QUARTERLY STATEMENT

OF THE

AMERIGROUP Tennessee, Inc.

of

Nashville

in the state of

Tennessee

TO THE

Insurance Department

OF THE STATE OF

Tennessee

FOR THE QUARTER ENDED
September 30, 2011

HEALTH

2011

2011

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QUARTERLY STATEMENT

AS OF September 30, 2011

OF THE CONDITION AND AFFAIRS OF THE

AMERIGROUP Tennessee, Inc.

NAIC Group Code 1156 (Current Period), 1156 (Prior Period) NAIC Company Code 12941 Employer's ID Number 20-4776597

Organized under the Laws of Tennessee, State of Domicile or Port of Entry Tennessee

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health[ ] Property/Casualty[ ] Hospital, Medical & Dental Service or Indemnity[ ]
Dental Service Corporation[ ] Vision Service Corporation[ ] Health Maintenance Organization[X]
Other[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]

Incorporated/Organized 04/26/2006 Commenced Business 04/01/2007

Statutory Home Office 22 Century Boulevard, Ste 310 (Street and Number), Nashville, TN 37214 (City, or Town, State and Zip Code)

Main Administrative Office 4425 Corporation Lane (Street and Number)
Virginia Beach, VA 23462 (City or Town, State and Zip Code) (757)473-2721 (Area Code) (Telephone Number)

Mail Address 4425 Corporation Lane (Street and Number or P.O. Box), Virginia Beach, VA 23462 (City, or Town, State and Zip Code)

Primary Location of Books and Records 4425 Corporation Lane (Street and Number)
Virginia Beach, VA 23462 (City, or Town, State and Zip Code) (757)473-2721 (Area Code) (Telephone Number)

Internet Web Site Address www.amerigroupcorp.com

Statutory Statement Contact Margaret Mary Roomsburg (Name) (757)473-2721 (Area Code)(Telephone Number)(Extension)
mroomsb@amerigroupcorp.com (E-Mail Address) (757)557-6742 (Fax Number)

OFFICERS

Name	Title
Alvin Brock King	President/CEO
William George Runyon	Vice President/CMO
Edna Laverne Willingham	Vice President/COO
Nicholas Joseph Pace	Vice President/Secretary
Margaret Mary Roomsburg	Vice President/Asst Secretary
Richard Charles Zoretic	Vice President/Asst Secretary
Scott Wayne Anglin	Vice President/Treasurer
Karen Lint Shields	Vice President/Asst Treasurer
James Ward Truess	Vice President/Asst Treasurer

OTHERS

Linda Kaye Whitley-Taylor, Vice President

DIRECTORS OR TRUSTEES

Charles Brian Shipp
Nicholas Joseph Pace
Alvin Brock King

State of Virginia
County of Virginia Beach ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the 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.

(Signature)	(Signature)	(Signature)
Alvin Brock King	Nicholas Joseph Pace	Margaret Mary Roomsburg
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President/CEO	Vice President/Secretary	Vice President/Asst Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me this 25th day of October, 2011

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

Barbara C. McLean
(Notary Public Signature)

My Commission Expires:
March 3, 2014

BARBARA C. MCLEAN
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY

NOTARY PUBLIC VIRGINIA
NANCY M. NEWSOM
Notary Public - Reg. # 191631
Commonwealth of Virginia
My Commission Expires Apr. 30, 2013

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	133,057,149		133,057,149	111,270,121
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	5,751,434		5,751,434	
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)				
4.2 Properties held for the production of income (less $.....0 encumbrances)				
4.3 Properties held for sale (less $.....0 encumbrances)				
5. Cash ($.....10,261,014), cash equivalents ($.....3,000,000) and short-term investments ($.....55,440,166)	68,701,180		68,701,180	212,247,356
6. Contract loans (including $.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	207,509,763		207,509,763	323,517,477
13. Title plants less $.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,053,043		1,053,043	898,568
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	34,423,001		34,423,001	8,340,634
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums	11,953		11,953	37,055
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				523,910
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	6,703,125	382,727	6,320,398	6,361,091
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	39,862	29,971	9,891	21,271
21. Furniture and equipment, including health care delivery assets ($.....0)	985,315	985,315		
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care ($.....0) and other amounts receivable	800,843	800,843		
25. Aggregate write-ins for other than invested assets	3,982	2,844	1,138	605,600
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	251,530,887	2,201,700	249,329,187	340,305,606
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	251,530,887	2,201,700	249,329,187	340,305,606
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Prepaids	2,844	2,844		
2502. Stop-Loss Policy	1,138		1,138	
2503. LTC Contract Receivable				605,600
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,982	2,844	1,138	605,600

LIABILITIES, CAPITAL AND SURPLUS

		Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1.	Claims unpaid (less $.....0 reinsurance ceded)	78,522,812		78,522,812	89,474,792
2.	Accrued medical incentive pool and bonus amounts	311,918		311,918	347,335
3.	Unpaid claims adjustment expenses	1,538,671		1,538,671	1,765,157
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	2,067,207		2,067,207	64,233,420
9.	General expenses due or accrued	256,664		256,664	275,456
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	374,766		374,766	9,077,557
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated	18,560,673		18,560,673	6,274,831
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	2,116,951		2,116,951	1,424,481
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)				
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans	903,015		903,015	
23.	Aggregate write-ins for other liabilities (including $.....0 current)	8,937,722		8,937,722	16,830,036
24.	Total liabilities (Lines 1 to 23)	113,590,399		113,590,399	189,703,065
25.	Aggregate write-ins for special surplus funds	XXX	XXX		
26.	Common capital stock	XXX	XXX	1,000	1,000
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	95,585,730	95,008,432
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX		
31.	Unassigned funds (surplus)	XXX	XXX	40,152,058	55,593,109
32.	Less treasury stock, at cost:				
	32.1 .....0 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	135,738,788	150,602,541
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	249,329,187	340,305,606
DETAILS OF WRITE-INS					
2301.	Accrued Premium Tax	8,937,722		8,937,722	16,830,036
2302.					
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	8,937,722		8,937,722	16,830,036
2501.		XXX	XXX		
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	XXX	1,850,233	1,816,513	2,430,753
2.	Net premium income (including $.....0 non-health premium income)	XXX	700,408,562	658,110,989	888,601,659
3.	Change in unearned premium reserves and reserves for rate credits	XXX			
4.	Fee-for-service (net of $.....0 medical expenses)	XXX			
5.	Risk revenue	XXX			
6.	Aggregate write-ins for other health care related revenues	XXX			
7.	Aggregate write-ins for other non-health revenues	XXX			
8.	Total revenues (Lines 2 to 7)	XXX	700,408,562	658,110,989	888,601,659
Hospital and Medical:					
9.	Hospital/medical benefits		413,480,939	388,333,229	552,270,340
10.	Other professional services		19,774,686	7,140,662	11,017,116
11.	Outside referrals				
12.	Emergency room and out-of-area		38,072,400	36,657,738	36,399,201
13.	Prescription drugs		2,091,894	1,477,367	1,891,939
14.	Aggregate write-ins for other hospital and medical		46,162,515	54,622,700	50,577,588
15.	Incentive pool, withhold adjustments and bonus amounts		677,711	85,549	562,049
16.	Subtotal (Lines 9 to 15)		520,260,145	488,317,245	652,718,233
Less:					
17.	Net reinsurance recoveries		36,265	(463,382)	(584,033)
18.	Total hospital and medical (Lines 16 minus 17)		520,223,880	488,780,627	653,302,266
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including $.....12,492,655 cost containment expenses		15,997,155	15,644,451	21,399,865
21.	General administrative expenses		81,490,740	74,423,038	102,885,865
22.	Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		617,711,775	578,848,116	777,587,996
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	82,696,787	79,262,873	111,013,663
25.	Net investment income earned		1,831,130	1,258,913	1,702,439
26.	Net realized capital gains (losses) less capital gains tax of $.....0		39,118	60,068	79,520
27.	Net investment gains or (losses) (Lines 25 plus 26)		1,870,248	1,318,981	1,781,959
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]				
29.	Aggregate write-ins for other income or expenses				
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	84,567,035	80,581,854	112,795,622
31.	Federal and foreign income taxes incurred	XXX	29,757,481	25,844,026	41,200,044
32.	Net income (loss) (Lines 30 minus 31)	XXX	54,809,554	54,737,828	71,595,578
DETAILS OF WRITE-INS					
0601.		XXX			
0602.		XXX			
0603.		XXX			
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX			
0701.		XXX			
0702.		XXX			
0703.		XXX			
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX			
1401.	DME, Home Health Care, Ambulance, Transportation		46,162,515	54,622,700	50,577,588
1402.					
1403.					
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		46,162,515	54,622,700	50,577,588
2901.					
2902.					
2903.					
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	150,602,541	80,853,892	80,853,892
34.	Net income or (loss) from Line 32	54,809,554	54,737,828	71,595,578
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of $.....0	(750,541)		
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	(40,693)	(2,521,249)	2,163,192
39.	Change in nonadmitted assets	540,629	5,031,757	5,345,751
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
	44.1 Paid in			
	44.2 Transferred from surplus (Stock Dividend)			
	44.3 Transferred to surplus			
45.	Surplus adjustments:			
	45.1 Paid in	577,298	519,546	644,128
	45.2 Transferred to capital (Stock Dividend)			
	45.3 Transferred from capital			
46.	Dividends to stockholders	(70,000,000)		(10,000,000)
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	(14,863,753)	57,767,882	69,748,649
49.	Capital and surplus end of reporting period (Line 33 plus 48)	135,738,788	138,621,774	150,602,541
DETAILS OF WRITE-INS				
4701.				
4702.				
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	Cash from Operations			
1.	Premiums collected net of reinsurance	612,185,084	680,944,790	980,920,495
2.	Net investment income	2,917,412	1,034,678	1,161,676
3.	Miscellaneous income			
4.	Total (Lines 1 to 3)	615,102,496	681,979,468	982,082,171
5.	Benefit and loss related payments	531,380,789	457,005,864	630,154,545
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	95,296,887	87,616,476	120,900,124
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	38,460,272	23,007,431	32,122,487
10.	Total (Lines 5 through 9)	665,137,948	567,629,771	783,177,156
11.	Net cash from operations (Line 4 minus Line 10)	(50,035,452)	114,349,697	198,905,015
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	95,895,388	46,318,627	89,542,262
	12.2 Stocks			
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets			
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1,518		
	12.7 Miscellaneous proceeds			
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	95,896,906	46,318,627	89,542,262
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	118,885,573	102,918,277	145,365,050
	13.2 Stocks	6,501,975		
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets			
	13.6 Miscellaneous applications		60,068	79,520
	13.7 Total investments acquired (Lines 13.1 to 13.6)	125,387,548	102,978,345	145,444,570
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(29,490,642)	(56,659,718)	(55,902,308)
	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock			
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders	70,000,000		10,000,000
	16.6 Other cash provided (applied)	5,979,918	(2,343,252)	11,119,805
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(64,020,082)	(2,343,252)	1,119,805
	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)	(143,546,176)	55,346,727	144,122,512
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	212,247,356	68,124,844	68,124,844
	19.2 End of period (Line 18 plus Line 19.1)	68,701,180	123,471,571	212,247,356

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001	Depreciation	432,063	560,669	737,546
20.0002	Non-cash Capital Contributions	577,298	519,546	644,128

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	203,382							1,389	201,993	
2. First Quarter	204,532							1,550	202,982	
3. Second Quarter	204,897							1,647	203,250	
4. Third Quarter	206,743							1,854	204,889	
5. Current Year										
6. Current Year Member Months	1,850,233							14,669	1,835,564	
Total Member Ambulatory Encounters for Period:										
7. Physician	967,114							17,179	949,935	
8. Non-Physician	969,989							14,166	955,823	
9. Total	1,937,103							31,345	1,905,758	
10. Hospital Patient Days Incurred	192,066							3,551	188,515	
11. Number of Inpatient Admissions	16,603							488	16,115	
12. Health Premiums Written (a)	700,408,562							16,521,469	683,887,093	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	700,408,562							16,521,469	683,887,093	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	531,417,054							12,016,238	519,400,816	
18. Amount Incurred for Provision of Health Care Services	520,260,145							11,488,197	508,771,948	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....16,521,469.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	10,649,923	522,471	168,710	(45,517)	(385,621)	10,909,966
0499999 Subtotals	10,649,923	522,471	168,710	(45,517)	(385,621)	10,909,966
0599999 Unreported claims and other claim reserves						67,612,846
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						78,522,812
0899999 Accrued Medical Incentive Pool And Bonus Amounts						311,918

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
1. Comprehensive (hospital & medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare	753,163	11,261,826	26,501	1,720,076	779,664	2,142,238
7. Title XIX - Medicaid	66,130,761	452,521,911	3,432,628	73,343,607	69,563,389	87,332,554
8. Other health						
9. Health subtotal (Lines 1 to 8)	66,883,924	463,783,737	3,459,129	75,063,683	70,343,053	89,474,792
10. Healthcare receivables (a)	92,574	388,269			92,574	311,331
11. Other non-health						
12. Medical incentive pools and bonus amounts	686,892	26,236		311,918	686,892	347,335
13. Totals (Lines 9 - 10 + 11 + 12)	67,478,242	463,421,704	3,459,129	75,375,601	70,937,371	89,510,796

(a) Excludes $.....320,000 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The Financial Statements of AMERIGROUP Tennessee, Inc. (the Company) is presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance.

The Tennessee Department of Commerce and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective March 1, 2011 (NAIC SSAP) has been adopted as a component of prescribed or permitted practices by the state of Tennessee. There are no state permitted practices that differ from the NAIC Accounting Practices and Procedures Manual that impact the financial statements or statutory net worth for AMERIGOUP Tennessee, Inc.

B. Use of Estimates in the Preparation of the Financial Statements

No significant change.

C. Accounting Policy

The Company records premium revenues based on its membership records and premiums rates for each membership category within each county. Premiums are due monthly and are recognized as revenue during the period in which the company is obligated to provide service to members.

In addition, the Company uses the following accounting policies.

(1) Short-term investments are stated at amortized cost.
(2) Bonds are stated at amortized cost using the scientific method.
(3) Common stocks are stated at market value.
(4) Preferred Stock-Not applicable
(5) Mortgage loans- Not applicable
(6) Loan backed securities- Not applicable
(7) Investment in Subsidiaries, Controlled and affiliated companies- Not applicable
(8) Joint Ventures, Partnerships and Limited Liability Companies- Not applicable
(9) Derivatives- Not applicable
(10) Premium deficiency calculation-The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
(11) Unpaid Claims and loss adjustment expenses include an amount determined from individual case estimates and claim reports and an amount, based on past experience, for claims incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
(12) Capitalization policy-No change from prior year
(13) Pharmaceutical rebates receivable- All pharmaceutical rebate receivables are considered nonadmitted due to their collectability beyond 90 days.

2. Accounting Changes and Corrections of Errors

No significant change.

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

A. Mortgage loans including Mezzanine Real Estate Loans- Not applicable.
B. Debt Restructuring- Not applicable.
C. Reverse Mortgages- Not applicable.
D. Loan-Backed Securities- Not applicable.
E. Repurchase Agreements - Not applicable.
F. Real Estate- Not applicable.
G. Investments in low-income housing tax credits- Not applicable.

Notes to Financial Statement

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

7. Investment Income

No significant change.

8. Derivative Instruments

No significant change.

9. Income Taxes

No significant change.

10. Information Concerning Parent, Subsidiaries and Affiliates

AMERIGROUP Corporation owns 100% of the outstanding shares of the Company and provides administrative and financial support services to the Company. In accordance with an approved administrative services agreement, management services fees charged for the 9 months ended September 30, 2011 were $39,509,257. As of September 30, 2011, the Company owed $2,116,951 to AMERIGROUP Corporation. This amount was due to the difference between the estimated amount paid for management fees to the parent and the final amount due for September 30, 2011. Total dividends paid as of September 30, 2011 were $70,000,000 of which $25,000,000 were ordinary dividends and $45,000,000 were extraordinary dividends. The $25,000,000 ordinary dividends were paid on June 3, 2011, and the $45,000,000 extraordinary dividends were paid in two separate transactions ($30,000,000 on August 30, 2011 and $15,000,000 on September 2, 2011). The Company received from AMERIGROUP Corporation non-cash capital contributions of $577,298.

11. Debt

No significant change.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefits Plans

No significant change.

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

(1) No significant change.
(2) No significant change.
(3) No significant change.
(4) No significant change.
(5) The Company paid $70,000,000 dividends to AMERIGROUP Corporation of which $25,000,000 ordinary dividends were paid on June 3, 2011, $30,000,000 extraordinary dividends were paid on August 30, 2011, and $15,000,000 extraordinary dividends were paid on September 2, 2011.

14. Contingencies

No significant change.

15. Leases

No significant change.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial with Concentrations of Credit Risk.

No significant change.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

None

B. Transfer and Servicing of Financial Assets

None

Notes to Financial Statement

C. Wash Sales

None

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.

None

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

None

20. Fair Value

Assets and liabilities recorded at fair value in the balance sheet are categorized based upon a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

Tier Level	Tier Definition
Level 1	Observable inputs such as quoted prices in active markets.
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable.
Level 3	Unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions.

Transfers between levels, as a result of changes in the inputs used to determine fair value, are recognized as of the beginning of the reporting period in which the transfer occurs. There were no transfers between levels for the quarter ended September 30, 2011.

Assets

The Company's assets measured at fair value on a recurring basis at September 30, 2011 were as follows:

	Fair value measurements at reporting date using			
Asset category	**Q 3 2011**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Money market funds	$ 18,893,766	18,893,766	—	—
Equity Securities	5,751,434	5,751,434	—	—
Total assets measured at fair value	$ 24,645,200	24,645,200	—	—

21. Other Items

Premium Rate Decrease

The Company and the State of Tennessee TennCare Bureau are in the process of finalizing an amendment to the existing contract, which includes a revision to the premium rates at which the Company provides Medicaid managed care services to eligible Medicaid members for the contract period that began July 1, 2011. The amendment revises premium rates resulting in a decrease of approximately 4.7%, effective July 1, 2011. Additionally, the Tennessee contract employs an adjustment model to reflect the estimated risk profile of the participating managed care organizations' membership, or a "risk adjustment factor". This risk adjustment factor is determined annually subsequent to the determination of the premium rates established for the contract year. Based on information provided by the State, the Company has determined that premium rates will be further reduced by 1.7% retroactively effective July 1, 2011 due to the most recent risk adjustment factor calculation. These estimated amounts are included in the Statement of Revenue and Expenses as of September 30, 2011.

Medical Expense Allocation Methodology

In Q3 2011, our actuaries re-evaluated the allocation methodology used to categorize our medical expenses in the NAIC-defined service categories reported in the Statement of Revenue and Expenses. As a result, there may be sizable shifts between the service categories presented for YTD 2011 as compared with prior periods.

22. Events Subsequent

None

Notes to Financial Statement

23. Reinsurance

A new contract was signed with RGA Reinsurance Company effective July 1, 2011, with the attachment points of $1,250,000 per member. The Company during this reporting period had no Unsecured Reinsurance Recoverable, Reinsurance Recoverable in Dispute, Uncollectible Reinsurance, and Commutation of Reinsurance or Retroactive Reinsurance.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No significant change.

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2010 were $89,822,127. As of September 30, 2011, $67,570,816 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for the prior years are now $3,459,129 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a $18,792,182 favorable prior-year development since December 31, 2010. The decrease is generally the result of ongoing analysis of recent loss development trends and is included in current year operations.

26. Intercompany Pooling Arrangements

No significant change.

27. Structured Settlements

No significant change.

28. Health Care Receivables

No significant change.

29. Participating Policies

No significant change.

30. Premium Deficiency Reserves

No significant change.

31. Anticipated Salvage and Subrogation

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]

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. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[ ] No[X]
If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
4.2 If yes, provide the name of 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[X] No[ ] N/A[ ]
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010
6.2 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. 12/31/2010
6.3 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). 11/09/2011
6.4 By what department or departments?
Department of Commerce and Insurance, TennCare Division
6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[X] N/A[ ]

7.1 Has this 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]
7.2 If yes, give full information

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

9.1 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.
9.11 If the response to 9.1 is No, please explain:
9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]
14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[ ] No[X]
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]
If no, attach a description with this statement.

16. 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 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[ ]
16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
U.S. Bank, N.A.	1025 Connecticut Avenue, Suite 517, Mail Code EX-DC-WNWW, Washington, DC 20036
U.S. Bank Corporate Trust	2204 Lakeshore Drive, Suite 302, Homewood, AL 35209

16.2 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)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[ ] No[X]
16.4 If yes, give full and complete information relating thereto:

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

16.5 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	2 Name(s)	3 Address
77784	Deutsche Investment Management Americas, Inc.	345 Park Ave, New York, New York 10154

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[ ]
17.2 If no, list exceptions:

General Interrogatories Part 1 Attachments

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

   The Administrative Services Agreement with Amerigroup Corporation was amended in 2011 to reflect a revision to the pricing included in Exhibits A and B of the agreement.

6.6. Have all of the recommendations within the latest examination report been complied with?

   The Company is in progress in complying with the recommendation from our latest examination report.

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
   1.1 A&H loss percent 76.058%
   1.2 A&H cost containment percent 1.784%
   1.3 A&H expense percent excluding cost containment expenses 12.135%

2.1 Do you act as a custodian for health savings accounts? Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date. $..... 0
2.3 Do you act as an administrator for health savings accounts? Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date. $..... 0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			NONE			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
	State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	L		16,521,469	683,887,093				700,408,562	
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	XXX								
59.	Subtotal	XXX		16,521,469	683,887,093				700,408,562	
60.	Reporting entity contributions for Employee Benefit Plans	XXX								
61.	Total (Direct Business)	(a) 1		16,521,469	683,887,093				700,408,562	
DETAILS OF WRITE-INS										
5801.		XXX								
5802.		XXX								
5803.		XXX								
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

(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.

(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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement

12941201136500003 2011 Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

NONE

SCHEDULE A - VERIFICATION

Real Estate

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying va		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

		1 Year To Date	2 Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest poin		
9.	Total foreign exchange change in book value/recorded inve		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	111,270,121	55,367,813
2.	Cost of bonds and stocks acquired	125,387,548	145,791,206
3.	Accrual of discount	17,234	36,563
4.	Unrealized valuation increase (decrease)	(750,541)	
5.	Total gain (loss) on disposals	37,600	79,520
6.	Deduct consideration for bonds and stocks disposed of	95,895,388	89,542,262
7.	Deduct amortization of premium	1,257,991	462,719
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	138,808,583	111,270,121
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	138,808,583	111,270,121

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	295,096,973	237,489,178	346,629,427	(2,119,238)	247,429,298	295,096,973	183,837,486	307,550,825
2. Class 2 (a)	4,360,374	1,663,429		1,636,026	4,394,851	4,360,374	7,659,829	
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	299,457,347	239,152,607	346,629,427	(483,212)	251,824,149	299,457,347	191,497,315	307,550,825
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	299,457,347	239,152,607	346,629,427	(483,212)	251,824,149	299,457,347	191,497,315	307,550,825

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 $.....11,999,150; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	55,440,166	X X X	55,570,790	194,505	21,007

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	192,580,941	47,114,062
2.	Cost of short-term investments acquired	854,995,991	3,020,645,483
3.	Accrual of discount	48,678	53,233
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals	1,518	
6.	Deduct consideration received on disposals	991,913,275	2,875,067,196
7.	Deduct amortization of premium	273,687	164,641
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	55,440,166	192,580,941
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	55,440,166	192,580,941

SI04 Schedule DB - Part A Verification ..... NONE

SI04 Schedule DB - Part B Verification ..... NONE

SI05 Schedule DB Part C Section 1 ..... NONE

SI06 Schedule DB Part C Section 2 ..... NONE

SI07 Schedule DB - Verification ..... NONE

SCHEDULE E - Verification

(Cash Equivalents)

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	3,699,764	4,998,958
2.	Cost of cash equivalents acquired	28,607,462	34,326,500
3.	Accrual of discount	3,494	5,957
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	29,300,000	35,620,000
7.	Deduct amortization of premium	10,720	11,651
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	3,000,000	3,699,764
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	3,000,000	3,699,764

E01 Schedule A Part 2 ..... NONE

E01 Schedule A Part 3 ..... NONE

E02 Schedule B Part 2 ..... NONE

E02 Schedule B Part 3 ..... NONE

E03 Schedule BA Part 2 ..... NONE

E03 Schedule BA Part 3 ..... NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
313374R51	F H L B DEB 1.200% 10/27/		07/27/2011	Morgan Keegan	XXX	1,500,000	1,500,000.00		1
3134G2YB2	F H L M C M T N 0.500% 8/23/		08/23/2011	Suntrust	XXX	2,000,000	2,000,000.00		1
3136FRT29	F N M A M T N 1.000% 9/14/		09/14/2011	Suntrust	XXX	2,000,000	2,000,000.00		1
3136FRB36	F N M A M T N 1.150% 7/25/		07/25/2011	UBS	XXX	2,000,000	2,000,000.00		1
3134G2G71	Federal Home Loan Mortgage Corp		09/28/2011	Morgan Keegan	XXX	2,000,000	2,000,000.00		1
0599999 Subtotal - Bonds - U.S. Governments					XXX	9,500,000	9,500,000.00		XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
253363TF2	DICKINSON TX INDPT 0.500% 8/01/		08/01/2011	Deutsche Bank	XXX	750,000	750,000.00		1FE
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					XXX	750,000	750,000.00		XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
031162AJ9	AMGEN INC 4.850% 11/18/		09/09/2011	Deutsche Bank	XXX	784,063	700,000.00	10,468	1FE
134429AS8	CAMPBELL SOUP CO 4.875% 10/01/		07/05/2011	Deutsche Bank	XXX	489,713	450,000.00	5,728	1FE
14040HAV7	CAPITAL ONE FINL 2.125% 7/15/		07/19/2011	Deutsche Bank	XXX	44,975	45,000.00		2FE
26441CAA3	DUKE ENERGY CORP 5.650% 6/15/		09/15/2011	Deutsche Bank	XXX	322,506	300,000.00	4,238	2FE
263534CG2	DUPONT EI NEMOUR 1.750% 3/25/		07/11/2011	Deutsche Bank	XXX	101,636	100,000.00	515	1FE
293791AN9	ENTERPRISE PRODS 5.600% 10/15/		09/15/2011	Deutsche Bank	XXX	437,378	396,000.00	9,240	2FE
341099CC1	FLORIDA POWER CORP 4.800% 3/01/		08/18/2011	Deutsche Bank	XXX	668,739	630,000.00	12,881	1FE
369550AS7	GENERAL DYNAMICS 1.375% 1/15/		07/12/2011	Deutsche Bank	XXX	114,816	115,000.00		1FE
501044CJ8	KROGER CO 5.000% 4/15/		07/05/2011	Deutsche Bank	XXX	106,854	100,000.00	1,111	2FE
69371RK39	PACCAR FINANCIAL MTN 1.550% 9/29/		09/30/2011	Deutsche Bank	XXX	249,799	250,000.00	4	1FE
742718DU0	PROCTOR GAMBLE CO 0.700% 8/15/		08/15/2011	Deutsche Bank	XXX	692,144	695,000.00		1FE
74456QAY2	PUB SVC EL GAS MTN 0.850% 8/15/		08/16/2011	Deutsche Bank	XXX	259,847	260,000.00		1FE
87612EAW6	TARGET CORP 1.125% 7/18/		07/18/2011	Deutsche Bank	XXX	100,104	100,000.00		1FE
931422AD1	WALGREEN CO 4.875% 8/01/		07/05/2011	Deutsche Bank	XXX	866,360	800,000.00	16,683	1FE
984121BV4	XEROX CORP 5.650% 5/15/		08/09/2011	Deutsche Bank	XXX	751,716	700,000.00	9,228	2FE
046353AC2	Astrazeneca Plc Sr Nt	R	08/26/2011	Deutsche Bank	XXX	1,894,040	1,800,000.00	43,470	1FE
801060AA2	SANOFI 1.200% 9/30/	R	09/30/2011	Deutsche Bank	XXX	1,148,586	1,150,000.00		1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	9,033,276	8,591,000.00	113,566	XXX
8399997 Subtotal - Bonds - Part 3					XXX	19,283,276	18,841,000.00	113,566	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	19,283,276	18,841,000.00	113,566	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
Common Stock - Mutual Funds									
78462F103	SPDR S&P 500 ETF Trust		07/27/2011	Goldman, Sachs & Co	10,000.000	1,314,470	XXX		L
78464A763	SPDR S&P Dividedn ETF		09/02/2011	Goldman, Sachs & Co	45,770.000	2,388,948	XXX		L
9299999 Subtotal - Common Stock - Mutual Funds					XXX	3,703,418	XXX		XXX
9799997 Subtotal - Common Stock - Part 3					XXX	3,703,418	XXX		XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
9799999 Subtotal - Common Stocks					XXX	3,703,418	XXX		XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	3,703,418	XXX		XXX

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
9999999 Total - Bonds, Preferred and Common Stocks					XXX	22,986,694	XXX	113,566	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
31331JT78	F F C B DEB 0.490% 10/26/		09/06/2011	CALLED @ 100.0000000	XXX	2,500,000	2,500,000.00	2,497,250			937		937		2,498,187		1,813	1,813	10,549	10/26/2012	1
3133704F2	F H L B DEB 0.450% 7/15/		07/15/2011	MATURITY	XXX	3,000,000	3,000,000.00	3,000,000	3,000,000						3,000,000				13,725	07/15/2011	1
313373VC3	F H L B DEB 1.000% 5/26/		08/26/2011	CALLED @ 100.0000000	XXX	3,000,000	3,000,000.00	2,976,000			9,630		9,630		2,985,630		14,370	14,370	7,500	05/26/2016	1
313370GZ5	F H L B DEB 1.000% 8/24/		08/24/2011	CALLED @ 100.0000000	XXX	1,000,000	1,000,000.00	1,000,000							1,000,000				5,000	08/24/2015	1
313370P69	F H L B DEB 1.000% 8/26/		08/26/2011	CALLED @ 100.0000000	XXX	2,000,000	2,000,000.00	1,999,000	1,999,230		435		435		1,999,665		335	335	20,000	08/26/2015	1
313370TR9	F H L B DEB 1.020% 12/13/		09/13/2011	CALLED @ 100.0000000	XXX	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				15,300	12/13/2013	1
3134G1WM2	F H L M C M T N 0.500% 4/29/		07/29/2011	CALLED @ 100.0000000	XXX	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				8,750	04/29/2014	1
3134G2BD3	F H L M C M T N 0.520% 9/28/		09/28/2011	CALLED @ 100.0000000	XXX	3,000,000	3,000,000.00	3,000,938			(938)		(938)		3,000,000				7,800	09/28/2012	1
3134G2BJ0	F H L M C M T N 0.650% 12/28/		09/28/2011	CALLED @ 100.0000000	XXX	3,000,000	3,000,000.00	3,000,000							3,000,000				9,750	12/28/2012	1
3134G2LA8	F H L M C M T N 0.700% 6/28/		09/28/2011	CALLED @ 100.0000000	XXX	2,000,000	2,000,000.00	2,000,000							2,000,000				3,500	06/28/2013	1
3136FPPV3	F N M A M T N 0.740% 3/28/		09/28/2011	CALLED @ 100.0000000	XXX	1,500,000	1,500,000.00	1,501,875			(1,875)		(1,875)		1,500,000				5,550	03/28/2013	1
3136FPLT2	F N M A M T N 1.150% 12/30/		09/30/2011	CALLED @ 100.0000000	XXX	1,000,000	1,000,000.00	1,000,000	1,000,000						1,000,000				8,625	12/30/2013	1
31398ATL6	F N M A M T N 3.625% 8/15/		08/15/2011	MATURITY	XXX	1,819,000	1,819,000.00	1,884,939	1,852,788		(33,788)		(33,788)		1,819,000				65,939	08/15/2011	1
3136FP6H5	Federal National Mortgage Assoc.		08/24/2011	CALLED @ 100.0000000	XXX	3,000,000	3,000,000.00	2,997,750			1,109		1,109		2,998,859		1,141	1,141	15,000	02/24/2015	1
0599999 Subtotal - Bonds - U.S. Governments					XXX	30,819,000	30,819,000.00	30,857,752	11,852,018		(24,490)		(24,490)		30,801,341		17,659	17,659	196,988	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
373383GB8	GEORGIA ST 5.750% 8/01/		08/01/2011	MATURITY	XXX	1,000,000	1,000,000.00	1,067,430	1,031,435		(31,435)		(31,435)		1,000,000				57,500	08/01/2011	1FE
644682E69	NEW HAMPSHIRE ST REF 2.000% 7/01/		07/01/2011	MATURITY	XXX	500,000	500,000.00	509,060	503,738		(3,738)		(3,738)		500,000				10,000	07/01/2011	1FE
74514LAR8	PUERTO RICO COMWLTH* 5.125% 7/01/		07/01/2011	CALLED @ 100.0000000	XXX	2,000,000	2,000,000.00	2,052,480	2,047,952		(47,952)		(47,952)		2,000,000				102,500	07/01/2031	1FE
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions					XXX	3,500,000	3,500,000.00	3,628,970	3,583,125		(83,125)		(83,125)		3,500,000				170,000	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
041431FS1	ARLINGTON CNTY VA 2.000% 8/15/		08/15/2011	MATURITY	XXX	1,425,000	1,425,000.00	1,450,009	1,440,399		(15,399)		(15,399)		1,425,000				28,817	08/15/2011	1FE
4876927B5	KELLER TX INDPT* 5.375% 8/15/		08/15/2011	CALLED @ 100.0000000	XXX	600,000	600,000.00	637,758	637,084		(37,084)		(37,084)		600,000				32,250	08/15/2031	1FE
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					XXX	2,025,000	2,025,000.00	2,087,767	2,077,483		(52,483)		(52,483)		2,025,000				61,067	XXX	XXX
Bonds - U.S. Special Revenue, Special Assessment																					
679110CY0	OK Student Loan		09/20/2011	Suntrust	XXX	150,000	150,000.00	142,011	141,378		(407)		(407)		140,971		9,029	9,029	488	12/01/2033	1FE
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					XXX	150,000	150,000.00	142,011	141,378		(407)		(407)		140,971		9,029	9,029	488	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
637432CU7	National Rural Utl MTN		08/19/2011	Deutsche Bank	XXX	95,388	92,000.00	102,183	97,077		(2,739)		(2,739)		94,338		1,050	1,050	6,448	03/01/2012	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	95,388	92,000.00	102,183	97,077		(2,739)		(2,739)		94,338		1,050	1,050	6,448	XXX	XXX
8399997 Subtotal - Bonds - Part 4					XXX	36,589,388	36,586,000.00	36,818,683	17,751,081		(163,244)		(163,244)		36,561,650		27,738	27,738	434,991	XXX	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	36,589,388	36,586,000.00	36,818,683	17,751,081		(163,244)		(163,244)		36,561,650		27,738	27,738	434,991	XXX	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX		XXX													XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	36,589,388	XXX	36,818,683	17,751,081		(163,244)		(163,244)		36,561,650		27,738	27,738	434,991	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

E06 Schedule DB Part A Section 1 ..... NONE

E07 Schedule DB Part B Section 1 ..... NONE

E08 Schedule DB Part D ..... NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
Wachovia	Cash						(3,072,690)	(1,955,228)	(3,356,496)	X X X
JP Morgan	Cash						16,238	33,385	24,557	X X X
0199998 Deposits in 62 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X	14,728	1,364	20,131,388	20,136,014	13,592,953	X X X
0199999 Totals - Open Depositories			X X X	X X X	14,728	1,364	17,074,936	18,214,171	10,261,014	X X X
0299998 Deposits in 0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	14,728	1,364	17,074,936	18,214,171	10,261,014	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	14,728	1,364	17,074,936	18,214,171	10,261,014	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations							
CITY ATLANTA GA C P 0.180% 11/02/		08/04/2011	0.180	11/02/2011	1,000,000	285	
FLORIDA LOCAL C P 0.170% 10/04/		08/04/2011	0.170	10/04/2011	2,000,000	539	
3299999 Subtotals - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					3,000,000	824	
3899999 Subtotals - Industrial & Miscellaneous (Unaffiliated)					3,000,000	824	
7799999 Subtotals - Issuer Obligations					3,000,000	824	
8399999 Subtotals - Bonds					3,000,000	824	
8499999 Sweep Accounts							
8599999 Other Cash Equivalents							
8699999 Total - Cash Equivalents					3,000,000	824	

12941201136500003 2011 Document Code: 365

MEDICARE PART D COVERAGE SUPPLEMENT

Net of Reinsurance

NAIC Group Code: 1156 **NAIC Company Code: 12941**

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums Collected		XXX		XXX	
2. Earned Premiums		XXX		XXX	XXX
3. Claims Paid		XXX		XXX	
4. Claims Incurred		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)			XXX		
6. Aggregate Policy Reserves - change				XXX	XXX
7. Expenses Paid				XXX	
8. Expenses Incurred		XXX		XXX	XXX
9. Underwriting Gain or Loss		XXX		XXX	XXX
10. Cash Flow Results	XXX	XXX	XXX	XXX	

NONE

(a) Uninsured Receivable/Payable with CMS at End of Quarter: $.....0 due from CMS or $.....0 due to CMS

Statement of Actuarial Opinion

NONE

Amended Statement Cover

NONE

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- Retrospective; Q2
- Uncollected; Q2
- Unearned; Q4
- Written; Q4; Q7

Prescription Drugs; Q4
Quasi Reorganizations; Q10, Note 13
Real Estate; Q2; Q6; QE01; QSI01
Redetermination, Contracts Subject to; Q10, Note 24
Reinsurance; Q9; Q10, Note 23
- Ceded; Q3; Q12
- Funds Held; Q2
- Payable; Q3
- Premiums; Q3
- Receivable; Q2; Q4
- Unauthorized; Q3; Q5

Reserves
- Accident and Health; Q3; Q4
- Claim; Q3; Q5; Q8
- Life; Q3

Retirement Plans; Q10, Note 12
Retrospectively Rated Policies; Q10, Note 24
Risk Revenue; Q4
Salvage and Subrogation; Q10, Note 31
Securities Lending; Q2; Q3; QE09; QE10
Servicing of Financial Assets; Q10, Note 17
Short-Term Investments; Q2; Q6; Q11.1; QSI03
Stockholder Dividends; Q5; Q6
Subsequent Events; Q10, Note 22
Surplus; Q3; Q5; Q6
Surplus Notes; Q3; Q5; Q6
Swaps; QE07; QSI04
Synthetic Assets; QSI04; QSI05
Third Party Administrator; Q10, Note 19
Treasury Stock; Q3; Q5
Uninsured Accident and Health; Q2; Q3; Q10, Note 18
Valuation Allowance; QSI01
Wash Sales; Q10, Note 17
Withholds; Q4; Q8

QUARTERLY DISKETTE TRANSMITTAL FORM AND CERTIFICATION
(HEALTH)

Name of Insurer **AMERIGROUP Tennessee, Inc.**

Date	11/15/2011	FEIN	20-4776597
NAIC Group #	1156	NAIC Company #	12941

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS. PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY HELP TO IDENTIFY DISKETTE CONTENT.

	QTR. 1	QTR. 2	QTR. 3
A01. Is this the first time you've submitted this filing? (Y/N)	N/A	N/A	Yes
A02. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N)	N/A	N/A	N/A
A03. Is this being re-filed due to changes to the data originally filed? (Y/N)	N/A	N/A	N/A
A04. Other? (Y/N)	N/A	N/A	N/A
(If "yes" attach an explanation.)			

B. Additional comments if necessary for clarification:

C. Diskette Contact Person: Margaret Mary Roomsburg

Phone: (757)473-2721-

Address: 4425 Corporation Lane, Virginia Beach, VA 23462

D. Software Vendor: SunGard iWORKS, LLC
Version: 2011.Q.1

E. Have material validation failures been addressed in the explanation file? Yes[X] No[ ]

F. The undersigned hereby certifies, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that quarterly statement information required to be contained on diskette is identical to the information in the 2011 Quarterly Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name): McAfee VirusScan Enterprise

(version number): 8.8.0.777

(Signed) Margaret M Room

Type Name and Title: Margaret Mary Roomsburg, Vice President/Asst. Secretary

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 -90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 Total individuals						
0299998 Premium due and unpaid not individually listed						
0299999 Total group						
0399999 Premium due and unpaid from Medicare entities						
0499999 Premium due and unpaid from Medicaid entities	15,726,810	1,153,691	1,815,343	15,727,157		34,423,001
0599999 Accident and health premiums due and unpaid (Page 2, Line 13)	15,726,810	1,153,691	1,815,343	15,727,157		34,423,001

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 -90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Pharmaceutical Rebate Receivables						
Caremark	48,818	51,094	42,716	295,083	437,711	
0199998 Pharmaceutical Rebate Receivables - Not Individually Listed						
0199999 Subtotal - Pharmaceutical Rebate Receivables	48,818	51,094	42,716	295,083	437,711	
0299998 Claim Overpayment Receivables - Not Individually Listed			7	43,125	43,132	
0299999 Subtotal - Claim Overpayment Receivables			7	43,125	43,132	
Loans and Advances to Providers						
Ed Medical, Inc.				170,000	170,000	
Guardian Hospice of Nashville, LLC				100,000	100,000	
0399998 Loans and Advances to Providers - Not Individually Listed				50,000	50,000	
0399999 Subtotal - Loans and Advances to Providers				320,000	320,000	
0499998 Capitation Arrangements Receivables - Not Individually Listed						
0499999 Subtotal - Capitation Arrangements Receivables						
0599998 Risk Sharing Receivables - Not Individually Listed						
0599999 Subtotal - Risk Sharing Receivables						
0699998 Other Receivables - Not Individually Listed						
0699999 Subtotal - Other Receivables						
0799999 Gross health care receivables	48,818	51,094	42,723	658,208	800,843	

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 -90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Individually listed receivables							
AMERIGROUP Corporation							
0199999 Total - Individually listed receivables							
0299999 Receivables not individually listed							
0399999 Total gross amounts receivable							

NONE

AMERIGROUP Tennessee, Inc.
Report 2A
For the Period Ending 09/30/11

	Current Period	Year-To-Date Total	Previous Year Total
Member Months	612,649	1,835,564	2,416,116
Revenues:			
TennCare Capitation	223,159,675	683,887,093	871,851,131
Investment	663,429	1,870,248	1,781,958
Other Revenues	-	-	-
Total Revenues	223,823,104	685,757,341	873,633,089
Estimated Expenses:			
Hospital and Medical (w/o Mental Health)			
Capitated Physician Services	-	-	1,038,956
Fee-for Service Physician Services	37,106,073	106,183,075	137,898,464
Inpatient Hospital Services	36,344,350	104,003,321	147,989,664
Outpatient Hospital Services	14,134,450	40,447,269	52,463,877
Emergency Room Services	7,239,619	20,716,959	24,826,025
Dental Services	-	-	-
Vision Services	669,190	1,914,961	2,174,706
Pharmacy Services	-	-	-
Home Health Services	6,685,911	19,132,465	29,405,479
Chiropractic Services	-	-	-
Radiology Services	3,565,396	10,202,768	12,061,197
Laboratory Services	2,585,144	7,397,673	9,524,334
Durable Medical Equipment Services	1,346,130	3,852,097	4,592,521
Transportation Services	4,979,696	14,249,943	15,683,389
Outside Referrals	-	-	-
Medical Incentive Pool and Withhold Adj	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Medical and Hospital Services - Write-Ins	-	-	-
Subtotal Medical and Hospital	114,655,959	328,100,531	437,658,612
Mental Health and Substance Abuse Services			
Inpatient Psychiatric Facility Services	2,895,880	8,286,879	9,165,284
Inpatient Substance Abuse Treatment and Detox	542,721	1,553,056	1,849,319
Outpatient Mental Health Services	2,133,374	6,104,883	7,283,076
Outpatient Substance Abuse Treatment and Detox	1,702,595	4,872,161	5,801,580
Housing/Residential Treatment	1,437,739	4,114,247	5,701,513
Specialized Crisis Services	1,264,945	3,619,778	4,400,805
Psychiatric Rehab and Support Services	840,944	2,406,453	3,160,309
Case Management	7,040,874	20,148,229	25,627,497
Forensics	-	-	-
Other Judicial	-	-	-
Pharmacy	-	-	-
Lab Services	-	-	-
Transportation	-	-	120,466
Medical Incentive Pool and Withhold Adjustments	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Mental Health and Substance Abuse Services	-	-	-
PCP and Specialist Services	-	-	-
Other Mental Health Services - Write-Ins	-	-	-
Subtotal MH&SAS	17,859,072	51,105,686	63,109,849
CHOICES			
Nursing Facility Care	39,320,023	112,518,536	127,021,290
HCBS Services	5,957,206	17,047,195	12,013,375
Subtotal CHOICES	45,277,229	129,565,731	139,034,665
Subtotal Hospital, Medical, MH&SAS, CHOICES	177,792,260	508,771,948	639,803,126
LESS:			
Net Reinsurance Recoveries Incurred	(65,390)	37,656	(582,336)
Copayments	-	-	-
Subrogation and Coordination of Benefits	-	-	-
Subtotal Reinsurance, Copay, Subrogation	(65,390)	37,656	(582,336)
Total Hospital, Medical, MH&SAS	177,857,650	508,734,292	640,385,462
Administration:			
Compensation	5,123,100	15,224,449	18,528,549
Direct and Allocated Admin expenses	12,520,410	38,362,198	49,059,427
Marketing	54,440	155,154	185,891
Interest Expense	-	-	-
Premium Tax Expense	12,269,878	37,720,063	48,770,370
Occupancy, Depreciation, and Amortization	302,815	875,719	1,360,982
Other Administration - Write-Ins	1,054,293	2,966,931	4,357,018
Total Administration Expenses	31,324,936	95,304,514	122,262,237
Total Expenses	209,182,586	604,038,806	762,647,699
Extraordinary Item	-	-	-
Provision for Income Tax	5,699,383	29,757,480	41,200,044
Net Income (Loss)	8,941,135	51,961,055	69,785,346
Write-Ins for Other Revenues			
Total Other Revenues	-	-	-
Write-Ins for Other Medical and Hospital			
Total Other Medical and Hospital	-	-	-
Write-Ins for Other MH & SS			
Total Other MH & SS	-	-	-
Write-Ins for Other Administration			
Purch Svc Accts	272,186	621,018	406,764
Telephone Expenses	114,223	324,246	291,132
Other Taxes	176,131	937,814	38,600
Conference/Seminars/Meetings	13,924	33,351	20,421
Contractual Sanctions	89,834	263,414	-
Bank Service Charges	20,346	52,901	36,674
Provision for Bad Debt	(201,452)	(1,163,004)	794,483
Postage and Delivery	147,930	478,527	593,284
Printing and Reproduction	166,803	686,933	455,515
Repairs and Maintenance	9,184	28,234	49,635
Supplies Expense	31,994	114,450	133,185
Temporary Labor Accts	37,936	66,493	80,995
Travel and Entertainment Exp	136,312	402,342	456,241
Recruitment Expenses	-	29,300	284,347
Other Administration < $20,000 YTD	38,942	90,912	715,742
Total Other Administration	1,054,293	2,966,931	4,357,018

AMERIGROUP Tennessee, Inc.-Grand Region Middle
Cash Reconciliation-Middle Region-Medicaid only
September 30, 2011

Month Received	Cash	Recorded	Rate cell before accrual	Capitation excluded from Withhold 2.5%	2011 rate decrease reflected in April file	Withhold 2.5%	97.5% collected	January 2011 capitation Paid in December	July 2011 capitation Paid @97.5%	Collected Withhold 2.5%	Quality Performance Incentive	Liquidated Damages	Premium Taxes	ASO Claims	Refund Checks	ASO fees	Other A/R	Cash difference	Premium receivable	
	Cash P2, C3, L5 IA	Premium P4, C2, L2										Admin Exp P4, C2, L21	Not Reported	Not Reported	Not Reported	Premium P4, C2, L2	Not Reported		Prem Rec P2, C3, L13.1	
Beginning Balance (Prem. Rec)																			$ 8,121,073.20	Balance @ 12/31/10
January		76,997,778.35	76,365,668.63			1,909,141.72	74,456,526.91	(74,456,526.91)										-	1,909,141.72	
January	606,057.03														457.03		605,600.00	-	-	
February	75,428,716.08	79,273,913.43	75,404,691.65			1,885,117.29	73,519,574.36			1,909,141.72								0.01	(24,024.43)	
March	77,542,989.40	76,198,368.02	77,610,125.24			1,940,253.13	75,669,872.11			1,885,117.29		(12,000.00)						(0.00)	55,135.84	
April	74,217,288.18	75,967,110.66	74,488,894.37		12,942,684.64	2,185,789.48	72,303,104.89			1,940,253.13		(26,069.84)						(0.01)	245,536.35	
May	76,512,311.46	77,021,323.42	76,299,475.26	41,552.55		1,906,448.07	74,393,027.19			2,185,489.48		(66,205.20)						(0.00)	(279,041.41)	
June	76,408,877.03	75,268,923.97	76,412,258.30	19,045.71		1,909,830.34	74,502,428.96			1,906,448.07		(63,305.09)						63,305.09	(59,922.82)	
June for July Pre-payment	75,372,377.55		75,410,764.35	2,282.54		1,885,212.05			73,525,552.30	1,909,830.34								(63,005.09)	38,386.80	
Underpayment of $300 for 2.5% withhold in May						-				300.00								(300.00)	-	
June for July Pre-payment Withhold						(1,885,212.05)												-	(1,885,212.05)	
July	-	74,338,684.44	75,410,764.35	2,282.54		1,885,212.05	73,525,552.30		(73,525,552.30)									-	1,885,212.05	
August	78,260,599.72	74,966,112.22	78,349,553.21	2,931.55		1,958,665.54	76,390,887.67			1,885,212.05		(15,500.00)						0.01	73,453.49	
September	68,182,922.06	73,854,878.67	67,634,056.67	1,546.64		1,690,812.75	65,943,243.92			1,958,665.54	290,546.16	(29,533.56)						(0.00)	(267,852.79)	
																			-	
Total	$ 602,512,138.51	$ 683,887,093.18	$ 753,386,253.02	$ 69,641.53		$ 17,271,270.38	$ 660,704,218.31	$ (74,456,526.91)	$ -	$ 15,580,457.60	$ 290,546.16	$ (212,613.69)	$ -	$ -	$ 457.03	$ -	$ 605,600.00	$ 0.00	$ 9,811,885.95	

Reconciliation

Cash collected		$ 602,512,138.51	
Premium earned		683,887,093.18	
3.5% Premium Tax Differential on Retroactivity @ 12-2010		(219,561.38)	
3.5% Premium Tax Differential on Retroactivity @ 09-2011		433,725.86	
Difference		$ (81,160,790.19)	
Premium Receivable		$ 34,423,001.16	
Less:			
Beginning Balance	$ 8,121,073.20		
Liquidated Damages	(212,613.69)		
Refund Checks	457.03		
Electronic Visit Verification System Payment	605,600.00		
January capitation minus retroactivity	(67,971,872.85)		
Change in remittances and items not allocated @ 09-2(	12,285,841.42		
3.5% Premium Tax Differential on Retroactivity @ 09-2(	433,725.86		
		$ (46,737,789.03)	
Difference		$ (81,160,790.19)	(0.00)

Cash that should be included on premium tax return	
Medicaid Premiums	683,672,928.70
Change in Premium Receivable	(26,301,927.96)
Refund Checks	457.03
Electronic Visit Verification System Payment	605,600.00
January capitation minus retroactivity	(67,971,872.85)
Change in remittances and items not allocated @ 09-2011	12,285,841.42
3.5% Premium Tax Differential on Retroactivity @ 09-2011	433,725.86
	602,724,752.20
1Q11 Cash Included	(153,589,762.51)
2Q11 Cash Included	(302,666,434.36)
	146,468,555.34
Total Cash collected	602,512,138.51
1Q11 Cash collected	(153,589,762.51)
2Q11 Cash collected	(302,666,434.36)
add back liquidated damages	212,613.69
	146,468,555.33
	0.00

8,055,770.54

$ 9,811,885.95	
25,612,205.67	Retroenrollment
433,725.86	3.5% Premium Tax Differential on Retroactivity
6,786,256.88	Retro Receivable
(1,525,161.18)	Retro Reclassification
(6,595,912.02)	Retroeligibility
34,423,001.16	Subtotal @ 9/30/11
(0.00)	AMERIVANTAGE Premium Receivable
34,423,001.15	Health Premiums Due & Accrued, Page 2, Line 15.1

0.00	Aggregate policy-reserves
-	Premiums received in advance, Page 3, Line 8
18,560,872.48	Remittances and items not allocated, Page 3, Line 13