



Quarterly Reports From MCOL

For the First Quarter 2011 | Volume 7 Issue 2 | May 2011

An e-magazine exclusively for MCOL paid members providing quarterly income statement and statistical results from selected publicly held health plans.

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Podcast

To listen the accompanying Quarterly Reports Podcast, featuring a brief discussion by Doug Sherlock, Senior Health Care Analyst and President, Sherlock Company (www.sherlockco.com) go to: <http://www.mcol.com/podcasts/qreports/qrep0511.mp3>

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Summary

(millions)	Revenues First Qtr 2011	Revenues First Qtr 2010	Revenues YTD 2011	Revenues YTD 2010	Net Income First Qtr 2011	Net Income First Qtr 2010	Net Income YTD 2011	Net Income YTD 2010
Aetna	\$8,388	\$8,622	\$8,388	\$8,622	\$586	\$563	\$586	\$563
Amerigroup	\$1,540	\$1,372	\$1,540	\$1,372	\$70	\$42	\$70	\$42
Cigna	\$5,413	\$5,205	\$5,413	\$5,205	\$430	\$284	\$430	\$284
Coventry	\$3,049	\$2,859	\$3,049	\$2,859	\$110	\$97	\$110	\$97
HealthNet	\$3,527	\$3,416	\$3,527	\$3,416	(\$108)	\$16	(\$108)	\$16
HealthSpring	\$1,402	\$760	\$1,402	\$760	\$44	\$34	\$44	\$34
Humana	\$9,191	\$8,380	\$9,191	\$8,380	\$315	\$259	\$315	\$259
Molina	\$1,120	\$967	\$1,120	\$967	\$17	\$11	\$17	\$11
WellPoint	\$14,894	\$15,073	\$14,894	\$15,073	\$927	\$877	\$927	\$877
United Health Group	\$25,432	\$23,193	\$25,432	\$23,193	\$1,346	\$1,191	\$1,346	\$1,191

(Membership in millions)	Commercial MCR (or combined)				Medicare MCR				Medical Membership March 2011
	1st Qtr	1st Qtr	YTD	YTD	1st Qtr	1st Qtr	YTD	YTD	
	2011	2010	2011	2010	2011	2010	2011	2010	
Aetna	77.00%	81.10%	77.00%	81.10%	85.10%	87.00%	85.10%	87.00%	17.794
Amerigroup	81.80%	83.50%	81.80%	83.50%					1.967
Cigna	77.30%	82.90%	77.30%	82.90%	N/A	108.50%	N/A	108.50%	11.422
Coventry	80.20%	80.20%	80.20%	80.20%	84.20%	85.70%	82.00%	89.90%	4.553
HealthNet	85.70%	86.30%	85.70%	86.30%	89.00%	88.20%	89.00%	88.20%	2.940
HealthSpring					80.50%	78.30%	80.50%	78.30%	0.332
Humana*	78.70%	82.20%	78.70%	82.20%	85.80%	83.90%	85.80%	83.90%	10.921
Molina	84.50%	85.30%	84.50%	85.30%					1.647
WellPoint	82.10%	81.80%	82.10%	81.80%					34.198
United Health Group	81.40%	79.10%	81.40%	79.10%					33.995

*Humana MCR actually is categorized by Retail and Employer Group. Retail is classified as Medicare and Employer Group as Commercial for this presentation. 4.2% of Retail premiums are for individual commercial and 95.8% are for Medicare.



Aetna

Consolidated Statements of Income

(Millions)	For the Three Months Ended March 31,	
	2011	2010
Revenue:		
Health care premiums	\$ 6,750.6	\$ 6,895.1
Other premiums	445.3	474.7
Fees and other revenue	899.6	899.8
Net investment income	252.6	275.2
Net realized capital gains	39.7	76.7
Total revenue	8,387.8	8,621.5
Benefits and expenses:		
Health care costs	5,348.0	5,691.0
Current and future benefits	485.5	527.0
Operating expenses:		
Selling expenses	290.7	321.5
General and administrative expenses	1,272.8	1,195.7
Total operating expenses	1,563.5	1,517.2
Interest expense	66.1	60.9
Amortization of other acquired intangible assets	26.3	24.4
Total benefits and expenses	7,489.4	7,820.5
Income before income taxes	898.4	801.0
Income taxes	312.4	238.4
Net income	\$ 586.0	\$ 562.6

Medical benefit ratios ("MBRs") for First-quarter 2011 and 2010 were as follows:

	2011	2010
Commercial	77.0%	81.1%
Medicare	85.1%	87.0%
Medicaid	88.5%	85.9%
Total	79.2%	82.5%

Aetna Continued

Segment Information

Segment Information ⁽⁶⁾

(Millions)	For the Three Months Ended March 31,	
	2011	2010
Health Care:		
Revenue, excluding net realized capital gains	\$ 7,709.7	\$ 7,873.2
Net realized capital gains	33.7	45.4
Total revenue (GAAP measure)	\$ 7,743.4	\$ 7,918.6
Commercial Medical Benefit Ratio:		
Premiums	\$ 5,013.6	\$ 5,143.4
Health care costs (GAAP measure)	\$ 3,859.4	\$ 4,169.4
Favorable development of prior-period health care cost estimates	142.7	92.5
Health care costs, excluding prior-period development	\$ 4,002.1	\$ 4,261.9
Commercial MBR (GAAP measure)	77.0%	81.1%
Commercial MBR, excluding prior-period reserve development	79.8%	82.9%
Medicare Medical Benefit Ratio:		
Premiums	\$ 1,408.8	\$ 1,519.3
Health care costs (GAAP measure)	\$ 1,198.3	\$ 1,322.0
Favorable development of prior-period health care cost estimates	24.5	38.3
Health care costs, excluding prior-period development	\$ 1,222.8	\$ 1,360.3
Medicare MBR (GAAP measure)	85.1%	87.0%
Medicare MBR, excluding prior-period reserve development	86.8%	89.5%
Total Medical Benefit Ratio:		
Premiums	\$ 6,750.6	\$ 6,895.1
Health care costs (GAAP measure)	\$ 5,348.0	\$ 5,691.0
Favorable development of prior-period health care cost estimates	173.5	143.4
Health care costs, excluding prior-period development	\$ 5,521.5	\$ 5,834.4
Total MBR (GAAP measure)	79.2%	82.5%
Total MBR, excluding prior-period reserve development	81.8%	84.6%
Operating earnings	\$ 555.3	\$ 460.1
Litigation-related insurance proceeds	-	45.5
Net realized capital gains	21.9	56.3
Net income (GAAP measure)	\$ 577.2	\$ 561.9

Aetna Continued

Segment Information Continued

Segment information continued ⁽⁶⁾

(Millions)	For the Three Months Ended March 31,	
	2011	2010
Group Insurance:		
Revenue, excluding net realized capital gains	\$ 504.4	\$ 529.9
Net realized capital gains	6.5	26.2
Total revenue (GAAP measure)	\$ 510.9	\$ 556.1
Operating earnings	\$ 42.9	\$ 28.5
Net realized capital gains	4.2	24.9
Net income (GAAP measure)	\$ 47.1	\$ 53.4
Large Case Pensions:		
Revenue, excluding net realized capital (losses) gains	\$ 134.0	\$ 141.7
Net realized capital (losses) gains	(.5)	5.1
Total revenue (GAAP measure)	\$ 133.5	\$ 146.8
Operating earnings	\$ 5.8	\$ 9.7
Net realized capital (losses) gains	(.3)	5.3
Net income (GAAP measure)	\$ 5.5	\$ 15.0
Total Company:		
Revenue, excluding net realized capital gains (A)	\$ 8,348.1	\$ 8,544.8
Net realized capital gains	39.7	76.7
Total revenue (GAAP measure) (B)	\$ 8,387.8	\$ 8,621.5
Business segment operating expenses (C)	\$ 1,562.3	\$ 1,543.9
Corporate Financing segment operating expenses ⁽⁷⁾	1.2	43.3
Operating expenses, including Corporate Financing segment (D)	1,563.5	1,587.2
Litigation-related insurance proceeds	-	(70.0)
Total operating expenses (GAAP measure) (E)	\$ 1,563.5	\$ 1,517.2
Operating Expenses Ratios:		
Business segment operating expense ratio (C)/(A)	18.7%	18.1%
Operating expense ratio (D)/(A)	18.7%	18.6%
Total operating expense ratio (E)/(B) (GAAP measure)	18.6%	17.6%

Aetna Continued

Membership			
(Thousands)	March 31, 2011	December 31, 2010	March 31, 2010
Medical Membership:			
Commercial	16,175	16,824	17,176
Medicare	407	445	451
Medicaid	1,212	1,199	1,061
Total Medical Membership	17,794	18,468	18,688
Consumer-Directed Health Plans ⁽⁸⁾			
	2,412	2,184	2,206
Dental Membership:			
Commercial	11,881	12,137	12,381
Medicare & Medicaid	626	639	572
Network Access ⁽⁹⁾	982	971	1,000
Total Dental Membership	13,489	13,747	13,953
Pharmacy Benefit Management Membership:			
Commercial	7,901	8,555	8,923
Medicare PDP (stand-alone)	447	608	601
Medicare Advantage PDP	190	227	233
Medicaid	27	27	30
Total Pharmacy Benefit Management Services	8,565	9,417	9,787

(6) Revenue and operating expense information is presented before income taxes. Operating earnings is presented net of income taxes.

(7) Our Corporate Financing segment is not a business segment. It is added to our business segments to reconcile to our consolidated results. The Corporate Financing segment includes interest expense on our outstanding debt and the financing components of our pension and other postretirement benefit plan expenses.

(8) Represents members in consumer-directed health plans included in Aetna's Commercial medical membership.

(9) Represents members in products that allow these members access to Aetna's dental provider network for a nominal fee.

Source: http://www.aetna.com/news/newsReleases/2011/pr_1stquarter2011_earnings.html



Amerigroup

CONDENSED CONSOLIDATED INCOME STATEMENTS

(dollars in thousands, except per share data)
 (unaudited)

	Three months ended March 31,	
	2011	2010
Revenues:		
Premium	\$1,535,795	\$1,366,767
Investment income and other	\$4,120	\$4,882
Total revenues	\$1,539,915	\$1,371,649
Expenses:		
Health benefits	\$1,256,962	\$1,141,572
Selling, general and administrative	\$116,459	\$117,423
Premium taxes	\$40,448	\$31,472
Depreciation and amortization	\$9,090	\$8,710
Interest	\$4,179	\$3,990
Total expenses	\$1,427,138	\$7,303,167
Income before income taxes	\$112,777	\$68,482
Income tax expense	\$42,300	\$26,300
Net income	\$70,477	\$42,182

Selected Operating Ratios

	Three months ended March 31,	
	2011	2010
Premium revenue	99.70%	99.60%
Investment income and other	0.3	0.4
Total revenues	100.00%	100.00%
Health benefits (1)	81.80%	83.50%
Selling, general and administrative expenses	7.60%	8.60%
Income before income taxes	7.30%	5.00%
Net income	4.60%	3.10%

1) The health benefits ratio is shown as a percentage of premium revenue because there is a direct relationship between the premium received and the health benefits provided.

Amerigroup Continued

Membership By State and Product:

State	Three months ended March 31,	
	2011	2010
Texas	582,000	510,000 ⁽¹⁾
Georgia	270,000	250,000
Florida	263,000	250,000
Maryland	207,000	197,000
Tennessee	205,000	202,000
New Jersey	133,000	158,000
New York	109,000	113,000
Nevada	82,000	69,000
Ohio	55,000	56,000
Virginia	39,000	37,000
New Mexico	22,000	21,000
Total	1,967,000	1,863,000
Product		
TANF (Medicaid)	1,394,000	1,309,000
CHIP	268,000	269,000
Aged, Blind and Disabled and Long-Term Care (Medicaid)	215,000	197,000 ⁽¹⁾
FamilyCare (Medicaid)	72,000	72,000
Medicare Advantage	18,000	16,000
Total	1,967,000	1,863,000

1) Membership includes approximately 13,000 members under an ASO contract in 2010.

Source: <http://phx.corporate-ir.net/phoenix.zhtml?c=122199&p=irol-newsArticle&ID=1556938&highlight=>



CIGNA

Consolidated Income Statements

Dollars in Millions

	Three Months Ended March 31,		
	2011	2010	% Change
Revenues:			
Premiums and fees	\$4,733	\$4,543	4%
Net investment income	\$279	\$266	5%
Mail order pharmacy revenues	\$339	\$348	(3%)
Other revenues ⁽¹⁾	\$36	\$54	(33%)
Net realized investment gains (losses)	\$26	(\$6)	-
Total revenues	\$5,413	\$5,205	4%
Benefits and Expenses:			
Health Care medical claims expense	\$2,077	\$2,209	(6%)
Other benefit expenses	\$994	\$879	13%
Mail order pharmacy cost of goods sold	\$276	\$285	(3%)
Guaranteed minimum income benefits fair value (gain) loss	(\$16)	(\$4)	(300%)
Operating expenses excluding special item(s)	\$1,473	\$1,414	4%
Special item(s)	\$9	-	-
Total benefits and expenses	\$4,813	\$4,783	1%
Income before income taxes	\$600	\$422	42%
Income taxes:			
Current	\$22	\$87	(75%)
Deferred	\$148	\$51	190%
Total taxes	\$170	\$138	23%
Net income	\$430	\$284	51%

(1) Includes pre-tax losses of \$39 million and \$45 million for the periods ended March 31, 2011 and 2010, respectively, from futures and swaps contracts entered into as part of a dynamic hedge program to manage equity and growth interest rate risks in CIGNA's run-off reinsurance operations. CIGNA recorded related offsets in Benefits and Expenses to adjust liabilities for reinsured guaranteed minimum death benefit and guaranteed minimum income benefit contracts. For more information, please refer to CIGNA's Form 10-Q for the period ended March 31, 2011 which is expected to be filed on May 5, 2011.

Cigna Continued

Key Metrics (unaudited)

	Three Months Ended March 31,		Change <i>Better</i> <i>(Worse)</i>
	2011	2010	
RATIOS:			
Guaranteed Cost care ratio (including voluntary/limited benefits) ⁽³⁾	77.3%	82.9%	5.6%
Medicare Part D care ratio (including fees)	100.6%	102.6%	2.0%
Total Operating Expense Ratio	27.1%	26.5%	(0.6%)
Total Operating Expense Ratio (excluding Medicare IPFFS) ⁽⁴⁾	27.1%	27.3%	0.2%

(3) The Guaranteed Cost care ratio excludes the stop loss products associated with experience-rated and service members, and includes the impact of the rebates on the quarter's results, in accordance with the Patient Protection and Affordable Care Act.

(4) Beginning on January 1, 2011, CIGNA exited the Medicare Advantage Individual Private Fee for Service (Medicare IPFFS) Business. There were no revenues or operating expenses associated with this business for 2011. For the three months ended March 31, 2010, revenues for this business were \$202 million and operating expenses were \$24 million.

Health Care Segment Earnings (unaudited)

Dollars in Millions

	Three Months Ended March 31,		% Change
	2011	2010	
Revenues:			
Premiums and fees	\$3,311	\$3,319	-
Net investment income	\$67	\$54	24%
Mail order pharmacy revenues	\$339	\$348	(3%)
Other revenues	\$69	\$64	8%
Segment revenues	\$3,786	\$3,785	-
Benefits and Expenses:			
Health Care medical claims expense	\$2,077	\$2,209	(6%)
Other benefit expenses	\$24	\$28	(14%)
Mail order pharmacy cost of goods sold	\$276	\$285	(3%)
Operating expenses	\$1,025	\$1,003	2%
Benefits and expenses	\$3,402	\$3,525	(3%)
Income before income taxes	\$384	\$260	48%
Income taxes (See Special item(s) discussion on page 2)	\$137	\$93	47%
Segment earnings, after-tax	\$247	\$167	48%
Less: Special item(s), after-tax (See Special item(s) discussion on page 2)	\$1	-	-
Adjusted income from operations	\$246	\$167	47%
Net realized investment gains (losses), net of taxes	\$10	(\$3)	-

Cigna Continued

**CIGNA Corporation
Health Care
Estimated Covered Lives (unaudited)**

COVERED LIVES BY FUNDING TYPE: (Lives in thousands)	2011	As of March 31, 2010	% Change	As of December 31, 2010	% Change
Medical membership: ⁽¹⁾					
Guaranteed cost ⁽²⁾	1,178	1,083	9%	1,177	-%
Experience-rated ⁽³⁾	791	811	(2%)	849	(7%)
Total commercial risk	1,969	1,894	4%	2,026	(3%)
Medicare	44	145	(70%)	145	(70%)
Total risk	2,013	2,039	(1%)	2,171	(7%)
Service	9,409	9,314	1%	9,266	2%
Total medical membership	11,422	11,353	1%	11,437	-%
Non-medical membership:					
Behavioral care ⁽⁴⁾	19,312	17,960	8%	18,257	6%
Dental ⁽⁴⁾	10,745	10,274	5%	10,251	5%
Pharmacy ⁽⁴⁾	6,205	6,529	(5%)	6,501	(5%)
Medicare Part D ⁽⁵⁾	545	494	10%	560	(3%)
MARKET SEGMENT: ⁽⁶⁾ (Lives in thousands)					
Medical membership: ⁽¹⁾					
National Accounts	3,872	4,044	(0%)	3,949	(0%)
Middle Market	6,663	6,449	3%	6,524	2%
Select	656	589	11%	621	6%
Individual	111	55	102%	105	6%
Medicare, excluding IPFFS	44	52	(15%)	54	(19%)
Subtotal	11,346	11,189	1%	11,253	1%
Other	76	164	(54%)	184	(59%)
Total medical membership	11,422	11,353	1%	11,437	-%

(1) Medical membership includes individuals who meet any one of the following criteria: are covered under an insurance policy or service agreement issued by CIGNA; have access to CIGNA's provider network for covered services under their medical plan; have medical claims that are administered by CIGNA; or are covered under an insurance policy that is marketed by CIGNA and for which CIGNA assumes reinsurance of at least 50%.

(2) Includes open access, commercial HMO, and voluntary / limited benefits business, as well as other risk-related products.

(3) Includes minimum premium members, who have a risk profile similar to experience-rated members. Also, includes certain non-participating cases for which special customer level reporting of experience is required.

(4) Reflects members enrolled in CIGNA's dental, behavioral care or managed pharmacy programs, which provide access to services through a nationwide network. These members may also be medical members, or they may have stand-alone dental, behavioral care or pharmacy coverage.

(5) Reflects members enrolled in CIGNA's Medicare Part D program, which provides access to prescription medications through a nationwide pharmacy network.

(6) Market Segments defined as follows:

~ the National Accounts market segment includes multi-site employers with more than 5,000 employees;

~ the Middle Market segment includes multi-site employers with more than 250 but fewer than 5,000 employees and single-site employers with more than 250 employees;

~ the Select market segment includes employers with more than 50 but fewer than 250 employees; and

~ Medicare, excluding IPFFS, includes Medicare HMO and Medicare Group PFFS.

~ Other includes Small business, which generally includes employers with 2-50 employees, Medicare IPFFS, and Student Health business. CIGNA has made a strategic business decision to deemphasize or exit these Market Segments.

(7) Prior periods restated to reflect segment transfers resulting primarily from increased/decreased enrollment at the account level.

SOURCE: http://www.cigna.com/about_us/investor_relations/release/1q11qfs.pdf



Coventry

COVENTRY HEALTH CARE, INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (Amounts in thousands, except per share data)
 (unaudited)

	Quarters Ended March 31,	
	2011	2010
	(unaudited)	(unaudited)
Operating revenues:		
Managed care premiums	\$2,755,336	\$2,570,575
Management services	\$293,602	\$288,403
Total operating revenues	\$3,048,938	\$2,858,978
Operating expenses:		
Medical costs	\$2,275,161	\$2,114,343
Cost of sales	\$67,898	\$59,145
Selling, general, and administrative	\$498,590	\$494,905
Depreciation and amortization	\$35,816	\$35,519
Total operating expenses	\$2,877,465	\$2,703,912
Operating earnings	\$171,473	\$155,066
Operating earnings percentage of total revenues	\$0	\$0
Interest expense	\$20,038	\$20,130
Other income, net	\$19,469	\$20,287
Earnings before income taxes	\$170,904	\$155,223
Provision for income taxes	\$60,671	\$57,898
Net earnings	\$110,233	\$97,325

MEDICAL COST STATISTICS (Unaudited)

	Q1 2011	Total 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Consolidated Total	82.6%	79.4%	79.0%	77.2%	79.1%	82.3%
Health Plan Commercial Group Risk	80.2%	79.2%	81.3%	76.8%	78.3%	80.2%
Medicare Advantage(4)	84.2%	82.0%	84.1%	77.0%	81.2%	85.7%
Medicare Part D	95.8%	83.7%	64.7%	79.0%	90.7%	95.3%
Medicaid	86.0%	85.7%	85.4%	89.0%	84.2%	84.0%

Coventry Continued

SELECTED OPERATING STATISTICS
(Unaudited)

	Q1 2011	Total 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Membership by Product (000s)						
Health Plan Commercial Risk	1,636		1,641	1,533	1,522	1,501
Health Plan Commercial ASO	688		698	636	657	663
Medicare Advantage CCP	219		224	193	192	190
Medicaid Risk	468		468	462	413	406
Health Plan Total	3,011		3,031	2,824	2,784	2,760
Other National ASO	383		459	462	466	482
Total Medical Membership	3,394		3,490	3,286	3,250	3,242
Medicare Part D	1,159		1,628	1,618	1,631	1,600
Total Membership	4,553		5,118	4,904	4,881	4,842
Revenues by Product Type (000s)						
Commercial Risk	\$1,491,099	\$5,540,470	\$1,475,773	\$1,380,019	\$1,367,457	\$1,317,221
Commercial Management Services	\$77,842	\$327,084	\$81,861	\$79,869	\$82,395	\$82,957
Medicare Advantage	\$591,242	\$2,114,205	\$579,329	\$522,202	\$505,084	\$507,592
Medicaid Risk	\$311,066	\$1,133,353	\$312,359	\$286,762	\$268,460	\$265,771
Total Health Plan and Medical Services Businesses	\$2,471,249	\$9,115,112	\$2,449,322	\$2,268,852	\$2,223,396	\$2,173,541
Medicare Part D	\$358,445	\$1,604,198	\$357,941	\$348,784	\$423,664	\$473,809
Other Premiums	\$26,415	\$100,130	\$24,770	\$25,054	\$25,201	\$25,105
Other Management Services	\$218,141	\$856,072	\$215,279	\$215,185	\$217,706	\$207,904
Total Specialized Managed Care Businesses	\$603,001	\$2,560,400	\$597,990	\$589,023	\$666,571	\$706,818
Total Premiums	\$2,778,267	\$10,492,356	\$2,750,172	\$2,562,821	\$2,589,866	\$2,589,498
Total Management Services	\$295,983	\$1,183,156	\$297,140	\$295,054	\$300,101	\$290,861
Other/Eliminations	(\$25,312)	(\$87,596)	(\$22,296)	(\$22,094)	(\$21,826)	(\$21,381)
Total Revenue	\$3,048,938	\$11,587,916	\$3,025,016	\$2,835,781	\$2,868,141	\$2,858,978

(4) Beginning with Q1 2010, Medicare Advantage revenue and medical cost statistics represent the MA-CCP business only as the Company did not renew the MA-PFFS product line effective January 1, 2010.

Source:

http://coventryhealthcare.com/web/groups/public/@cvt_y_corporate_chc/documents/pressrelease/c060172.pdf



HealthNet

Health Net, Inc.
Consolidated Statements of Operations
 (Amounts in thousands)

	Quarter Ended March 31, 2011	Quarter Ended December 31, 2010	Quarter Ended March 31, 2010
REVENUES:			
Health plan services premiums	\$2,612,384	\$2,491,124	\$2,527,507
Government contracts	\$875,127	\$822,388	\$809,459
Net investment income	\$23,835	\$15,226	\$19,922
Administrative services fees and other income	\$2,721	\$4,953	\$8,856
Northeast administrative services fees and other	\$12,449	\$39,643	\$50,360
Total revenues	\$3,526,516	\$3,373,334	\$3,416,104
EXPENSES:			
Health plan services	\$2,282,334	\$2,099,969	\$2,211,256
Government contracts	\$822,152	\$770,487	\$771,902
General and administrative	\$426,361	\$245,861	\$247,096
Selling	\$60,691	\$64,333	\$58,831
Depreciation and amortization	\$8,828	\$9,012	\$8,663
Interest	\$7,620	\$8,085	\$9,884
Northeast administrative services expenses	\$52,255	\$63,727	\$81,878
Adjustment to loss on sale of Northeast subsidiaries	(\$34,854)	(\$12,331)	-
Total expenses	\$3,625,387	\$3,249,143	\$3,389,510
(Loss) income from operations before income taxes	(\$98,871)	\$124,191	\$26,594
Income tax provision	\$9,324	\$43,787	\$10,504
Net (loss) income	(\$108,195)	\$80,404	\$16,090

Selected Ratios

	Qtrr Ended Mar 31, 2011		Qtrr Ended Dec 31, 2010		Qtrr Ended Mar 31, 2010	
	Western Region Operations ¹	Government Contracts ²	Western Region Operations ¹	Government Contracts ²	Western Region Operations ¹	Government Contracts ²
Commercial MCR	85.7%		85.5%		86.3%	
Medicare Advantage MCR	89.0%		89.4%		88.2%	
Medicare Part D MCR	101.1%		53.1%		96.9%	
Medicaid MCR	85.0%		87.4%		87.0%	
Health plan services MCR	87.4%		85.2%		87.5%	
Government contracts cost ratio		93.4%		93.7%		95.3%

HealthNet Continued

Enrollment Data - Line of Business
(In thousands)

	March 31, 2011	Dec 31, 2010	March 31, 2010	Change from			
				Dec 31, 2010		March 31, 2010	
				Increase/ (Decrease)	% Change	Increase/ (Decrease)	% Change
Total Health Plan Enrollment:							
Large Group	959	950	946	9	0.9%	13	1.4%
Small Group and Individual	429	433	447	(4)	-0.9%	(18)	-4.0%
Commercial Risk	1,388	1,383	1,393	5	0.4%	(5)	-0.4%
ASO	0	0	5	0	0.0%	(5)	-100.0%
Total Commercial	1,388	1,383	1,398	5	0.4%	(10)	-0.7%
Medicare Advantage	209	222	218	(13)	-5.9%	(9)	-4.1%
Medi-Cal/Medicaid	941	901	873	40	4.4%	68	7.8%
Medicare PDP (stand-alone)	401	427	457	(26)	-6.1%	(56)	-12.3%
Western Region Operations	2,939	2,933	2,946	6	0.2%	(7)	-0.2%
Northeast Operations	1	7	21	(6)	-85.7%	(20)	-95.2%
Total Enrollment	2,940	2,940	2,967	0	0.0%	-27	-0.9%

Source: <http://investor.health.net/phoenix.zhtml?c=70296&p=irol-newsArticle&ID=1559268&highlight=>



HealthSpring

HealthSpring, Inc. and Subsidiaries
 Condensed Consolidated Statement of Income Information
 (in thousands, except share data) (Unaudited)

	Three Months Ended March 31,	
	2011	2010
Revenue:		
Premium revenue	\$1,386,136	\$749,378
Management and other fees	\$12,429	\$10,188
Investment income	\$3,324	\$876
Total revenue	\$1,401,889	\$760,442
Operating expenses:		
Medical expense	\$1,170,413	\$612,519
Selling, general and administrative	\$136,185	\$76,530
Depreciation and amortization	\$14,762	\$7,787
Interest expense	\$10,276	\$9,971
Total operating expenses	\$1,331,636	\$706,807
Income before income taxes	\$70,253	\$53,635
Income taxes	(\$26,033)	(\$19,834)
Net income	\$44,220	\$33,801

Membership

	March 31, 2011	Dec. 31, 2010	Percent Change	March 31, 2010	Percent Change
MA Membership:					
Alabama	32,510	30,148	7.8%	31,170	4.3%
Florida	38,177	37,022	3.1%	35,093	8.8%
Pennsylvania	67,899	63,044	7.7%	--	--
Tennessee	71,441	65,533	9.0%	63,505	12.5%
Texas	79,923	71,105	12.4%	48,298	65.5%
Other	41,659	37,752	10.3%	17,299	140.8%
Total	331,609	304,604	8.9%	195,365	69.7%
PDP Membership	834,642	724,394	15.2%	389,561	114.3%

Medical Loss Ratio

	1st Qtr 2011	1st Qtr 2010	YTD 2011	YTD 2010
Medicare Advantage medical loss ratio	80.5%	78.3%	80.5%	78.3%

Source: http://phx.corporate-ir.net/phoenix.zhtml?c=226354&p=irol-newsArticle_print&ID=1555962&highlight=



Humana

Consolidated Statements of Income

In thousands,

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010
Revenues:		
Premiums	\$8,766,291	\$8,161,863
Services	\$334,942	\$133,020
Investment income	\$89,485	\$85,455
Total revenues	\$9,190,718	\$8,380,338
Operating expenses:		
Benefits	\$7,344,754	\$6,817,382
Operating costs	\$1,255,843	\$1,060,857
Depreciation and amortization	\$66,109	\$58,859
Total operating expenses	\$8,666,706	\$7,937,098
Income from operations	\$524,012	\$443,240
Interest expense	\$27,228	\$26,314
Income before income taxes	\$496,784	\$416,926
Provision for income taxes	\$181,608	\$158,158
Net income	\$315,176	\$258,768

Membership Detail (In thousands)

	Ending March 31, 2011	Ending March 31, 2010	Year-over-year Change		Ending Dec 31, 2010	Sequential Change	
			Amount	Percent		Amount	Percent
Medical Membership:							
Retail							
Medicare Advantage	1,594.80	1,446.10	148.7	10.3%	1,460.7	134.1	9.2%
Medicare stand-alone PDPs	2,353.10	1,733.70	619.4	35.7%	1,670.3	682.8	40.9%
Medicare Supplement	49.9	33.7	16.2	48.1%	38.9	11.0	28.3%
Individual	382.9	370.5	12.4	3.3%	372.3	10.6	2.8%
Total Retail	4,380.7	3,584.0	796.7	22.2%	3,542.2	838.5	23.7%
Employer Group							
Medicare Advantage	280.7	267.2	13.5	5.1%	273.1	7.6	2.8%
Medicare Advantage ASO	27.9	29	-1.1	-3.8%	28.2	(0.3)	-1.1%
Medicare stand-alone PDPs	4.1	2.4	1.7	70.8%	2.4	1.7	70.8%
Fully-insured medical	1,178.50	1,338.80	-160.3	-12.0%	1,252.2	(73.7)	-5.9%
ASO	1,319.30	1,588.50	-269.2	-16.9%	1,453.6	(134.3)	-9.2%
Total Employer Group	2,810.5	3,225.9	(415.4)	-12.9%	3,009.5	(199.0)	-6.6%
Other Businesses							
Military Services	3,012.9	3,031.4	(18.5)	-0.6%	3,027.8	(14.9)	-0.5%
Medicaid	619.3	448.9	170.4	38.0%	621.0	(1.7)	-0.3%
LI-NET	98.5	181.0	(82.5)	-45.6%	86.1	12.4	14.4%
Total Other Businesses	3,730.7	3,661.3	69.4	1.9%	3,734.9	(4.2)	-0.1%
Total Medical Membership	10,921.9	10,471.2	450.7	4.3%	10,286.6	635.3	6.2%

Key Income Statement Ratios*

	Three Months Ended March 31,	
	2011	2010
Commercial benefit ratio	78.70%	82.20%
Medicare benefit ratio	85.80%	83.90%

*Benefit ratio actually is categorized by Retail and Employer Group. Retail is classified as Medicare and Employer Group as Commercial for this presentation. 4.2% of Retail premiums are for individual commercial and 95.8% are for Medicare.

Source: <http://phx.corporate-ir.net/External.File?t=2&item=g7rqBLVLuv81UAmrh20Mp2yPqGNZqlZ7xAifXz0TUZDmZkF2+8OYh8zW+MbOM/z8quLxtvLICmZ3nhGgtZMUNg==>



Molina

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME (Amounts in thousands)

	Three Months Ended March 31,	
	2011	2010
Revenue:		
Premium revenue	\$1,081,438	\$965,220
Service revenue	\$36,674	-
Investment income	\$1,594	\$1,521
Total operating revenue	\$1,119,706	\$966,741
Expenses:		
Medical care costs	\$913,532	\$822,816
Cost of service revenue	\$31,221	-
General and administrative expenses	\$94,436	\$78,880
Premium tax expenses	\$36,550	\$34,546
Depreciation and amortization	\$12,667	\$10,061
Total expenses	\$1,088,406	\$946,303
Operating income	\$31,300	\$20,438
Interest expense	(\$3,603)	(\$3,357)
Income before income taxes	\$27,697	\$17,081
Income tax expense	\$10,309	\$6,491
Net income	\$17,388	\$10,590
Operating Statistics:		
Medical care ratio (1)	84.5%	85.3%

(1) Medical care ratio represents medical care costs as a percentage of premium revenue; premium tax ratio represents premium taxes as a percentage of premium revenue.

UNAUDITED MEMBERSHIP DATA

Total Ending Membership By Health Plan:	March 31, 2011	Dec. 31, 2010	March 31, 2010
California	347,000	344,000	353,000
Florida	66,000	61,000	52,000
Michigan	225,000	227,000	226,000
Missouri	82,000	81,000	78,000
New Mexico	90,000	91,000	92,000
Ohio	248,000	245,000	228,000
Texas	128,000	94,000	40,000
Utah	80,000	79,000	75,000
Washington	341,000	355,000	338,000
Wisconsin ⁽¹⁾	40,000	36,000	--
	1,647,000	1,613,000	1,482,000
Total Ending Membership By State for the Medicare Advantage Plans ⁽¹⁾			
California	5,300	4,900	2,700
Florida	600	500	300
Michigan	6,700	6,300	4,200
New Mexico	700	600	600
Ohio	400	--	--
Texas	600	700	500
Utah	6,700	8,900	7,100
Washington	3,300	2,600	1,600
	24,300	24,500	17,000

(1) The Company acquired the Wisconsin health plan on September 1, 2010. As of March 31, 2011, the Wisconsin health plan had approximately 2,400 Medicare Advantage members that are ceded 100% under a reinsurance contract with a third party; these members are not included in the membership tables herein.

Source: <http://phx.corporate-ir.net/phoenix.zhtml?c=137837&p=irol-newsArticle&ID=1551638&highlight=>



WellPoint

Consolidated Statements of Income
(Unaudited)
(In millions)

	Three Months Ended March 31		
	2011	2010	Change
Revenues			
Premiums	\$13,684.1	\$13,909.9	(1.6%)
Administrative fees	\$962.0	\$927.3	3.7%
Other revenue	\$8.7	\$5.9	47.5%
Total operating revenue	\$14,654.8	\$14,843.1	(1.3%)
Net investment income	\$184.8	\$201.1	(8.1%)
Net realized gains on investments	\$57.1	\$48.4	18.0%
Other-than-temporary impairment losses on investments:			
Total other-than-temporary impairment losses on investments	(\$4.8)	(\$27.9)	82.8%
Portion of other-than-temporary impairment losses recognized in other comprehensive income	\$2.4	\$8.2	(70.7%)
Other-than-temporary impairment losses recognized in income	(\$2.4)	(\$19.7)	87.8%
Total revenues	\$14,894.3	\$15,072.9	(1.2%)
Expenses			
Benefit expense	\$11,228.0	\$11,382.3	(1.4%)
Selling, general and administrative expense			
Selling expense	\$397.0	\$402.4	(1.3%)
General and administrative expense	\$1,679.5	\$1,771.7	(5.2%)
Total selling, general and administrative expense	\$2,076.5	\$2,174.1	(4.5%)
Interest expense	\$105.9	\$99.4	6.5%
Amortization of other intangible assets	\$56.8	\$60.7	(6.4%)
Impairment of other intangible assets	—	\$21.1	(100.0%)
Total expenses	\$13,467.2	\$13,737.6	(2.0%)
Income before income taxes	\$1,427.1	\$1,335.3	6.9%
Income tax expense	\$500.5	\$458.5	9.2%
Net income	\$926.6	\$876.8	5.7%
Benefit expense as a percentage of premiums	82.1%	81.8%	30 bp

WellPoint Continued

Membership Summary (Unaudited and in Thousands)

	March 31, 2011	December 31, 2010	March 31, 2010	Change from December 31, 2010	March 31, 2010
Medical Membership					
Customer Type					
Local Group	15,221	15,216	15,311	0.0%	(0.6%)
National Accounts	7,515	7,029	7,208	6.9%	4.3%
BlueCard	4,952	4,711	4,885	5.1%	1.4%
Total National	12,467	11,740	12,093	6.2%	3.1%
Individual	1,864	1,905	1,987	(2.2%)	(6.2%)
Senior	1,332	1,259	1,252	5.8%	6.4%
State Sponsored	1,808	1,756	1,745	3.0%	3.6%
FEP	1,506	1,447	1,447	4.1%	4.1%
Total Medical Membership	34,198	33,323	33,835	2.6%	1.1%
Funding Arrangement					
Self-Funded	20,486	19,590	18,801	4.6%	9.0%
Fully-Insured	13,712	13,733	15,034	(0.2%)	(8.8%)
Total Medical Membership	34,198	33,323	33,835	2.6%	1.1%
Reportable Segment					
Commercial	27,688	26,959	27,439	2.7%	0.9%
Consumer	5,004	4,917	4,949	1.8%	1.1%
Other	1,506	1,447	1,447	4.1%	4.1%
Total Medical Membership	34,198	33,323	33,835	2.6%	1.1%
Other Membership					
Behavioral Health					
Membership	25,206	23,963	23,444	5.2%	7.5%
Life and Disability					
Membership	5,053	5,201	5,235	(2.8%)	(3.5%)
Dental Membership	3,992	4,007	4,131	(0.4%)	(3.4%)
Managed Dental					
Membership	4,332	4,272	4,311	1.4%	0.5%
Vision Membership	3,661	3,508	3,368	4.4%	8.7%
Medicare Part D Membership	1,208	1,248	1,227	(3.2%)	(1.5%)

Source: <http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9OTA5MTJ8Q2hpbGRJRD0tMXxUeXBIPM=&t=1>



United Health Group
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)

	Three Months Ended March 31,	
	2011	2010
Revenues		
Premiums	\$23,003	\$21,128
Services	\$1,598	\$1,364
Products	\$649	\$528
Investment and Other Income	\$182	\$173
Total Revenues	\$25,432	\$23,193
Operating Costs		
Medical Costs	\$18,725	\$17,170
Operating Costs	\$3,617	\$3,276
Cost of Products Sold	\$599	\$483
Depreciation and Amortization	\$270	\$248
Total Operating Costs	\$23,211	\$21,177
Earnings from Operations	\$2,221	\$2,016
Interest Expense	(\$118)	(\$125)
Earnings Before Income Taxes	\$2,103	\$1,891
Provision for Income Taxes	(\$757)	(\$700)
Net Earnings	\$1,346	\$1,191

CUSTOMER PROFILE SUMMARY ALL BUSINESS UNITS
(in thousands)(unaudited)

	March 31, 2011	December 31, 2010	March 31, 2010	December 31, 2009
People Served				
Commercial Risk-based	9,470	9,405	9,140	9,415
Commercial Fee-based	16,130	15,405	15,380	15,210
Total Commercial	25,600	24,810	24,520	24,625
Medicare Advantage	2,165 ^(b)	2,070	2,005	1,790
Medicaid	3,390	3,320	3,045	2,900
Standardized Medicare Supplement	2,840	2,770	2,715	2,680
Total Public and Senior ^(a)	8,395	8,160	7,765	7,370
Total UnitedHealthcare - Medical	33,995	32,970	32,285	31,995
Medicare Part D Stand-alone	4,745	4,530	4,540	4,300
Total UnitedHealthcare	38,740	37,500	36,825	36,295
Supplemental Data				
Total Part D Prescription Drug Plans	6,865	6,505	6,440	5,935
Consumer-Driven Health Plans (included in Commercial above)	3,825	3,410	3,275	2,765

(a) Excludes pre-standardized Medicare Supplement and other AARP products.

(b) Includes 35,000 individuals served in connection with a first quarter 2011 acquisition.

Source: <http://www.unitedhealthgroup.com/invest/2011/UNH-Q1-2011-release.pdf>