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2011

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QUARTERLY STATEMENT
AS OF March 31, 2011
OF THE CONDITION AND AFFAIRS OF THE
DaVita VillageHealth of Ohio, Inc.

NAIC Group Code	4422 (Current Period)	4422 (Prior Period)	NAIC Company Code	12975	Employer's ID Number	20-8981247
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		Ohio	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X]	Property/Casualty[]	Hospital, Medical & Dental Service or Indemnity[]			
	Dental Service Corporation[]	Vision Service Corporation[]	Health Maintenance Organization[]			
	Other[]	Is HMO Federally Qualified? Yes[] No[X] N/A[]				
Incorporated/Organized	05/01/2007		Commenced Business	07/02/2007		
Statutory Home Office	11300 Cornell Park Drive, Suite 150 (Street and Number)		Cincinnati, OH 45242 (City, or Town, State and Zip Code)			
Main Administrative Office	1423 Pacific Avenue Tacoma, WA 98402 (Street and Number)		(253)382-1794 (Area Code) (Telephone Number)			
	Tacoma, WA 98401-2076 (City, or Town, State and Zip Code)		Tacoma, WA 98401-2076 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	1423 Pacific Avenue Tacoma, WA 98401-2076 (Street and Number)		(253)382-1794 (Area Code) (Telephone Number)			
Internet Web Site Address	www.villagehealth.com					
Statutory Statement Contact	Eric Franco (Name) eric.franco@villagehealth.com (E-Mail Address)		(310)536-2481 (Area Code)(Telephone Number)(Extension) (866)813-1561 (Fax Number)			

OFFICERS

Name	Title
Jess Ingrahm Parks	President & CEO
Kim Rivera	Secretary
Eric Franco	Treasurer
Steve Irving Grieger (vacant)	Assistant Treasurer
Allen Richard Nissenson	Assistant Secretary
	Chief Medical Officer

OTHERS

DIRECTORS OR TRUSTEES

Tami Deeb
Thomas Orville Usilton Jr.

Jess Ingrahm Parks

State of _____ ss
County of _____

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)
Jess Ingrahm Parks
(Printed Name)
1.
President & CEO
(Title)

(Signature)
Kim Rivera
(Printed Name)
2.
Secretary
(Title)

(Signature)
Eric Franco
(Printed Name)
3.
Treasurer
(Title)

Subscribed and sworn to before me this
day of _____, 2011

a. Is this an original filing?
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	.....	.....	.....	.....
2. Stocks:				
2.1 Preferred stocks .....	.....	.....	.....	.....
2.2 Common stocks	20,891	.....	20,891	16,386
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 (\$.....205,339), cash equivalents (\$.....0) and short-term investments (\$.....4,098,203)	4,303,542	.....	4,303,542	4,316,269
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)	4,324,433	.....	4,324,433	4,332,654
13. Title plants less \$.....0 charged off (for Title insurers only) .....	.....	.....	.....	.....
14. Investment income due and accrued	422	.....	422	170
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	.....	405,232	349	404,884
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 .....	.....	.....	.....	.....
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	36,569	.....	36,569	27,701
18.1 Current federal and foreign income tax recoverable and interest thereon	566,951	.....	566,951	566,951
18.2 Net deferred tax asset	2,623	.....	2,623	2,728
19. Guaranty funds receivable or on deposit .....	.....	.....	.....	.....
20. Electronic data processing equipment and software .....	.....	.....	.....	.....
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	.....	.....	.....	.....
22. Net adjustments in assets and liabilities due to foreign exchange rates .....	.....	.....	.....	.....
23. Receivables from parent, subsidiaries and affiliates	808	.....	808	.....
24. Health care (\$.....0) and other amounts receivable .....	.....	.....	.....	.....
25. Aggregate write-ins for other than invested assets .....	.....	.....	.....	.....
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	5,337,038	349	5,336,689	4,930,204
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	.....	.....	.....	.....
28. Total (Lines 26 and 27)	5,337,038	349	5,336,689	4,930,204
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. .....	.....	.....	.....	.....
2502. .....	.....	.....	.....	.....
2503. .....	.....	.....	.....	.....
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.....	.....	.....	.....
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	.....	.....	.....	.....

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	8,026	1,199	9,225	16,046
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
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				132,441
9. General expenses due or accrued				
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	4,212		4,212	
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				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates				
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	540,792		540,792	7,635
23. Aggregate write-ins for other liabilities (including \$.....0 current)				
24. Total liabilities (Lines 1 to 23)	553,030	1,199	554,229	156,123
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	1,000,000	1,000,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	7,019,795	7,019,795
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	(3,237,335)	(3,245,714)
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	4,782,460	4,774,081
34. Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	5,336,689	4,930,204
DETAILS OF WRITE-INS				
2301.				
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)				
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
				4 Total
	1 Uncovered	2 Total	3 Total	
1. Member Months	XXX			
2. Net premium income (including \$.....0 non-health premium income)	XXX		1,047	1,047
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		1,047	1,047
Hospital and Medical:				
9. Hospital/medical benefits	576	4,427	(202,847)	(179,356)
10. Other professional services	(366)	(2,813)	154,782	50,164
11. Outside referrals				
12. Emergency room and out-of-area	(20)	(156)	179	(2,403)
13. Prescription drugs	(1,832)	(14,091)	52,563	26,225
14. Aggregate write-ins for other hospital and medical	(5)	(38)	(2,699)	(517)
15. Incentive pool, withhold adjustments and bonus amounts	71	545		783
16. Subtotal (Lines 9 to 15)	(1,576)	(12,126)	1,979	(105,105)
Less:				
17. Net reinsurance recoveries				
18. Total hospital and medical (Lines 16 minus 17)	(1,576)	(12,126)	1,979	(105,105)
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$.....0 cost containment expenses			(10,047)	(30,265)
21. General administrative expenses		247	1,576	19,023
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)		(2,044)	(269)	30,481
23. Total underwriting deductions (Lines 18 through 22)	(1,576)	(13,923)	(6,761)	(85,867)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	13,923	7,808	86,913
25. Net investment income earned		(1,227)	1,025	(645)
26. Net realized capital gains (losses) less capital gains tax of \$.....0				
27. Net investment gains or (losses) (Lines 25 plus 26)		(1,227)	1,025	(645)
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	12,695	8,833	86,268
31. Federal and foreign income taxes incurred	XXX	4,212	(33,274)	(25,822)
32. Net income (loss) (Lines 30 minus 31)	XXX	8,483	42,107	112,090
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. Durable Medical Equipment	(5)	(38)	(2,699)	(517)
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)	(5)	(38)	(2,699)	(517)
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	4,774,081	4,717,172	4,717,173
34. Net income or (loss) from Line 32	8,483	42,107	112,090
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			
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	(104)	(36,277)	(55,153)
39. Change in nonadmitted assets		320	(28)
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			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Lines 34 to 47)	8,379	6,150	56,909
49. Capital and surplus end of reporting period (Line 33 plus 48)	4,782,460	4,723,322	4,774,081
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	(537,325)		(20,806)
2.	Net investment income	(1,479)	(30,047)	15,584
3.	Miscellaneous income		50,228	50,228
4.	Total (Lines 1 to 3)	(538,804)	20,181	45,005
5.	Benefit and loss related payments	(7,348)	685,783	792,331
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	(524,041)	26,004	19,596
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			
10.	Total (Lines 5 through 9)	(531,390)	711,787	811,927
11.	Net cash from operations (Line 4 minus Line 10)	(7,414)	(691,606)	(766,922)
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds			
12.2	Stocks	3,995,495	700,000	12,027,632
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			
12.7	Miscellaneous proceeds			
12.8	Total investment proceeds (Lines 12.1 to 12.7)	3,995,495	700,000	12,027,632
13.	Cost of investments acquired (long-term only):			
13.1	Bonds			
13.2	Stocks	4,000,000		10,543,273
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications			
13.7	Total investments acquired (Lines 13.1 to 13.6)	4,000,000		10,543,273
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)	(4,505)	700,000	1,484,360
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			
16.6	Other cash provided (applied)	(808)		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(808)		
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)	(12,727)	8,394	717,438
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	4,316,267	3,598,831	3,598,829
19.2	End of period (Line 18 plus Line 19.1)	4,303,540	3,607,224	4,316,267

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

20.0001			
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. First Quarter .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. Second Quarter .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. Third Quarter .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. Current Year .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6. Current Year Member Months .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total Member Ambulatory Encounters for Period:										
7. Physician .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
8. Non-Physician .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
9. Total .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
10. Hospital Patient Days Incurred .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
11. Number of Inpatient Admissions										
12. Health Premiums Written (a) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
13. Life Premiums Direct .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
14. Property/Casualty Premiums Written .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
15. Health Premiums Earned .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
16. Property/Casualty Premiums Earned .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
17. Amount Paid for Provision of Health Care Services	(5,305)	.....	.....	.....	.....	.....	.....	(5,305)	.....	.....
18. Amount Incurred for Provision of Health Care Services	(12,126)	.....	.....	.....	.....	.....	.....	(12,126)	.....	.....

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

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
0499999 Subtotals
0599999 Unreported claims and other claim reserves	9,225
0699999 Total Amounts Withheld
0799999 Total Claims Unpaid	9,225
0899999 Accrued Medical Incentive Pool And Bonus Amounts

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 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....	.....	.....	.....	.....	.....	.....
2. Medicare Supplement .....	.....	.....	.....	.....	.....	.....
3. Dental only .....	.....	.....	.....	.....	.....	.....
4. Vision only .....	.....	.....	.....	.....	.....	.....
5. Federal Employees Health Benefits Plan .....	.....	.....	.....	.....	.....	.....
6. Title XVIII - Medicare	(5,305)	.....	9,225	.....	3,920	16,046
7. Title XIX - Medicaid .....	.....	.....	.....	.....	.....	.....
8. Other health .....	.....	.....	.....	.....	.....	.....
9. Health subtotal (Lines 1 to 8)	(5,305)	.....	9,225	.....	3,920	16,046
10. Healthcare receivables (a) .....	.....	.....	.....	.....	.....	.....
11. Other non-health .....	.....	.....	.....	.....	.....	.....
12. Medical incentive pools and bonus amounts .....	.....	.....	.....	.....	.....	.....
13. Totals (Lines 9 - 10 + 11 + 12)	(5,305)	.....	9,225	.....	3,920	16,046

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

a. Accounting Practices

The accompanying financial statements of DaVita VillageHealth of Ohio, Inc. (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial conditions and results of operation of an insurance company for determining its solvency under Ohio Insurance law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	Q1 - 2011	2010	2009
(1) Net Income Ohio state basis	\$ 8,483	\$ 112,090	(\$ 266,059)
(2) State Prescribed Practices (Income):			
(3) State Permitted Practices (Income):			
(4) Net Income, NAIC SAP	\$ 8,483	\$ 112,090	(\$ 266,059)
(5) Statutory Surplus Ohio basis	\$4,782,460	\$4,774,081	\$4,717,173
(6) State Prescribed Practices (Surplus):			
(7) State Permitted Practices (Surplus):			
(8) Statutory Surplus, NAIC SAP	\$4,782,460	\$4,774,081	\$4,717,173

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

No Material Changes

c. Accounting Policy

No Material Changes

2. Accounting Changes and Corrections of Errors

No material changes in accounting principles and/or correction of errors.

3. Business Combinations and Goodwill

- a. Statutory Purchase Method – No Material Changes
- b. Statutory Merger – No Material Changes
- c. Assumption Reinsurance – No Material Changes
- d. Impairment Loss – No Material Changes

4. Discontinued Operations

The Company's last date of written business was December 31, 2009 and has been in run-off thereafter.

5. Investments

- a. Mortgage Loans – No Material Changes
- b. Debt Restructuring – No Material Changes
- c. Reverse Mortgages – No Material Changes

Notes to Financial Statement

- d. Loan-Backed Securities – No Material Changes
- e. Repurchase Agreements – No Material Changes
- f. Real Estate – No Material Changes
- g. Low-income housing tax credits (LIHTC) - No Material Changes

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Changes

7. Investment Income

No Material Changes

8. Derivative Instruments

No Material Changes.

9. Income Taxes

The Company recognizes a deferred tax asset or liability for the expected future tax effects attributable to the temporary difference between the tax and financial statement bases of assets and liabilities. Deferred tax assets and liabilities are adjusted to reflect changes in tax rates or other provisions of the tax law in the period in which such changes are enacted. Deferred tax assets are recognized unless it is more likely than not, that some portion or all of the deferred tax assets will not be recovered.

- a. The Company's net deferred tax asset at March 31, 2011 is 2,623.
- b. The Company has properly recognized all deferred tax liabilities amounts as described in SSAP No. 10.
- c. Current income taxes incurred at March 31, 2011 consist of the following major components:

	2011	2010	2009
Expense / (Benefit)	\$ 4,212	(\$ 25,822)	(\$ 553,786)
Federal Income Tax Receivable	\$ 566,951	\$ 566,951	\$ 541,129
Federal Income Tax (Payable)	\$ 4,212	\$ 0	\$ 0
Net Deferred Tax Asset	<u>\$ 2,623</u>	<u>\$ 2,728</u>	<u>\$ 57,881</u>

- d. The Company had no significant book to tax adjustments.
- e. At March 31, 2011, the Company had no operating loss carry forwards.
- f. The Company's federal income tax return will be consolidated with DaVita, Inc. (DaVita) and its subsidiaries. The method of allocation between the companies is subject to written agreement, approved by the Board of Directors and subject to the prior approval of the Ohio Department of Insurance. Allocation will be based upon separate return calculations with current credit for net losses if realized on a consolidated basis.

10. Information Concerning Parent, Subsidiaries and Affiliates

The Company's management service agreement [MSA] with parent company, DaVita VillageHealth, Inc. received approval from the state insurance department during the fourth quarter of 2008. The MSA was effective January 1, 2008, and year-to-date true-up of associated management fees was implemented at 2008 year end. Allocable expenses are classified as claim adjustment expense, other health plan expense, or

Notes to Financial Statement

general administrative expense. The parent company declared contributed capital rather than being reimbursed for 2008/2009/2010 expenses covered under this MSA.

11. Debt

No Material Changes

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

- a. Defined Benefit Plan – No Material Changes
- b. Deferred Compensation Plan – No Material Changes
- c. Multi-Employer Plan – No Material Changes
- d. Consolidated/Holding Company Plans – No Material Changes
- e. Post-Employment Benefits and Compensated Absences – No Material Changes
- f. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - No Material Changes

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

No Material Changes

14. Contingencies

- a. Contingent Commitments – No Material Changes
- b. Assessments – No Material Changes
- c. Gain Contingencies – No Material Changes.
- d. Claims related extra contractual obligations and bad faith losses stemming from lawsuits – No Material Changes
- e. All Other Contingencies – No Material Changes

15. Leases

No Material Changes

16. Information about Financial Instruments with off-balance sheet risk and financial instruments with concentrations of credit risk.

No Material Changes

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

- a. Transfers of Receivables reported as Sales – No Material Changes
- b. Transfer and Servicing of Financial Assets – No Material Changes
- 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.

Notes to Financial Statement

- a. ASO Plans – No Material Changes
- b. ASC Plans – No Material Changes
- c. Medicare or Similarly Structured Cost Based Reimbursement Contract - No Material Changes

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

No Material Changes

20. Other Items

- a. Extraordinary Items – No Material Changes
- b. Troubled Debt Restructuring – No Material Changes
- c. Other Disclosures - No Material Changes
- d. Balances of assets covered by SSAP No. 6, Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers, SSAP No. 47, Uninsured Plans, or SSAP No. 66, Retrospectively Rated Contracts. – None to report.
- e. Business Interruption Insurance Recoveries - No Material Changes
- f. State Transferable Tax Credits - No Material Changes
- g. Deposits admitted under Section 6603 of the Internal Revenue Service Code - No Material Changes
- h. Hybrid Securities - No Material Changes.
- i. Subprime Related Risk Exposure – No Material Changes

21. Events Subsequent

The Health Plan ceased operations on 12/31/2009 and is currently in run-off.

22. Reinsurance

- a. Ceded Reinsurance Report - No Material Changes
- b. Uncollectible Reinsurance – No Material Changes
- c. Commutation of Ceded Reinsurance - No Material Changes

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No Material Changes

24. Change in Incurred Claims and Claims Adjustment Expenses.

No Material Changes

25. Intercompany Pooling Arrangements

No Material Changes

26. Structured Settlements

Notes to Financial Statement

No Material Changes

27. Health Care Receivables

No Material Changes

28. Participating Policies

No Material Changes

29. Premium Deficiency Reserves

No Material Changes

30. Anticipated Salvage and Subrogation

No Material Changes

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]
Yes[] No[] N/A[X]

1.2 If yes, has the report been filed with the domiciliary state?

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[] No[X] 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.

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.

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).

6.4 By what department or departments?

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[] N/A[X]

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]				

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[X] No[]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 808

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?

If no, attach a description with this statement.

Yes[] No[] N/A[X]

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
.....

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)
The Bank of New York Trust Company, N.A.	700 So. Flower St., Ste 500, Los Angeles, CA 90017	All money is in an escrow account at 3/31/2011

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
.....

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 2 - HEALTH

1. Operating Percentages:

- 1.1 A&H loss percent
- 1.2 A&H cost containment percent
- 1.3 A&H expense percent excluding cost containment expenses

.....	0.000%
.....	0.000%
.....	0.000%

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]

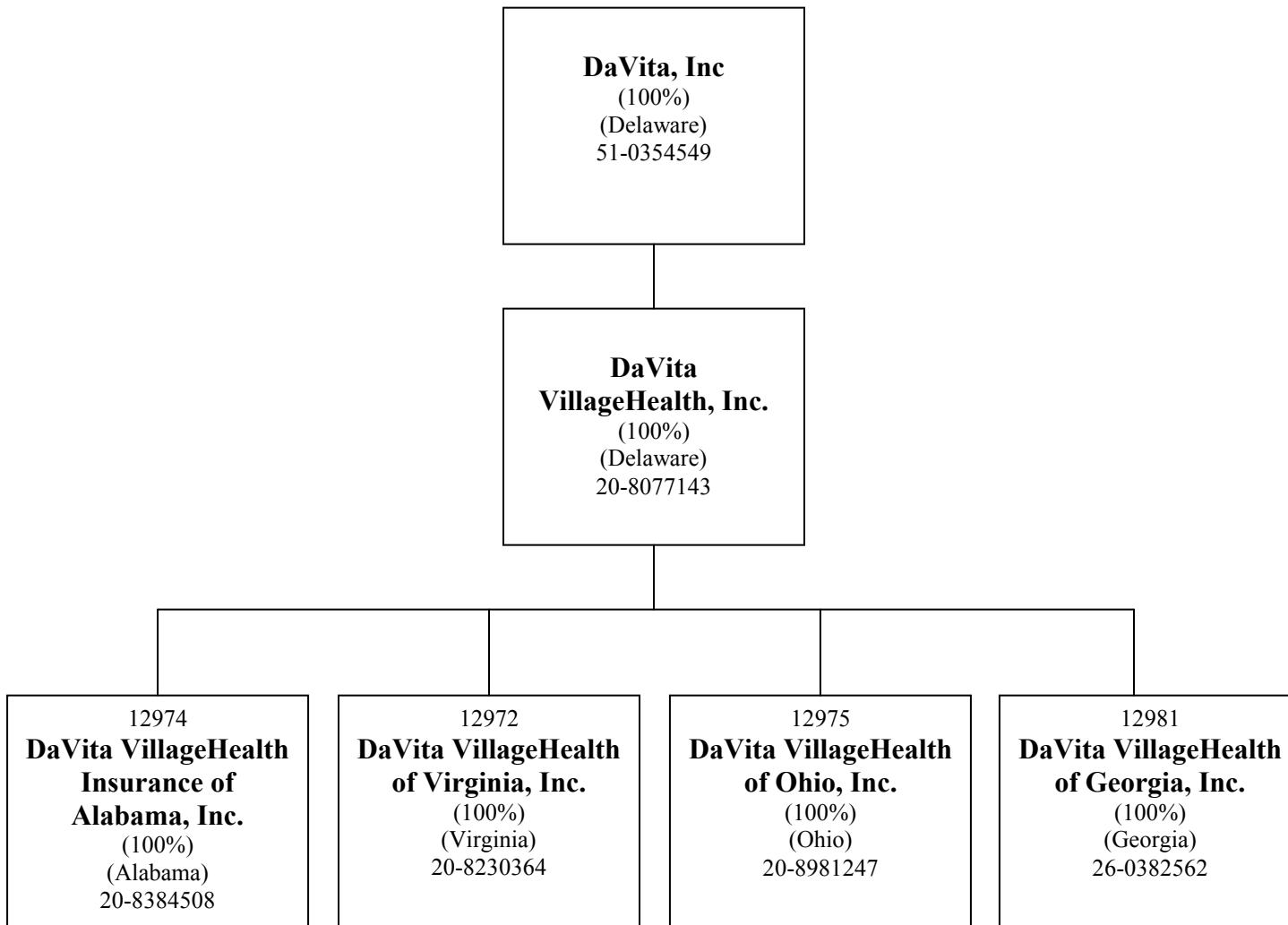
2.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$..... 0

13 Schedule S Ceded Reinsurance **NONE**

14 Schedule T - Premiums and Other Consid. **NONE**

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



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



2011

Document Code: 365

1297520113650001

N O N E

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 value
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)

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 points
9. Total foreign exchange change in book value/recorded investment
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)

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)

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 .....	..... 16,386	..... 1,500,746
2. Cost of bonds and stocks acquired .....	..... 4,000,000	..... 10,543,273
3. Accrual of discount .....	.....	.....
4. Unrealized valuation increase (decrease) .....	.....	.....
5. Total gain (loss) on disposals .....	.....	.....
6. Deduct consideration for bonds and stocks disposed of .....	..... 3,995,495	..... 12,027,632
7. Deduct amortization of premium .....	.....	.....
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) .....	..... 20,891	..... 16,386
11. Deduct total nonadmitted amounts .....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11) .....	..... 20,891	..... 16,386

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)	4,102,150	3,995,495	4,000,000	558	4,098,203			4,102,150
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	4,102,150	3,995,495	4,000,000	558	4,098,203			4,102,150
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	4,102,150	3,995,495	4,000,000	558	4,098,203			4,102,150

(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 \$.....4,098,203; 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	4,098,203	XXX	4,098,300		

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	4,102,150	3,292,844
2. Cost of short-term investments acquired	3,995,495	11,324,752
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	4,000,000	10,454,000
7. Deduct amortization of premium	(558)	61,445
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)	4,098,203	4,102,150
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,098,203	4,102,150

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
SI08	Schedule E - Verification (Cash Equivalents)	NONE

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)
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
Common Stock - Money Market Mutual Funds									
261941108	Dreyfus Inst'l Res Treasury Prime #6567		03/15/2011	The Bank of New York	4,000,000.000	4,000,000	XXX		U
9399999 Subtotal - Common Stock - Money Market Mutual Funds					XXX	4,000,000	XXX		XXX
9799997 Subtotal - Common Stock - Part 3					XXX	4,000,000	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	4,000,000	XXX		XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	4,000,000	XXX		XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	4,000,000	XXX		XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues1.

SCHEDULE D - PART 4**Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
During the Current Quarter**

1 CUSIP Identification	2 Description	3 F o r e i n g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/ Adjusted Carrying Value	10 Unrealized Valuation Increase/ (Decrease)	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Current Year's Other Than Temporary Impairment Recognized	12 Current Year's Amortization/ Accretion	13 Total Change in B./A.C.V. (11 + 12 - 13)	14 Total Foreign Exchange Change in B./A.C.V.	15								
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....	....XXX....	....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....	....XXX....	....XXX....	....XXX....	
Common Stock - Money Market Mutual Funds				.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
261941108 .. Dreyfus Inst'l Res Treasury Prime #6567	03/15/2011	Re-invested .....	.....	3,995,494.860	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....XXX....	U
9399999 Subtotal - Common Stock - Money Market Mutual FundsXXX....	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....XXX....	....XXX....
9799997 Subtotal - Common Stocks - Part 4XXX....	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....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....	....XXX....	....XXX....	....XXX....	....XXX....
9799999 Subtotal - Common StocksXXX....	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....XXX....	....XXX....
9899999 Subtotal - Preferred and Common StocksXXX....	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....XXX....	....XXX....
9999999 Total - Bonds, Preferred and Common StocksXXX....	....3,995,495	....XXX....	....3,995,495	....16,386	.....	.....	.....	.....	.....	.....	.....	.....	.....	20,891	.....	.....	.....	.....	....XXX....	....XXX....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues1.

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 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
Wachovia Bank	Charlotte, NC					215,678	216,431	207,928	XXX
Wachovia Bank	Charlotte, NC					(2,922)	(10,098)	(2,590)	XXX
0199998 Deposits in	0 depositories that do not exceed the allowable limit in any one depository - open depositories	XXX	XXX ..						XXX
0199999 Totals - Open Depositories		XXX	XXX ..			212,756	206,333	205,339	XXX
0299998 Deposits in	0 depositories that do not exceed the allowable limit in any one depository - suspended depositories	XXX	XXX ..						XXX
0299999 Totals - Suspended Depositories		XXX	XXX ..						XXX
0399999 Total Cash On Deposit		XXX	XXX ..			212,756	206,333	205,339	XXX
0499999 Cash in Company's Office		XXX	XXX ..	XXX ..	XXX ..				XXX
0599999 Total Cash		XXX	XXX ..			212,756	206,333	205,339	XXX

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
8699999 Total - Cash Equivalents							

N O N E

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Swaps; QE07; QSI04

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Third Party Administrator; Q10, Note 19

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