



QUARTERLY STATEMENT

As of September 30, 2011
of the Condition and Affairs of the

Molina Healthcare Insurance Company

NAIC Group Code.....1531, 1531
(Current Period) (Prior Period)

NAIC Company Code..... 69647

Employer's ID Number..... 31-0628424

Organized under the Laws of Ohio

State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated/Organized..... October 19, 1948

Commenced Business..... December 5, 1978

Statutory Home Office

8101 North High Street, Suite 210..... Columbus OH 43235
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office

200 Oceangate, Suite 100..... Long Beach CA 90802
(Street and Number) (City or Town, State and Zip Code)

562-435-3666 x111566
(Area Code) (Telephone Number)

Mail Address

200 Oceangate, Suite 100..... Long Beach CA 90802
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records

200 Oceangate, Suite 100..... Long Beach CA 90802
(Street and Number) (City or Town, State and Zip Code)

562-435-3666 x111566
(Area Code) (Telephone Number)

Internet Web Site Address

molinahealthcare.com

Statutory Statement Contact

Joseph William White
(Name)
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(E-Mail Address)

562-435-3666 x111566
(Area Code) (Telephone Number) (Extension)
562-499-0612
(Fax Number)

OFFICERS

Name	Title	Name	Title
1. John Conrad Molina	President	2. Joseph William White	Chief Financial Officer
3. Jeffrey Don Barlow	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Joseph Marion Molina	John Conrad Molina	Robert William Gordon	Joseph William White
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State of..... California
County of..... Los Angeles

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of 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)
John Conrad Molina	Joseph William White	Jeffrey Don Barlow
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
This _____ day of _____ November, 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

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds.....	4,898,843		4,898,843	4,898,631
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....(6,059)), cash equivalents (\$.....0) and short-term investments (\$.....3,966,356).....	3,960,297		3,960,297	4,048,023
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	8,859,140	.0	8,859,140	8,946,654
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	24,793		24,793	5,709
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			.0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			.0	
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....			.0	
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....0) and other amounts receivable.....			.0	36
25. Aggregate write-ins for other than invested assets.....	301	301	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	8,884,234	301	8,883,933	8,952,399
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	8,884,234	301	8,883,933	8,952,399

DETAILS OF WRITE-INS

1101.			.0	
1102.			.0	
1103.			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepays / Deposits.....	301	301	.0	
2502.			.0	
2503.			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	301	301	.0	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....0 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....		
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....		
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....		
4. Contract claims:		
4.1 Life.....		
4.2 Accident and health.....		
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums.....		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including \$.....0 accident and health experience rating refunds.....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....		
9.4 Interest Maintenance Reserve.....	172,479	184,012
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued.....	1,350	3,335
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....		
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	27,730	84,290
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....		
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	18,548	21,821
24.02 Reinsurance in unauthorized companies.....		
24.03 Funds held under reinsurance treaties with unauthorized reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....		
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....		
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	1,745	25,022
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	221,852	318,480
27. From Separate Accounts statement.....		
28. Total liabilities (Lines 26 and 27).....	221,852	318,480
29. Common capital stock.....	2,727,274	2,727,274
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus.....	4,990,293	4,990,293
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	944,514	916,352
36. Less treasury stock, at cost:		
36.10.000 shares common (value included in Line 29 \$.....0).....		
36.20.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	5,934,807	5,906,645
38. Totals of Lines 29, 30 and 37.....	8,662,081	8,633,919
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	8,883,933	8,952,399

DETAILS OF WRITE-INS		
2501. Escheat Liability.....	1,745	25,022
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,745	25,022
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

SUMMARY OF OPERATIONS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....			
2. Considerations for supplementary contracts with life contingencies.....			
3. Net investment income.....	58,984	38,864	56,975
4. Amortization of Interest Maintenance Reserve (IMR).....	11,533	15,369	20,492
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....			
7. Reserve adjustments on reinsurance ceded.....			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....			
8.2 Charges and fees for deposit-type contracts.....			
8.3 Aggregate write-ins for miscellaneous income.....	0	0	0
9. Totals (Lines 1 to 8.3).....	70,517	54,233	77,467
10. Death benefits.....			
11. Matured endowments (excluding guaranteed annual pure endowments).....			
12. Annuity benefits.....			
13. Disability benefits and benefits under accident and health contracts.....			
14. Coupons, guaranteed annual pure endowments and similar benefits.....			
15. Surrender benefits and withdrawals for life contracts.....			
16. Group conversions.....			
17. Interest and adjustments on contract or deposit-type contract funds.....			
18. Payments on supplementary contracts with life contingencies.....			
19. Increase in aggregate reserves for life and accident and health contracts.....			
20. Totals (Lines 10 to 19).....	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....			
22. Commissions and expense allowances on reinsurance assumed.....			
23. General insurance expenses.....	18,696	97,489	108,318
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	143,206	55,700	57,684
25. Increase in loading on deferred and uncollected premiums.....			
26. Net transfers to or (from) Separate Accounts net of reinsurance.....			
27. Aggregate write-ins for deductions.....	0	0	0
28. Totals (Lines 20 to 27).....	161,902	153,189	166,002
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	(91,385)	(98,956)	(88,535)
30. Dividends to policyholders.....			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	(91,385)	(98,956)	(88,535)
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	(116,560)	(122,545)	(148,207)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32).....	25,175	23,589	59,672
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.00 (excluding taxes of \$.00 transferred to the IMR).....			
35. Net income (Line 33 plus Line 34).....	25,175	23,589	59,672
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year.....	8,633,918	8,577,532	8,577,532
37. Net income (Line 35).....	25,175	23,589	59,672
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.00.....			
39. Change in net unrealized foreign exchange capital gain (loss).....			
40. Change in net deferred income tax.....		(82,535)	(350,457)
41. Change in nonadmitted assets.....	(285)	82,535	350,441
42. Change in liability for reinsurance in unauthorized companies.....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....			
44. Change in asset valuation reserve.....	3,273	2,783	(3,270)
45. Change in treasury stock.....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....			
47. Other changes in surplus in Separate Accounts Statement.....			
48. Change in surplus notes.....			
49. Cumulative effect of changes in accounting principles.....			
50. Capital changes:			
50.1 Paid in.....			
50.2 Transferred from surplus (Stock Dividend).....			
50.3 Transferred to surplus.....			
51. Surplus adjustment:			
51.1 Paid in.....			
51.2 Transferred to capital (Stock Dividend).....			
51.3 Transferred from capital.....			
51.4 Change in surplus as a result of reinsurance.....			
52. Dividends to stockholders.....			
53. Aggregate write-ins for gains and losses in surplus.....	0	0	0
54. Net change in capital and surplus (Lines 37 through 53).....	28,163	26,372	56,386
55. Capital and surplus as of statement date (Lines 36 + 54).....	8,662,081	8,603,904	8,633,918
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	0	0	0
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	0	0	0

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			
2. Net investment income	39,688	116,162	155,652
3. Miscellaneous income			
4. Total (Lines 1 through 3)	39,688	116,162	155,652
5. Benefit and loss related payments			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	187,165	159,582	276,967
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	(60,000)	(50,000)	(218,000)
10. Total (Lines 5 through 9)	127,165	109,582	58,967
11. Net cash from operations (Line 4 minus Line 10)	(87,477)	6,580	96,685
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds		4,865,000	5,865,000
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			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	4,865,000	5,865,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds		4,574,640	4,574,640
13.2 Stocks			
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)	0	4,574,640	4,574,640
14. Net increase (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	0	290,360	1,290,360
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)	(249)	54,683	(51)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(249)	54,683	(51)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(87,726)	351,623	1,386,994
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	4,048,023	2,661,029	2,661,029
19.2 End of period (Line 18 plus Line 19.1)	3,960,297	3,012,652	4,048,023

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001			
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EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....			
2. Ordinary life insurance.....	770,466	815,814	1,076,898
3. Ordinary individual annuities.....	33,488	27,244	31,734
4. Credit life (group and individual).....			
5. Group life insurance.....			
6. Group annuities.....			
7. A&H - group.....			
8. A&H - credit (group and individual).....	1,261		1,728
9. A&H - other.....		1,211	
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	805,215	844,269	1,110,360
12. Deposit-type contracts.....	85,029		
13. Total.....	890,244	844,269	1,110,360

DETAILS OF WRITE-INS

1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Molina Healthcare Insurance Company (the “Company”) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Ohio insurance law. The National Association of Insurance Commissioners’ *Accounting Practices and Procedures Manual* (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of Ohio.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

D. As of September 30,2011, the Company had no investments in loan-backed securities.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

E. On September 9, 2011, Molina Healthcare, Inc. (the "Parent") entered into a credit agreement for a \$170 million revolving credit facility with various lenders to be used for general corporate purposes. The credit facility is collateralized by a pledge of the capital stock of the Company, as well as the common stock of other subsidiaries of the Parent. As of September 30, 2011 there was no outstanding principal balance under the credit facility, however, the lenders had issued two letters of credit in the aggregate principal amount of \$10.3 million. As of September 30, 2011, the Parent was in compliance with all financial covenants under the Credit Facility.

On September 9, 2011, the Parent terminated its existing credit agreement with Bank of America, dated March 9, 2005, as amended to date, which had provided the Parent with a \$150 million revolving credit facility.

Note 11 - Debt

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

Note 13 - Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

No significant change.

Note 14 - Contingencies

A. On September 9, 2011, Molina Healthcare, Inc. (the "Parent") entered into a credit agreement for a \$170 million revolving credit facility with various lenders to be used for general corporate purposes. The credit facility is

NOTES TO FINANCIAL STATEMENTS

collateralized by a pledge of the capital stock of the Company, as well as the common stock of other subsidiaries of the Parent. As of September 30, 2011 there was no outstanding principal balance under the credit facility, however, the lenders had issued two letters of credit in the aggregate principal amount of \$10.3 million. As of September 30, 2011, the Parent was in compliance with all financial covenants under the Credit Facility.

On September 9, 2011, the Parent terminated its existing credit agreement with Bank of America, dated March 9, 2005, as amended to date, which had provided the Parent with a \$150 million revolving credit facility.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. There were no wash sales during the period ended September 30, 2011.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

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

No significant change.

Note 20 - Fair Value

- A.
- (1) Assets Measured at Fair Value on a Recurring Basis: The Company's assets measured at fair value on a recurring basis include primarily short-term money market funds, which are classified as short-term investments. The Plan receives monthly statements from investment brokers that provide market pricing.

(1)	(2)	(3)	(4)	(5)
Description	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Short-term investments	\$ 3,966,356	\$ 0	\$ 0	\$ 3,966,356
Total assets at fair value	\$ 3,966,356	\$ 0	\$ 0	\$ 3,966,356
b. Liabilities at fair value				
None (see (3) below)	\$ 0	\$ 0	\$ 0	\$ 0

- (2) None
- (3) The Company's statutory-basis balance sheets include the following financial instruments: cash, short-term investments, bonds (stated at amortized cost), investment income due and accrued, accounts payable, and other current liabilities. The Company believes the carrying amounts of current assets and current liabilities in the statutory-basis financial statements approximate the fair value of these financial instruments because of the relatively short period of time between the origination of the instruments and their expected realization or payment.

- B. None
- C. See A. (3) above
- D. Not applicable.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

None

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - Reserves for Life Contracts and Annuity Contracts

No significant change.

Note 32 - Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

No significant change.

Note 33 - Premiums and Annuity Considerations Deferred and Uncollected

No significant change.

Note 34 - Separate Accounts

No significant change.

Note 35 - Loss/Claim Adjustment Expenses

No significant change.

Molina Healthcare Insurance Company

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 []

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 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	2	3
Name of Entity	NAIC Company Code	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. 12/31/2006.....

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. 12/31/2006.....

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). 4/10/2008.....

6.4 By what department or departments?
Ohio Department of Insurance

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 [X] No [] N/A []

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] 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 the 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	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

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]

Molina Healthcare Insurance Company
GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

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:

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:

	1	2
	Prior Year-End	Current Quarter
	Book/Adjusted Carrying Value	Book/Adjusted Carrying Value
14.21 Bonds.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$0
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

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 [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	2
Name of Custodian(s)	Custodian Address
CitiGroup	333 W. 34th Street, NY, NY 10001

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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

16.5 Identify all investment advisors, broker/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	2	3
Central Registration Depository	Name(s)	Address
149777	Morgan Stanley Smith Barney	555 California Street, 35th Floor, San Francisco, CA 94101

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:

Molina Healthcare Insurance Company

GENERAL INTERROGATORIES (continued)

PART 2 - LIFE & HEALTH

1.

Report the statement value of mortgage loans at the end of this reporting period for the following categories:

1

1.1

Long-term mortgages in good standing

Amount

1.11

Farm mortgages.....

\$.....

1.12

Residential mortgages.....

\$.....

1.13

Commercial mortgages.....

\$.....

1.14

Total mortgages in good standing.....

\$.....0

1.2

Long-term mortgages in good standing with restructured terms

1.21

Total mortgages in good standing with restructured terms.....

\$.....

1.3

Long-term mortgage loans upon which interest is overdue more than three months

1.31

Farm mortgages.....

\$.....

1.32

Residential mortgages.....

\$.....

1.33

Commercial mortgages.....

\$.....

1.34

Total mortgages with interest overdue more than three months.....

\$.....0

1.4

Long-term mortgage loans in process of foreclosure

1.41

Farm mortgages.....

\$.....

1.42

Residential mortgages.....

\$.....

1.43

Commercial mortgages.....

\$.....

1.44

Total mortgages in process of foreclosure.....

\$.....0

1.5

Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)

\$.....0

1.6

Long-term mortgages foreclosed, properties transferred to real estate in current quarter

1.61

Farm mortgages.....

\$.....

1.62

Residential mortgages.....

\$.....

1.63

Commercial mortgages.....

\$.....

1.64

Total mortgages foreclosed and transferred to real estate.....

\$.....0

2.

Operating Percentages:

2.1

A&H loss percent.....

.....

2.2

A&H cost containment percent.....

.....

2.3

A&H expense percent excluding cost containment expenses.....

.....

3.1

Do you act as a custodian for health savings accounts?.....

Yes []

No [X]

3.2

If yes, please provide the amount of custodial funds held as of the reporting date.....

\$.....

3.3

Do you act as an administrator for health savings accounts?.....

Yes []

No [X]

3.4

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

\$.....

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Is Insurer Authorized? (YES or NO)

NONE

Molina Healthcare Insurance Company

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.		1	Direct Business Only					
			Life Contracts		4	5	6	7
			2	3				
		Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1.	Alabama.....	AL.....L.....	5,744				5,744	
2.	Alaska.....	AK.....L.....					0	
3.	Arizona.....	AZ.....L.....	17,339				17,339	
4.	Arkansas.....	AR.....L.....	3,263				3,263	
5.	California.....	CA.....L.....	144,474	10,108			154,582	
6.	Colorado.....	CO.....L.....	6,670				6,670	
7.	Connecticut.....	CT.....L.....	5,579				5,579	
8.	Delaware.....	DE.....L.....	450				450	
9.	District of Columbia.....	DC.....L.....					0	
10.	Florida.....	FL.....L.....	33,712	625	101	63,751	98,189	
11.	Georgia.....	GA.....L.....	15,414				15,414	
12.	Hawaii.....	HI.....L.....	1,785				1,785	
13.	Idaho.....	ID.....L.....	1,707				1,707	
14.	Illinois.....	IL.....L.....	9,575				9,575	
15.	Indiana.....	IN.....L.....	15,818				15,818	
16.	Iowa.....	IA.....L.....	2,699				2,699	
17.	Kansas.....	KS.....L.....	3,019				3,019	
18.	Kentucky.....	KY.....L.....	48,311	225	538		49,074	
19.	Louisiana.....	LA.....L.....	9,350				9,350	
20.	Maine.....	ME.....N.....	195				195	
21.	Maryland.....	MD.....L.....	1,785				1,785	
22.	Massachusetts.....	MA.....L.....					0	
23.	Michigan.....	MI.....L.....	19,274	6,000			25,274	
24.	Minnesota.....	MN.....L.....	1,714				1,714	
25.	Mississippi.....	MS.....L.....	5,761				5,761	
26.	Missouri.....	MO.....L.....	1,238				1,238	
27.	Montana.....	MT.....L.....					0	
28.	Nebraska.....	NE.....L.....	1,485				1,485	
29.	Nevada.....	NV.....L.....	7,391				7,391	
30.	New Hampshire.....	NH.....L.....	393				393	
31.	New Jersey.....	NJ.....L.....	346				346	
32.	New Mexico.....	NM.....L.....	1,365				1,365	
33.	New York.....	NY.....N.....	770				770	
34.	North Carolina.....	NC.....L.....	20,179				20,179	
35.	North Dakota.....	ND.....L.....	273				273	
36.	Ohio.....	OH.....L.....	298,183	6,296	622	21,278	326,379	
37.	Oklahoma.....	OK.....L.....	769				769	
38.	Oregon.....	OR.....L.....	8,990				8,990	
39.	Pennsylvania.....	PA.....L.....	1,605				1,605	
40.	Rhode Island.....	RI.....L.....					0	
41.	South Carolina.....	SC.....L.....	5,316				5,316	
42.	South Dakota.....	SD.....L.....	559				559	
43.	Tennessee.....	TN.....L.....	5,440				5,440	
44.	Texas.....	TX.....L.....	28,394				28,394	
45.	Utah.....	UT.....L.....	1,384				1,384	
46.	Vermont.....	VT.....L.....					0	
47.	Virginia.....	VA.....L.....	21,448	234			21,682	
48.	Washington.....	WA.....L.....	4,968				4,968	
49.	West Virginia.....	WV.....L.....	2,680	10,000			12,680	
50.	Wisconsin.....	WI.....L.....	3,652				3,652	
51.	Wyoming.....	WY.....L.....					0	
52.	American Samoa.....	AS.....N.....					0	
53.	Guam.....	GU.....N.....					0	
54.	Puerto Rico.....	PR.....N.....					0	
55.	US Virgin Islands.....	VI.....N.....					0	
56.	Northern Mariana Islands.....	MP.....N.....					0	
57.	Canada.....	CN.....N.....					0	
58.	Aggregate Other Alien.....	OT.....XXX.....	0	0	0	0	0	0
59.	Subtotal.....	(a).....49.....	770,466	33,488	1,261	85,029	890,244	0
90.	Reporting entity contributions for employee benefit plans.....	XXX.....					0	
91.	Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX.....					0	
92.	Dividends or refunds applied to shorten endowment or premium paying period.....	XXX.....					0	
93.	Premium or annuity considerations waived under disability or other contract provisions.....	XXX.....	3,261				3,261	
94.	Aggregate other amounts not allocable by State.....	XXX.....	0	0	0	0	0	0
95.	Totals (Direct Business).....	XXX.....	773,727	33,488	1,261	85,029	893,505	0
96.	Plus Reinsurance Assumed.....	XXX.....					0	
97.	Totals (All Business).....	XXX.....	773,727	33,488	1,261	85,029	893,505	0
98.	Less Reinsurance Ceded.....	XXX.....	773,727	33,488	1,261	85,029	893,505	
99.	Totals (All Business) less Reinsurance Ceded.....	XXX.....	0	0	0	0	0	0

DETAILS OF WRITE-INS								
5801.		XXX.....					0	
5802.		XXX.....					0	
5803.		XXX.....					0	
5898.	Summary of remaining write-ins for line 58 from overflow page.....	XXX.....	0	0	0	0	0	0
5899.	Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....	XXX.....	0	0	0	0	0	0
9401.		XXX.....					0	
9402.		XXX.....					0	
9403.		XXX.....					0	
9498.	Summary of remaining write-ins for line 94 from overflow page.....	XXX.....	0	0	0	0	0	0
9499.	Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX.....	0	0	0	0	0	0

(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

Q12

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

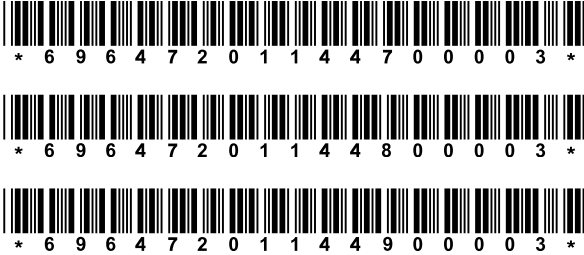
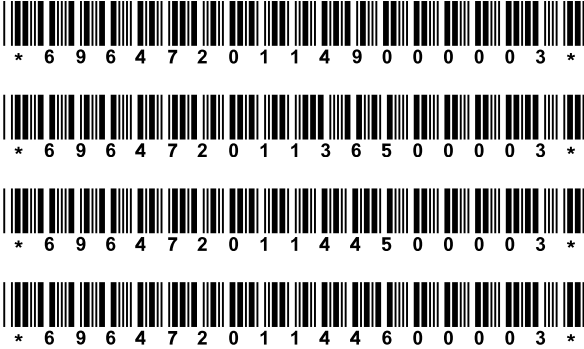
The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing 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 Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	NO
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	NO

Explanations:

-
-
-
-
-
-
-

Bar Code:



Molina Healthcare Insurance Company
Overflow Page for Write-Ins

NONE

Molina Healthcare Insurance Company
SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
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 and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
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).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
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).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	4,898,631	6,221,406
2. Cost of bonds and stocks acquired.....		4,574,640
3. Accrual of discount.....	14,214	
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration for bonds and stocks disposed of.....		5,865,000
7. Deduct amortization of premium.....	14,002	32,415
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).....	4,898,843	4,898,631
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	4,898,843	4,898,631

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	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	8,943,508	10,738	84,998	(4,049)	8,889,436	8,943,508	8,865,199	8,949,484
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	8,943,508	10,738	84,998	(4,049)	8,889,436	8,943,508	8,865,199	8,949,484
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	8,943,508	10,738	84,998	(4,049)	8,889,436	8,943,508	8,865,199	8,949,484

(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 \$.....0; 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.....	3,966,356	XXX.....	3,965,148	1,879	

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.....	4,050,852	2,663,070
2. Cost of short-term investments acquired.....	2,194,403	20,332,701
3. Accrual of discount.....	2,351	2,238
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	2,281,249	18,947,157
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).....	3,966,356	4,050,852
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	3,966,356	4,050,852

Sch. DB-Pt A-Verification

NONE

Sch. DB-Pt B-Verification

NONE

Sch. DB-Pt C-Sn 1

NONE

Sch. DB-Pt C-Sn 2

NONE

Sch. DB-Verification

NONE

Sch. E-Verification

NONE

Sch. A-Pt 2

NONE

Sch. A-Pt 3

NONE

Sch. B-Pt 2

NONE

Sch. B-Pt 3

NONE

Sch. BA-Pt 2

NONE

Sch. BA-Pt 3

NONE

Sch. D-Pt 3

NONE

Sch. D-Pt 4

NONE

Sch. DB-Pt A-Sn 1

NONE

Sch. DB-Pt A-Sn 1-Footernote

NONE

Sch. DB-Pt B-Sn 1

NONE

Sch. DB-Pt B-Sn 1-Footernote

NONE

Sch. DB-Pt B-Sn 1B-Broker List

NONE

Sch. DB-Pt D

NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
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

Citigroup..... New York, New York.....					(74)	(74)	(74)	XXX..
US Bank Saint Paul, Minnesota.....					(7,599)	(2,877)	(5,985)	XXX..
.....								XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	0	0	(7,673)	(2,951)	(6,059)	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	0	0	(7,673)	(2,951)	(6,059)	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	0	0	(7,673)	(2,951)	(6,059)	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year

NONE