,712	76,978,355
Expenses:			
Medical and Hospital:			
8. Physician services	0	48,680,584	24,875,378
9. Other professional services	0	17,843,675	0
10. Outside referrals	11,661,149	11,661,149	8,038,783
11. Emergency room and out-of-area	217,355	4,490,799	2,308,500
12. Inpatient	2,215,961	46,133,738	16,959,727
13. Physician distribution	0	578,511	0
14. Occupancy, depreciation and amortization	0	0	0
15. Aggregate write-ins for other medical and hospital expenses	2,020,685	29,659,148	21,482,218
16. Subtotal (lines 8 to 15)	16,115,150	159,047,604	73,664,606
Less:			
17. Net reinsurance recoveries incurred	0	146,036	22,289
18. Copayments	0	0	0
19. COB and subrogation	0	118,415	52,966
20. Subtotal (lines 17 to 19)	0	264,451	75,255
21. Total medical and hospital (line 16 minus 20)	16,115,150	158,783,153	73,589,351
Administration:			
22. Administration expenses	0	19,430,631	9,816,474
23. Total expenses (lines 21 and 22)	16,115,150	178,213,784	83,405,825
24. Income (loss) (line 7 minus line 23)	XXX	(26,347,072)	(6,427,470)
25. Extraordinary item	0	0	0
26. Provision for federal income taxes	XXX	(9,221,466)	(2,249,615)
27. Net income (loss) (line 24 minus lines 25 and 26)	XXX	(17,125,606)	(4,177,855)

DETAILS OF WRITE-INS

0501. Other Fee Revenue	XXX	5,606	171,080
0502.	XXX	0	0
0503.	XXX	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	XXX	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	XXX	5,606	171,080
0601.	XXX	0	0
0602.	XXX	0	0
0603.	XXX	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
1501. Outpatient Cost	1,344,723	27,783,536	13,129,898
1502. Premium Deficiency Reserve	0	1,199,650	0
1503. Other Medical Costs	675,962	675,962	8,352,320
1598. Summary of remaining write-ins for Line 15 from overflow page	0	0	0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)	2,020,685	29,659,148	21,482,218

REPORT # 2 - STATEMENT OF REVENUE, EXPENSES AND NET WORTH (Continued)

		1 Current Year	2 Prior Year
Net Worth:			
28.	Net worth beginning of year	8,262,647	6,491,698
29.	Increase (decrease) in common stock	0	0
30.	Increase (decrease) in preferred stock	0	0
31.	Increase (decrease) in paid in surplus	30,400,000	6,200,000
32.	Increase (decrease) in contributed capital	0	0
33.	Increase (decrease) in surplus notes	(6,331,859)	371,001
34.	Increase (decrease) in contingency reserves	0	0
35.	Increase (decrease) in retained earnings/fund balance:		
	a. Net income	(17,125,606)	(4,177,855)
	b. Dividends to stockholders	0	0
	c. Interest on surplus notes	0	0
	d. Change in nonadmitted assets (Exhibit 1)	(1,097,721)	(614,858)
	e. Change in unauthorized reinsurance	0	0
	f. Unrealized capital gains and losses	0	0
	g. Aggregate write-ins for changes in retained earnings	(7,225)	(7,339)
36.	Aggregate write-ins for changes in other net worth items	0	0
37.	Net worth end of year (lines 28 to 36)	14,100,236	8,262,647

DETAILS OF WRITE-INS

35g01.	Asset Valuation Reserve	(7,225)	(7,339)
35g02.		0	0
35g03.		0	0
35g98.	Summary of remaining write-ins for Line 35g from overflow page	0	0
35g99.	Totals (Lines 35g01 thru 35g03 plus 35g98) (Line 35g above)	(7,225)	(7,339)
3601.		0	0
3602.		0	0
3603.		0	0
3698.	Summary of remaining write-ins for Line 36 from overflow page	0	0
3699.	Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)	0	0