

August 7, 2003

Mr. Guenther H. Ruch, Administrator  
Regulation and Enforcement Division  
Office of the Commissioner of Insurance  
125 South Webster Street  
P.O. Box 7873  
Madison, WI 53707-7873

RE: Unicare Examination Report following Texas Department of Insurance Settlement

Dear Guenther:

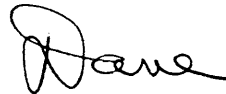
You had asked for follow up information regarding current status of Unicare's compliance with Texas law regarding timely payment of claims. We attach an examination report as of October 31, 2001 covering the preceding 15 months. The report was concluded on the 23<sup>rd</sup> of July 2002. The Examination Report suggests that Unicare is currently operating in compliance with Texas law.

I have not enclosed but offer to provide a Texas Department of Insurance report dated December 23<sup>rd</sup>, 2002 as of September 30<sup>th</sup>, 2002 on WellPoint Affiliates Unicare Health Plans of Texas, Inc. and Unicare Health Insurance Company of Texas. Neither of these companies was the subject of the consent Order previously furnished to you. This examination likewise demonstrates compliance with Texas law on payment of claims.

As always, if you have any questions, please feel free to contact me at (608) 283-2241.

Very truly yours,

**MICHAEL BEST & FRIEDRICH LLP**



David J. Hanson

Enclosure.

cc: Thomas C. Geiser  
Jonathan L. Schuster