



QUARTERLY STATEMENT

AS OF MARCH 31, 2005
OF THE CONDITION AND AFFAIRS OF THE

THE WELLNESS PLAN

NAIC Group Code 1150 1150 NAIC Company Code 95471 Employer's ID Number 38-2008890
(Current Period) (Prior Period)

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

Country of Domicile United States of America

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

Incorporated/Organized 11/08/1972 Commenced Business 02/28/1973

Statutory Home Office 7700 SECOND AVENUE, DETROIT, MI 48202
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 7700 SECOND AVENUE, DETROIT, MI 48202 313-734-8500-28531
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 7700 SECOND AVENUE, DETROIT, MI 48202
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 7700 SECOND AVENUE, DETROIT, MI 48202 313-202-8500-27828
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact Rao Kakarala Mr., 313-202-8500-27828
(Name) (Area Code) (Telephone Number) (Extension)
rkakarala@wellplan.com, 313-202-6870
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Policyowner Relations Contact 7700 SECOND AVENUE, DETROIT, MI 48202
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
<u>James Eric Gerber</u>	<u>Deputy Rehabilitator</u>		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

State of Michigan
County of Wayne SS

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.

James Eric Gerber
Deputy Rehabilitator

Subscribed and sworn to before me this
13 day of May, 2005

- 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 _____

Polly J. Jones, Notary Public, Wayne County, Michigan
My commission expires August 17, 2007

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

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	640,553		640,553	644,613
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	18,168,773		18,168,773	18,829,675
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$49,635,621), cash equivalents (\$1,859,686) and short-term investments (\$0)	51,495,307		51,495,307	54,914,343
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets	177,707	0	177,707	329,757
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	70,482,340	0	70,482,340	74,718,388
11. Title plants less \$ charged off (for Title insurers only)			0	
12. Investment income due and accrued	74,929		74,929	32,246
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection			0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
13.3 Accrued retrospective premiums			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software	1,227,084	1,176,816	50,268	61,866
19. Furniture and equipment, including health care delivery assets (\$840,802)	1,831,257	742,841	1,088,416	1,557,085
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	9,911	9,911	0	0
22. Health care (\$4,207,583) and other amounts receivable	4,210,374	3,539,754	670,620	2,301,783
23. Aggregate write-ins for other than invested assets	163,097	163,097	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	77,998,992	5,632,419	72,366,573	78,671,368
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
26. Total (Lines 24 and 25)	77,998,992	5,632,419	72,366,573	78,671,368
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Employee advances	8,815	8,815	0	0
2302. Prepaid expenses	154,282	154,282	0	0
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	163,097	163,097	0	0

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	24,857,226		24,857,226	27,856,108
2. Accrued medical incentive pool and bonus amounts	4,271,279		4,271,279	4,564,279
3. Unpaid claims adjustment expenses	315,924		315,924	315,924
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	6,590,240		6,590,240	6,708,909
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	944,754		944,754	902,577
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	1		1	1
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured accident and health plans			0	0
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	36,979,424	0	36,979,424	40,347,798
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX		0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	35,387,149	38,323,570
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24) \$)	XXX	XXX		0
30.2 shares preferred (value included in Line 25) \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	35,387,149	38,323,570
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	72,366,573	78,671,368
DETAILS OF WRITE-INS				
2101. Provider Tax Liability			0	0
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	0	0	0	0
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	0	325,471
2. Net premium income (including non-health premium income).....	XXX	56,195	57,138,503
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$5,371,145 medical expenses)	XXX	(2,537,586)	10,366
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	(3,486,317)
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	(2,481,391)	53,662,552
Hospital and Medical:			
9. Hospital/medical benefits		(4,676)	24,591,255
10. Other professional services			2,241,990
11. Outside referrals			1,009,245
12. Emergency room and out-of-area			4,050,389
13. Prescription drugs			7,205,781
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			783,757
16. Subtotal (Lines 9 to 15)	0	(4,676)	39,882,417
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	(4,676)	39,882,417
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ cost containment expenses.....			380,950
21. General administrative expenses.....		1,601,301	5,890,026
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			(168,750)
23. Total underwriting deductions (Lines 18 through 22)	0	1,596,625	45,984,643
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(4,078,016)	7,677,909
25. Net investment income earned		456,444	195,655
26. Net realized capital gains (losses) less capital gains tax of \$		445,250	120,192
27. Net investment gains (losses) (Lines 25 plus 26)	0	901,694	315,847
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	0	0
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	(3,176,322)	7,993,756
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	(3,176,322)	7,993,756
DETAILS OF WRITE-INS			
0601. Other Miscellaneous Revenue.....	XXX		18,999
0602. QAAP Tax.....	XXX		(3,505,316)
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	(3,486,317)
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.			0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year
CAPITAL AND SURPLUS ACCOUNT:			
33. Capital and surplus prior reporting year.....	38,323,569	8,606,172	8,606,172
GAINS AND LOSSES TO CAPITAL & SURPLUS:			
34. Net income or (loss) from Line 32	(3,176,322)	7,993,756	28,924,576
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(91,918)	(18,133)	(127,044)
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax		0	0
39. Change in nonadmitted assets	328,601	(994,460)	919,865
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	0
47. Aggregate write-ins for gains or (losses) in surplus	3,219	0	0
48. Net change in capital & surplus (Lines 34 to 47)	(2,936,420)	6,981,163	29,717,397
49. Capital and surplus end of reporting period (Line 33 plus 48)	35,387,149	15,587,335	38,323,569
DETAILS OF WRITE-INS			
4701. Prior period adjustment.....		0	0
4702. Investment earnings in Trust Funds.....	3,219	0	0
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	3,219	0	0

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,612,139	160,981,501
2. Net investment income	413,761	992,991
3. Miscellaneous income	(2,537,586)	(16,167,384)
4. Total (Lines 1 to 3)	(511,686)	145,807,108
5. Benefits and loss related payments	3,287,206	141,158,342
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	1,482,632	23,811,918
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	4,769,838	164,970,260
11. Net cash from operations (Line 4 minus Line 10)	(5,281,524)	(19,163,152)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	32,854,170
12.3 Mortgage loans	0	0
12.4 Real estate	754,278	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1	0
12.7 Miscellaneous proceeds	507,984	2,218,261
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,262,263	35,072,431
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	642,200
13.2 Stocks	0	20,604,547
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	1	627,003
13.7 Total investments acquired (Lines 13.1 to 13.6)	1	21,873,750
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	1,262,262	13,198,681
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	600,226	27,529,955
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	600,226	27,529,955
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)	(3,419,036)	21,565,484
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	54,914,343	33,348,859
19.2 End of period (Line 18 plus Line 19.1)	51,495,307	54,914,343

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

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 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
2. First Quarter	0	0	0						0				
3. Second Quarter	0												
4. Third Quarter	0												
5. Current Year	0												
6. Current Year Member Months	0												
Total Member Ambulatory Encounters for Period:													
7. Physician	0												
8. Non-Physician	0												
9. Total	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0												
11. Number of Inpatient Admissions	0												
12. Health Premiums Written	0												
13. Life Premiums Direct	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	56,195		7,515						48,680				
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	3,628,544								3,628,544				
18. Amount Incurred for Provision of Health Care Services	(4,676)								(4,676)				

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STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

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	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec. 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)			1,052,919		1,052,919	1,052,141
2. Medicare Supplement0	.0
3. Dental Only0	.0
4. Vision Only0	.0
5. Federal Employees Health Benefits Plan			314,561		314,561	314,561
6. Title XVIII - Medicare0	.0
7. Title XIX - Medicaid	2,998,882	(4,676)	23,489,746		26,488,628	26,489,406
8. Other Health0	.0
9. Health Subtotal (Lines 1 to 8).....	2,998,882	(4,676)	24,857,226	.0	27,856,108	27,856,108
10. Healthcare receivables (a)0	.0
11. Other non-health0	.0
12. Medical incentive pools and bonus amounts	293,000		4,271,279		4,564,279	4,564,279
13. Totals	3,291,882	(4,676)	29,128,505	0	32,420,387	32,420,387

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

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NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices – no changes

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

	<u>3/31/05</u>	<u>12/31/04</u>
(1) Net income – Michigan OFIS basis	\$ (3,176,322)	\$ 28,924,576
(2) State prescribed practices	-0-	-0-
(3) State permitted practices	<u>-0-</u>	<u>-0-</u>
(4) Net income – NAIC SAP	<u>\$ (3,176,322)</u>	<u>\$ 28,924,576</u>
(5) Statutory surplus – Michigan OFIS basis	\$ 35,387,149	\$ 38,323,570
(6) State prescribed practices (surplus):		
EDP Equipment	-0-	-0-
Furniture and equipment	247,614	592,935
(7) State permitted practices (surplus):	<u>-0-</u>	<u>-0-</u>
(8) Statutory surplus – NAIC SAP	<u>\$ 35,139,535</u>	<u>\$ 37,730,635</u>

B. Use of Estimates in the Preparation of the Financial Statements: no changes

C. Accounting Policy: no changes

2. Accounting Changes and Correction of Errors

As of January 1, 2003, OFIS has adopted the NAIC's Accounting Practices and Procedures as a component of prescribed and permitted practices. OFIS has certain prescribed practices that can be used as a phase-in for the accounting procedures.

The reported amount for computer hardware is limited to 5% for 2005, and 15% for 2004, of the Company's capital surplus, as allowed under the State of Michigan prescribed accounting practices. The amount of the Company's non-operating systems software is treated as a non-admitted asset.

	<u>3/31/05</u>	<u>12/31/04</u>
Capital and surplus, beginning of period	38,323,570	21,612,564
Percentage allowed	<u>5%</u>	<u>15%</u>
Allowable limit of computer equipment	1,916,179	3,241,885
Amount of EDP equipment and software	1,227,084	1,393,965
Less amount of EDP software	<u>1,176,816</u>	<u>1,332,099</u>
Net amount of EDP equipment	50,268	61,866
Admitted amount (not to exceed the allowable limit as determined above)	<u>50,268</u>	<u>61,866</u>
Nonadmitted amount	<u>1,176,816</u>	<u>3,180,019</u>

Office Furniture and Equipment is stated at 25% for 2005, and 55% for 2004, of the net book value as allowed under the State of Michigan's prescribed accounting practices.

	<u>3/31/05</u>	<u>12/31/04</u>
Furniture and Equipment	\$ 1,831,257	\$ 2,042,213
Less: Medical Delivery assets **	<u>804,802</u>	<u>964,150</u>
Net Office Equipment	990,455	1,078,063
Admitted amount at 25% of total (2005)	247,614	
Admitted amount at 55% of total (2004)		<u>592,935</u>
Nonadmitted amount	<u>742,841</u>	<u>485,128</u>

** Medical Delivery assets of \$804,802 and \$964,150 at March 31, 2005 and December 31, 2004, respectively, consists of inventory of medical supplies, drugs and staff clinics equipment and were deducted from the total office furniture and equipment when determining the amount of nonadmitted assets.

3. Business Combinations and Goodwill:

- A. Statutory Purpose Method: Not applicable
- B. Statutory Merger: Not applicable
- C. Assumption Reinsurance: Not applicable

NOTES TO FINANCIAL STATEMENTS

- D. Impairment Loss: Not applicable
4. Discontinued Operations: not applicable
5. Investments (Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities and Repurchase Agreements)
- A. Mortgage Loans: Not applicable
 - B. Debt Restructuring: Not applicable
 - C. Reverse Mortgages: Not applicable
 - D. Loan-Backed Securities: Not applicable
 - E. Repurchase Agreements: Not applicable
 - F. Real Estate: Not applicable
6. Joint Ventures, Partnerships and Limited Liability Companies: Not applicable
7. Investment Income: Not applicable
8. Derivative Instruments: Not applicable
9. Income Taxes: no changes
10. Information Concerning Parent, Subsidiaries and Affiliates: no changes
11. Debt: None
12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
- A. Defined Benefit Plan: Not applicable
 - B. Defined Contribution Plans: no changes
 - C. Multiemployer Plans: Not applicable
 - D. Consolidated/Holding Company Plans: Not applicable
 - E. Postemployment Benefits and Compensated Absences: no changes
13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations
- Not applicable
14. Contingencies: no changes
15. Leases: no changes
16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk
- Not applicable
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
- A. Transfers of Receivables Reported as Sales: Not applicable
 - B. Transfer and Servicing of Financial Assets: Not applicable
 - C. Wash Sales: Not applicable
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans
- A. ASO Plans: Not applicable
 - B. ASC Plans: Not applicable
 - C. Medicare or Similarly Structured Cost Based Reimbursement Contract:
Not applicable
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
- Not applicable
20. September 11 Events: Not applicable
21. Other Items: Not applicable

NOTES TO FINANCIAL STATEMENTS

- A. Extraordinary Items: Not applicable
 B. Troubled Debt Restructuring: Debtors: Not applicable
 C. Other Disclosures: Not applicable
 D. Uncollectible assets covered by SSAP 6: No changes
 E. Business Interruption Insurance Recoveries: Not applicable

22. Events Subsequent: no changes

23. Reinsurance:

- A. Ceded Reinsurance Report: Not applicable
 B. Uncollectible Reinsurance: Not applicable
 C. Commutation of Ceded Reinsurance: Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination: Not applicable

25. Change in Incurred Claims and Claim Adjustment Expenses – no changes

26. Intercompany Pooling Arrangements: Not applicable

27. Structured Settlements: Not applicable

28. Health Care Receivables:

A. Pharmaceutical Rebate Receivables:

	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as billed or otherwise confirmed	Actual rebates received within 90 days of billing	Actual rebates received within 91- 180 days of billing	Actual rebates received more than 180 days after billing
3/31/2005	142,670				112,835
12/31/2004	255,505	45,427			5,495
9/30/2004	215,573	50,782	-0-	-0-	126,221
6/30/2004	291,012	-0-	-0-	-0-	322,542
3/31/2004	613,553	(146,420)	-0-	-0-	254,611
12/31/2003	1,014,585	729,733	-0-	-0-	601,972
9/30/2003	886,824	336,039	-0-	-0-	208,089
6/30/2003	758,874	79,807	-0-	-0-	147,582
3/31/2003	826,649	237,408	-0-	-0-	237,854

B. Risk Sharing Receivables:

Calendar year	Evaluation period ending year	Risk sharing receivable as estimated in the prior year	Risk sharing receivable as estimated in the current year	Risk sharing receivable billed	Risk sharing receivable not yet billed	Actual risk sharing amounts received in year billed	Actual risk sharing amounts received in second subsequent year	Actual risk sharing amounts received – all other
2005	2005 2006	0	0					
2004	2004 2005	335,349	335,877 -0-	-0-	355,877	-0-		
2003	2003 2004	717,782	658,733 335,349	717,782		-0-		

29. Participating Policies: Not applicable

30. Premium Deficiency Reserves: no changes

31. Anticipated Salvage and Subrogation: Not applicable

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**PART 1 - COMMON INTERROGATORIES
GENERAL**

- 1.1 Did the reporting entity implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements? Yes [] No [X]
- 1.2 If yes, explain:
.....
- 2.1 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]
- 2.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 3.1 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]
- 3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 4. 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.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 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

- 6. 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] NA []
If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2001
- 7.2 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. 12/31/1997
- 7.3 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). 04/15/1999
- 7.4 By what department or departments?
OFFICE OF FINANCIAL AND INSURABCE SERVICES.....
- 8.1 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]
- 8.2 If yes, give full information:
.....
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [] No [X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
.....
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [] No [X]
- 9.4 If response to 9.3 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

GENERAL INTERROGATORIES

FINANCIAL

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

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? Yes No
- 11.2 If yes, explain:
.....

- 12.1 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

- 12.2 If yes, give full and complete information relating thereto:
.....

13. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$134,313

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

- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21 Bonds	\$	\$
15.22 Preferred Stock	\$	\$
15.23 Common Stock	\$	\$
15.24 Short-Term Investments	\$	\$
15.25 Mortgage Loans on Real Estate	\$	\$
15.26 All Other	\$	\$
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$0	\$0
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$	\$

- 16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

- 16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No

If no, attach a description with this statement.

17. Excluding items in Schedule E, 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 Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

17.1 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
J P MORGAN CHASE BANK.....	611 WOODWARD AVE., DETROIT, MI 48226.....
COMERICA BANK.....	411 W. LAFAYETTE, DETROIT, MI 48226.....

17.2 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)

- 17.3 Have there been any changes, including name changes in the custodian(s) identified in 17.1 during the current quarter? Yes No

17.4 If yes, give full and complete information relating thereto:

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

17.5 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
DTC 2255.....	HARRY L. HUNTER.....	J P MORGAN CHASE BANK, 611 WOODWARD AVE., DETROIT, MI 48226.....
DTC 2108.....	RANDY L. BROWNING.....	COMERICA BANK, 411 LAFAYETTE, DETROIT, MI 48226.....

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes No

18.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

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	18,829,675	20,275,151
2. Increase (decrease) by adjustment	(351,874)	(1,445,476)
3. Cost of acquired		0
4. Cost of additions to and permanent improvements		0
5. Total profit (loss) on sales	445,250	0
6. Increase (decrease) by foreign exchange adjustment		0
7. Amount received on sales	754,278	0
8. Book/adjusted carrying value at end of current period	18,168,773	18,829,675
9. Total valuation allowance		0
10. Subtotal (Lines 8 plus 9)	18,168,773	18,829,675
11. Total nonadmitted amounts		0
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	18,168,773	18,829,675

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions		0
2.2. Additional investment made after acquisitions		0
3. Accrual of discount and mortgage interest points and commitment fees		0
4. Increase (decrease) by adjustment		0
5. Total profit (loss) on sale		0
6. Amounts paid on account or in full during the period		0
7. Amortization of premium		0
8. Increase (decrease) by foreign exchange adjustment		0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0	0
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts		0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0	0

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	329,757	1,080,195
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions		0
2.2. Additional investment made after acquisitions		0
3. Accrual of discount		0
4. Increase (decrease) by adjustment	(152,050)	(750,438)
5. Total profit (loss) on sale		0
6. Amounts paid on account or in full during the period		0
7. Amortization of premium		0
8. Increase (decrease) by foreign exchange adjustment		0
9. Book/adjusted carrying value of long-term invested assets at end of current period	177,707	329,757
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	177,707	329,757
12. Total nonadmitted amounts		0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	177,707	329,757

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	644,613	12,120,384
2. Cost of bonds and stocks acquired		21,246,747
3. Accrual of discount		0
4. Increase (decrease) by adjustment	(4,060)	(22,347)
5. Increase (decrease) by foreign exchange adjustment		0
6. Total profit (loss) on disposal		153,999
7. Consideration for bonds and stocks disposed of		32,854,170
8. Amortization of premium		0
9. Book/adjusted carrying value, current period	640,553	644,613
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	640,553	644,613
12. Total nonadmitted amounts		0
13. Statement value	640,553	644,613

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

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	644,613			(4,060)	640,553	0	0	644,613
2. Class 2	0				0	0	0	0
3. Class 3	0				0	0	0	0
4. Class 4	0				0	0	0	0
5. Class 5	0				0	0	0	0
6. Class 6	0				0	0	0	0
7. Total Bonds	644,613	0	0	(4,060)	640,553	0	0	644,613
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	644,613	0	0	(4,060)	640,553	0	0	644,613

Schedule DA - Part 1

NONE

Schedule DA - Part 2

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

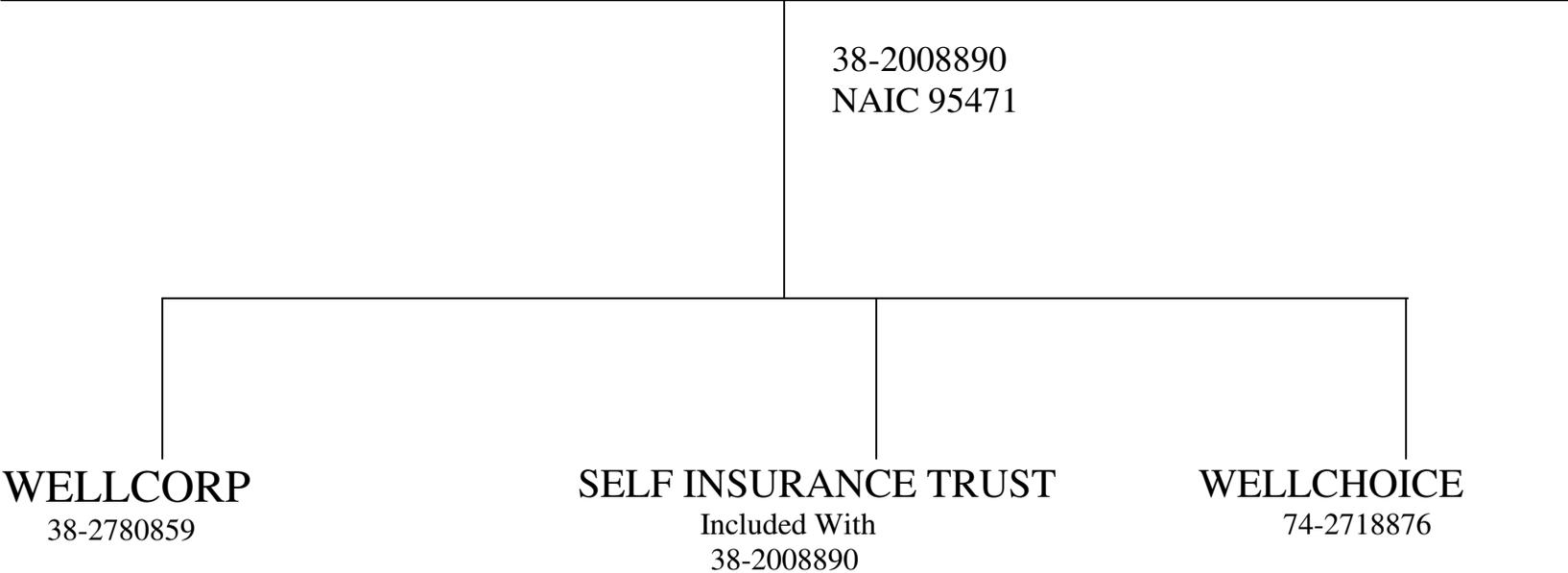
Current Year to Date - Allocated by States and Territories

States, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed? (Yes or No)	Direct Business Only Year-to-Date						
			3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefit Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/Casualty Premiums	
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ								
4. Arkansas	AR								
5. California	CA								
6. Colorado	CO								
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL								
11. Georgia	GA								
12. Hawaii	HI								
13. Idaho	ID								
14. Illinois	IL								
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY								
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD								
22. Massachusetts	MA								
23. Michigan	MI	No	Yes	7,515		48,680			
24. Minnesota	MN								
25. Mississippi	MS								
26. Missouri	MO								
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC								
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR								
39. Pennsylvania	PA								
40. Rhode Island	RI								
41. South Carolina	SC								
42. South Dakota	SD								
43. Tennessee	TN								
44. Texas	TX								
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA								
48. Washington	WA								
49. West Virginia	WV								
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Canada	CN								
57. Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0	0
58. Subtotal		XXX	XXX	7,515	0	48,680	0	0	0
59. Reporting entity contributions for Employee Benefit Plans		XXX	XXX						
60. Total (Direct Business)		XXX	(a) 1	7,515	0	48,680	0	0	0
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and other Alien.

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

THE WELLNESS PLAN (NAIC Code) FIN



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
NONE								
9999999 - Totals								

SCHEDULE A - PART 3

Showing All Real Estate SOLD during the Current Quarter, including Payments during the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
GARAGE	DETROIT	MI	01/21/2005	CHAREE ONE LLC	174,924	24,559		150,365	221,651			71,286	71,286		
FACILITIES BLDG	DETROIT	MI	02/17/2005	TIERA ONE LLC	269,581	110,917		158,664	532,628			373,964	373,964		
0199999 - Property Sold					444,505	135,476		309,029	754,279			445,250	445,250		
9999999 Totals					444,505	135,476		309,029	754,279			445,250	445,250		

EO1

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule D - Part 3

NONE

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF MARCH 31, 2005 OF THE THE WELLNESS PLAN

SCHEDULE E - PART 2 CASH EQUIVALENTS

Showing Investments Owned End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Gross Investment Income
997862-AM-9	COMERICA BUSINESS MONEY MARKET		10/01/2000	2.000	01/01/3000	104,394		.635
000000-00-0	GOLDMAN SACHS FS PRIME OBLIGATIONS		10/01/2000	2.100	01/01/3000	802,553	2,786	5,083
000000-00-0	COMERICA BUSINESS MONEY MARKET		10/01/2000	1.700	01/01/3000	100,773	.296	.619
000000-00-0	JANUS INSTITUTIONAL MONEY MARKET SERIES E		01/01/3000	2.350	01/01/3000	841,104	2,612	11,388
000000-00-0	J P MORGAN MONEY MARKET FUND		01/01/3000	2.620	01/01/3000	10,862	.42	.80
0199999 Total Cash Equivalents						1,859,686	5,736	17,805

CUSIP IDENTIFICATION NUMBERS:

LINE #00002: ACIVEH-11-N

LINE #00003: ACIVEH-12-H

LINE #00004: ACIVEH-08-0

LINE #00005: CJPXX

E09