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ANNUAL STATEMENT

For the Year Ending December 31, 2006

of the Condition and Affairs of the

BLUE CROSS BLUE SHIELD OF MICHIGAN

NAIC Group Code.....572, 572 (Current Period) (Prior Period) NAIC Company Code..... 54291 Employer's ID Number..... 38-2069753

Organized under the Laws of Michigan State of Domicile or Port of Entry Michigan Country of Domicile US

Licensed as Business Type Hospital, Medical & Dental Service or Indemnity Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized..... February 1, 1975 Commenced Business..... January 1, 1975

Statutory Home Office	600 Lafayette East..... Detroit ..... MI ..... 48226 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	600 Lafayette East..... Detroit ..... MI ..... 48226 *(Street and Number) (City or Town, State and Zip Code)*	313-225-9000 *(Area Code) (Telephone Number)*
Mail Address	600 Lafayette East..... Detroit ..... MI ..... 48226 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	600 Lafayette East..... Detroit ..... MI ..... 48226 *(Street and Number) (City or Town, State and Zip Code)*	313-225-9000 *(Area Code) (Telephone Number)*
Internet Website Address	http://bcbsm.com/	
Statutory Statement Contact	Kenneth A. Bluhm *(Name)*	313-225-9095 *(Area Code) (Telephone Number) (Extension)*
	kbluhm@bcbsm.com *(E-Mail Address)*	313-983-2358 *(Fax Number)*
Policyowner Relations Contact	600 Lafayette East..... Detroit ..... MI ..... 48226 *(Street and Number) (City or Town, State and Zip Code)*	313-225-9000 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

Name	Title	Name	Title
1. DANIEL J. LOEPP #	President and CEO	2. MARK R. BARTLETT	Executive Vice President and CFO
3. CAROLYNN WALTON	Vice President and Treasurer	4.	

OTHER

J. PAUL AUSTIN	Chief Actuarial Officer	LISA S. DEMOSS	General Counsel and Secretary
ELIZABETH R. HARR	Senior Vice President	GEORGE F. FRANCIS, III	Chief Administrative Officer
KEVIN L. SEITZ	Executive Vice President	WILLIAM P. SMITH	Executive Vice President
LESLIE A. VIEGAS	Executive Vice President	THOMAS L. SIMMER	Chief Medical Officer
MICHAEL R. SCHWARTZ	Senior Vice President	JEANNE H. CARLSON #	Senior Vice President
KENNETH R. DALLAFIOR #	Senior Vice President	DARRELL E. MIDDLETON #	Senior Vice President

DIRECTORS OR TRUSTEES

JAMES G. AGEE	JON E. BARFIELD	WILLIAM H. BLACK	JOHN E. BODELL D.O. #
ARLENE R. BRENNAN RN	TERRY BURNS	BRIAN M. CONNOLLY #	PATRICK J. DEVLIN
MARK T. GAFFNEY	CHARLES M. GAYNEY	THOMAS J. HADRYCH	JOHN M. HAMILTON
TEOLA P. HUNTER	LILA R. JOHNSON	SPENCER C. JOHNSON	JOANNE LAFLECHE-GALLAGHER
MELVIN L. LARSEN	DANIEL J. LOEPP #	JOHN M. MACKEIGAN MD	GARY J. MCINERNEY
LIVIO MEZZA	PETER T. MULLER MD	ROBERT A. PATZER	RENEE C. PIPIS
CALVIN T. RAPSON	JAMES W. RICHARDS RPH	IRIS K. SALTERS	JAMES U. SETTLES
RICHARD SHOEMAKER	DONALD E. STROUD DDS	GREGORY A. SUDDERTH	S. MARTIN TAYLOR
GARY H. TORGOW #	JOHN VANDER MOLEN	L.L. "WOODY" WILLIAMS	

State of..... Michigan
County of..... Wayne

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)
DANIEL J. LOEPP	MARK R. BARTLETT	CAROLYNN WALTON
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President and CEO	Executive Vice President and CFO	Vice President and Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____

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 _____

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
A&H Premiums Due and Unpaid						
Area Rated	2,896,772	253,777	58,351			3,208,900
Industry Rated	2,032,698	58,101	4,512			2,095,311
Experience Rated	3,358,391	2,829,620	4,788			6,192,799
0299997. Group subscribers subtotal	8,287,861	3,141,498	67,651	0	0	11,497,010
0299999. Total group	8,287,861	3,141,498	67,651	0	0	11,497,010
0399999. Premiums due and unpaid from Medicare entities	9,678,787			2,118,971	2,118,971	9,678,787
0599999. Accident and health premiums due and unpaid (Page 2, Line 13)	17,966,648	3,141,498	67,651	2,118,971	2,118,971	21,175,797

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Pharmaceutical Rebate Receivables						
0199998. Pharmaceutical Rebate Receivables Not Listed Individually	41,113,492					41,113,492
0199999. Total Pharmaceutical Rebate Receivables	41,113,492	0	0	0	0	41,113,492
Other Receivables						
FEP Receivables	39,665,000					39,665,000
Accounts Receivable - Other Plans	8,907,315					8,907,315
Central Financing Reserve Deposit				2,540,786	2,540,786	0
ITS Host Nasco	12,646,818					12,646,818
0699999. Total Other Receivables	61,219,133	0	0	2,540,786	2,540,786	61,219,133
0799999. Total Health Care Receivables	102,332,625	0	0	2,540,786	2,540,786	102,332,625

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0399999. Aggregate accounts not individually listed - covered	8,523,576	694,328	46,703	4,670	467	9,269,744
0499999. Subtotals	8,523,576	694,328	46,703	4,670	467	9,269,744
0599999. Unreported claim and other claim reserves						599,702,410
0799999. Total claims unpaid						608,972,154
0899999. Accrued medical incentive pool and bonus amounts						4,100,495

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Accident Fund Insurance Company of America	17,634,544					17,634,544	
Blue Care Network Of Michigan	12,303,987					12,303,987	
BCBSM Foundation	349,997					349,997	
DenteMax	2,579,247					2,579,247	
Lifesecure	350,749					350,749	
0199999. Individually listed receivables	33,218,524	0	0	0	0	33,218,524	0
0399999. Total gross amounts receivable	33,218,524	0	0	0	0	33,218,524	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Amounts Due To Parent, Subsidiaries and Affiliates				
Blue Care Network of Michigan	Point of Service and Hospital Settlements	6,325,003	5,718,899	606,104
Accident Fund Insurance Company of America	Deferred Tax Asset	8,345,478		8,345,478
DenteMax	Deferred Tax Asset	251,016		251,016
0199999. Individually listed payables		14,921,497	5,718,899	9,202,598
0399999. Total gross payables		14,921,497	5,718,899	9,202,598

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups		0.0				
2. Intermediaries	18,749,270	0.4				18,749,270
3. All other providers		0.0				
4. Total capitation payments	18,749,270	0.4	0		0	18,749,270
Other Payments:						
5. Fee-for-service		0.0	XXX	XXX		
6. Contractual fee payments	5,051,778,737	98.3	XXX	XXX		5,051,778,737
7. Bonus/withhold arrangements - fee-for-service	20,037,381	0.4	XXX	XXX		20,037,381
8. Bonus/withhold arrangements - contractual fee payments		0.0	XXX	XXX		
9. Non-contingent salaries		0.0	XXX	XXX		
10. Aggregate cost arrangements		0.0	XXX	XXX		
11. All other payments	50,333,512	1.0	XXX	XXX		50,333,512
12. Total other payments	5,122,149,630	99.6	XXX	XXX	0	5,122,149,630
13. Total (Line 4 plus Line 12)	5,140,898,900	100.0	XXX	XXX	0	5,140,898,900

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
Transactions with Intermediaries					
	Quest Diagnostics	4,345,527	362,127		
	Wright & Filippis, Inc	14,403,743	1,200,312		
9999999. Totals		18,749,270	XXX	XXX	XXX

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment	59,897,941		45,963,706	13,934,235	13,934,235	0
2. Medical furniture, equipment and fixtures						0
3. Pharmaceuticals and surgical supplies						0
4. Durable medical equipment						0
5. Other property and equipment						0
6. Total	59,897,941	0	45,963,706	13,934,235	13,934,235	0

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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....BLUE CROSS BLUE SHIELD OF MICHIGAN 2. Detroit, MI

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR (Location)

NAIC Group Code.....572 NAIC Company Code.....54291

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior year	2,540,301	117,614	1,203,837	219,353	4,263	21,277	75,567	4,684		893,706			
2. First quarter	2,568,636	120,887	1,179,940	218,864	4,108	21,323	76,403	13,847		897,000			36,264
3. Second quarter	2,571,920	122,038	1,170,578	215,185	3,842	19,597	76,505	18,336		887,291			58,548
4. Third quarter	2,570,472	121,691	1,160,436	215,154	3,827	19,696	76,759	25,764		887,374			59,771
5. Current year	2,569,448	124,071	1,157,186	214,937	4,095	20,214	76,888	30,427		880,138			61,492
6. Current year member months	30,854,629	1,482,588	14,007,271	2,597,649	49,568	244,684	919,693	294,432		10,641,485			617,259
Total Member Ambulatory Encounters for Year:													
7. Physician	0												
8. Non-physician	0												
9. Totals	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	5,865,134,212	261,391,047	4,587,510,116	220,233,445	14,718,483	78,539,023	270,742,715	228,960,160		134,708,785			68,330,438
13. Life premiums direct	0												
14. Property/casualty premiums written	0												
15. Health premiums earned	5,805,419,538	257,997,276	4,531,836,333	221,429,713	15,402,665	78,448,813	270,742,715	227,684,382		134,708,785			67,168,856
16. Property/casualty premiums earned	0												
17. Amount paid for provision of health care services	5,140,898,900	293,060,051	3,816,755,095	373,558,094	12,330,867	67,117,388	246,506,139	168,721,331		112,516,423			50,333,512
18. Amount incurred for provision of health care services	5,205,222,315	291,900,630	3,811,423,783	378,640,677	12,264,706	67,372,383	248,657,652	220,335,581		115,110,082			59,516,821

(a) For health business: number of persons insured under PPO managed care products.....1,149,446 and number of persons insured under indemnity only products.....483,059.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....BLUE CROSS BLUE SHIELD OF MICHIGAN 2. Detroit, MI

BUSINESS IN THE STATE OF MICHIGAN DURING THE YEAR (Location)

NAIC Group Code.....572 NAIC Company Code.....54291

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior year	2,540,301	117,614	1,203,837	219,353	4,263	21,277	75,567	4,684		893,706			
2. First quarter	2,568,636	120,887	1,179,940	218,864	4,108	21,323	76,403	13,847		897,000			36,264
3. Second quarter	2,571,920	122,038	1,170,578	215,185	3,842	19,597	76,505	18,336		887,291			58,548
4. Third quarter	2,570,472	121,691	1,160,436	215,154	3,827	19,696	76,759	25,764		887,374			59,771
5. Current year	2,569,448	124,071	1,157,186	214,937	4,095	20,214	76,888	30,427		880,138			61,492
6. Current year member months	30,854,629	1,482,588	14,007,271	2,597,649	49,568	244,684	919,693	294,432		10,641,485			617,259
Total Member Ambulatory Encounters for Year:													
7. Physician	0												
8. Non-physician	0												
9. Totals	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	5,865,134,212	261,391,047	4,587,510,116	220,233,445	14,718,483	78,539,023	270,742,715	230,121,742		134,708,785			67,168,856
13. Life premiums direct	0												
14. Property/casualty premiums written	0												
15. Health premiums earned	5,805,419,538	257,997,276	4,531,836,333	221,429,713	15,402,665	78,448,813	270,742,715	227,684,382		134,708,785			67,168,856
16. Property/casualty premiums earned	0												
17. Amount paid for provision of health care services	5,140,898,900	293,060,051	3,816,755,095	373,558,094	12,330,867	67,117,388	246,506,139	168,721,331		112,516,423			50,333,512
18. Amount incurred for provision of health care services	0												

(a) For health business: number of persons insured under PPO managed care products.....1,149,446 and number of persons insured under indemnity only products.....483,059.

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year	181,037,790
2.	Increase (decrease) by adjustment:	
2.1	Totals, Part 1, Column 11	(13,064,026)
2.2	Totals, Part 3, Column 7	
3.	Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	
4.	Cost of additions and permanent improvements:	
4.1	Totals, Part 1, Column 14	33,133,485
4.2	Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	
6.	Increase (decrease) by foreign exchange adjustment:	
6.1	Totals, Part 1, Column 12	
6.2	Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	
8.	Book/adjusted carrying value at end of current period	201,107,249
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	201,107,249
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	201,107,249

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

NONE

1.	Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year		
2.	Amount loaned during year:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		0
3.	Accrual of discount and mortgage interest points and commitment fees		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the year		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		0
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		0
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		33,996,506
2.	Cost of acquisitions during year:		
2.1	Actual cost at time of acquisitions	1,257,254	
2.2	Additional investment made after acquisitions	4,264,782	5,522,036
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		6,311,412
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the year		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period		45,829,954
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		45,829,954
12.	Total nonadmitted amounts		6,873,175
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)		38,956,779

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. **U.S. Governments, Schedules D & DA (Group 1)**											
1.1 Class 1	24,916,612	259,947,615	375,547,092	143,894,729		804,306,048	28.3	648,905,399	21.0	804,306,048	
1.2 Class 2						0	0.0		0.0		
1.3 Class 3						0	0.0		0.0		
1.4 Class 4						0	0.0		0.0		
1.5 Class 5						0	0.0		0.0		
1.6 Class 6						0	0.0		0.0		
1.7 Totals	24,916,612	259,947,615	375,547,092	143,894,729	0	804,306,048	28.3	648,905,399	21.0	804,306,048	0
2. **All Other Governments, Schedules D & DA (Group 2)**											
2.1 Class 1		100,000				100,000	0.0	200,000	0.0	100,000	
2.2 Class 2						0	0.0		0.0		
2.3 Class 3						0	0.0		0.0		
2.4 Class 4						0	0.0		0.0		
2.5 Class 5						0	0.0		0.0		
2.6 Class 6						0	0.0		0.0		
2.7 Totals	0	100,000	0	0	0	100,000	0.0	200,000	0.0	100,000	0
3. **States, Territories and Possessions, etc., Guaranteed, Schedules D & DA (Group 3)**											
3.1 Class 1						0	0.0		0.0		
3.2 Class 2						0	0.0		0.0		
3.3 Class 3						0	0.0		0.0		
3.4 Class 4						0	0.0		0.0		
3.5 Class 5						0	0.0		0.0		
3.6 Class 6						0	0.0		0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. **Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)**											
4.1 Class 1						0	0.0		0.0		
4.2 Class 2						0	0.0		0.0		
4.3 Class 3						0	0.0		0.0		
4.4 Class 4						0	0.0		0.0		
4.5 Class 5						0	0.0		0.0		
4.6 Class 6						0	0.0		0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. **Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)**											
5.1 Class 1				502,067,076	437,736,934	939,804,010	33.0	1,030,662,995	33.3	899,386,039	40,417,971
5.2 Class 2						0	0.0		0.0		
5.3 Class 3						0	0.0		0.0		
5.4 Class 4						0	0.0		0.0		
5.5 Class 5						0	0.0		0.0		
5.6 Class 6						0	0.0		0.0		
5.7 Totals	0	0	0	502,067,076	437,736,934	939,804,010	33.0	1,030,662,995	33.3	899,386,039	40,417,971

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusting Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. **Public Utilities (Unaffiliated), Schedules D & DA (Group 6)**											
6.1 Class 1						0	0.0		0.0		
6.2 Class 2						0	0.0		0.0		
6.3 Class 3						0	0.0		0.0		
6.4 Class 4						0	0.0		0.0		
6.5 Class 5						0	0.0		0.0		
6.6 Class 6						0	0.0		0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. **Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)**											
7.1 Class 1	115,747,932	225,614,092	348,073,924	23,353,535	5,049,939	717,839,422	25.2	1,029,965,782	33.3	664,905,558	52,933,864
7.2 Class 2		70,018,704	122,933,718	8,879,795	27,580,330	229,412,547	8.1	248,002,244	8.0	223,265,351	6,147,195
7.3 Class 3		2,567,950	24,258,359	5,349,123	7,641,239	39,816,671	1.4	48,380,964	1.6	35,687,665	4,129,006
7.4 Class 4		19,181,662	44,463,941	9,827,920	14,717,211	88,190,734	3.1	63,931,974	2.1	76,945,985	11,244,749
7.5 Class 5		3,882,644	13,980,521	4,652,416	4,158,053	26,673,634	0.9	25,374,263	0.8	23,877,630	2,796,005
7.6 Class 6						0	0.0	369,058	0.0		
7.7 Totals	115,747,932	321,265,052	553,710,463	52,062,789	59,146,772	1,101,933,008	38.7	1,416,024,285	45.7	1,024,682,189	77,250,819
8. **Credit Tenant Loans, Schedules D & DA (Group 8)**											
8.1 Class 1						0	0.0		0.0		
8.2 Class 2						0	0.0		0.0		
8.3 Class 3						0	0.0		0.0		
8.4 Class 4						0	0.0		0.0		
8.5 Class 5						0	0.0		0.0		
8.6 Class 6						0	0.0		0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. **Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)**											
9.1 Class 1						0	0.0		0.0		
9.2 Class 2						0	0.0		0.0		
9.3 Class 3						0	0.0		0.0		
9.4 Class 4						0	0.0		0.0		
9.5 Class 5						0	0.0		0.0		
9.6 Class 6						0	0.0		0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. **Total Bonds Current Year**											
10.1 Class 1	140,664,544	485,661,707	723,621,016	669,315,340	442,786,873	2,462,049,480	86.5	XXX	XXX	2,368,697,645	93,351,835
10.2 Class 2	0	70,018,704	122,933,718	8,879,795	27,580,330	229,412,547	8.1	XXX	XXX	223,265,351	6,147,195
10.3 Class 3	0	2,567,950	24,258,359	5,349,123	7,641,239	39,816,671	1.4	XXX	XXX	35,687,665	4,129,006
10.4 Class 4	0	19,181,662	44,463,941	9,827,920	14,717,211	88,190,734	3.1	XXX	XXX	76,945,985	11,244,749
10.5 Class 5	0	3,882,644	13,980,521	4,652,416	4,158,053	(c) 26,673,634	0.9	XXX	XXX	23,877,630	2,796,005
10.6 Class 6	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.7 Totals	140,664,544	581,312,667	929,257,555	698,024,594	496,883,706	(b) 2,846,143,066	100.0	XXX	XXX	2,728,474,276	117,668,790
10.8 Line 10.7 as a % of Col. 6	4.9	20.4	32.6	24.5	17.5	100.0	XXX	XXX	XXX	95.9	4.1
11. **Total Bonds Prior Year**											
11.1 Class 1	179,424,437	620,624,067	681,574,073	770,058,257	458,053,342	XXX	XXX	2,709,734,176	87.5	2,633,798,567	75,935,608
11.2 Class 2	30,865,635	109,715,322	68,161,125	16,710,279	22,549,883	XXX	XXX	248,002,244	8.0	229,786,951	18,215,293
11.3 Class 3		2,437,793	25,395,731	6,195,588	14,351,852	XXX	XXX	48,380,964	1.6	43,327,263	5,053,701
11.4 Class 4	719,338	8,675,658	36,341,684	9,085,330	9,109,964	XXX	XXX	63,931,974	2.1	58,656,133	5,275,842
11.5 Class 5		3,485,854	15,734,995	3,833,050	2,320,365	XXX	XXX	(c) 25,374,264	0.8	24,507,613	866,650
11.6 Class 6				369,058		XXX	XXX	(c) 369,058	0.0	369,058	
11.7 Totals	211,009,410	744,938,694	827,207,608	806,251,562	506,385,406	XXX	XXX	(b) 3,095,792,680	100.0	2,990,445,585	105,347,094
11.8 Line 11.7 as a % of Col. 8	6.8	24.1	26.7	26.0	16.4	XXX	XXX	100.0	XXX	96.6	3.4
12. **Total Publicly Traded Bonds**											
12.1 Class 1	100,670,544	482,721,843	713,621,017	628,897,368	442,786,873	2,368,697,645	83.2	2,633,798,567	85.1	2,368,697,645	XXX
12.2 Class 2		70,018,704	122,933,718	8,879,795	21,433,134	223,265,351	7.8	229,786,951	7.4	223,265,351	XXX
12.3 Class 3		2,567,950	22,488,094	5,349,123	5,282,499	35,687,666	1.3	43,327,263	1.4	35,687,666	XXX
12.4 Class 4		19,181,662	34,510,780	8,792,833	14,460,711	76,945,986	2.7	58,656,133	1.9	76,945,986	XXX
12.5 Class 5		3,882,644	11,184,516	4,652,416	4,158,053	23,877,629	0.8	24,507,613	0.8	23,877,629	XXX
12.6 Class 6						0	0.0	369,058	0.0	0	XXX
12.7 Totals	100,670,544	578,372,803	904,738,125	656,571,535	488,121,270	2,728,474,277	95.9	2,990,445,585	96.6	2,728,474,277	XXX
12.8 Line 12.7 as a % of Col. 6	3.7	21.2	33.2	24.1	17.9	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	3.5	20.3	31.8	23.1	17.2	95.9	XXX	XXX	XXX	95.9	XXX
13. **Total Privately Placed Bonds**											
13.1 Class 1	39,994,000	2,939,864	10,000,000	40,417,971		93,351,835	3.3	75,935,608	2.5	XXX	93,351,835
13.2 Class 2					6,147,195	6,147,195	0.2	18,215,293	0.6	XXX	6,147,195
13.3 Class 3			1,770,265		2,358,741	4,129,006	0.1	5,053,701	0.2	XXX	4,129,006
13.4 Class 4			9,953,161	1,035,088	256,500	11,244,749	0.4	5,275,842	0.2	XXX	11,244,749
13.5 Class 5			2,796,005			2,796,005	0.1	866,650	0.0	XXX	2,796,005
13.6 Class 6						0	0.0	0	0.0	XXX	0
13.7 Totals	39,994,000	2,939,864	24,519,431	41,453,059	8,762,436	117,668,790	4.1	105,347,094	3.4	XXX	117,668,790
13.8 Line 13.7 as a % of Col. 6	34.0	2.5	20.8	35.2	7.4	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	1.4	0.1	0.9	1.5	0.3	4.1	XXX	XXX	XXX	XXX	4.1

(a) Includes $.....37,126,819 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes $.....0 current year, $.....0 prior year of bonds with Z designations and $.....0 current year, $.....0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes $.....0 current year, $.....0 prior year of bonds with 5* designations and $.....0 current year, $.....0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. **U.S. Governments, Schedules D & DA (Group 1)**											
1.1 Issuer Obligations	24,916,612	259,947,615	375,547,092	143,894,729		804,306,048	28.3	648,905,399	21.0	804,306,048	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
1.7 Totals	24,916,612	259,947,615	375,547,092	143,894,729	0	804,306,048	28.3	648,905,399	21.0	804,306,048	0
2. **All Other Governments, Schedules D & DA (Group 2)**											
2.1 Issuer Obligations		100,000				100,000	0.0	200,000	0.0	100,000	
2.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined						0	0.0		0.0		
2.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
2.5 Defined						0	0.0		0.0		
2.6 Other						0	0.0		0.0		
2.7 Totals	0	100,000	0	0	0	100,000	0.0	200,000	0.0	100,000	0
3. **States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)**											
3.1 Issuer Obligations						0	0.0		0.0		
3.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined						0	0.0		0.0		
3.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
3.5 Defined						0	0.0		0.0		
3.6 Other						0	0.0		0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. **Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)**											
4.1 Issuer Obligations						0	0.0		0.0		
4.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined						0	0.0		0.0		
4.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
4.5 Defined						0	0.0		0.0		
4.6 Other						0	0.0		0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. **Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)**											
5.1 Issuer Obligations						0	0.0		0.0		
5.2 Single Class Mortgage-Backed/Asset-Backed Securities				441,622,986	437,736,934	879,359,920	30.9	977,701,430	31.6	879,359,920	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined				60,444,090		60,444,090	2.1	52,961,565	1.7	20,026,119	40,417,971
5.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
5.5 Defined						0	0.0		0.0		
5.6 Other						0	0.0		0.0		
5.7 Totals	0	0	0	502,067,076	437,736,934	939,804,010	33.0	1,030,662,995	33.3	899,386,039	40,417,971

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. **Public Utilities (Unaffiliated), Schedules D & DA (Group 6)**											
6.1 Issuer Obligations						0	0.0		0.0		
6.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined						0	0.0		0.0		
6.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
6.5 Defined						0	0.0		0.0		
6.6 Other						0	0.0		0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. **Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)**											
7.1 Issuer Obligations	115,494,967	216,163,056	530,609,777	36,062,789	47,999,577	946,330,166	33.2	1,249,813,188	40.4	875,226,543	71,103,623
7.2 Single Class Mortgage-Backed/Asset-Backed Securities		105,101,996	20,101,004			125,203,000	4.4	100,558,508	3.2	125,203,000	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined	252,965		2,999,682	16,000,000	11,147,195	30,399,842	1.1	65,652,588	2.1	24,252,647	6,147,195
7.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
7.5 Defined						0	0.0		0.0		
7.6 Other						0	0.0		0.0		
7.7 Totals	115,747,932	321,265,052	553,710,463	52,062,789	59,146,772	1,101,933,008	38.7	1,416,024,284	45.7	1,024,682,190	77,250,818
8. **Credit Tenant Loans, Schedules D & DA (Group 8)**											
8.1 Issuer Obligations						0	0.0		0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. **Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)**											
9.1 Issuer Obligations						0	0.0		0.0		
9.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0		0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined						0	0.0		0.0		
9.4 Other						0	0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
9.5 Defined						0	0.0		0.0		
9.6 Other						0	0.0		0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. **Total Bonds Current Year**											
10.1 Issuer Obligations	140,411,579	476,210,671	906,156,869	179,957,518	47,999,577	1,750,736,214	61.5	XXX	XXX	1,679,632,591	71,103,623
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	105,101,996	20,101,004	441,622,986	437,736,934	1,004,562,920	35.3	XXX	XXX	1,004,562,920	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined	252,965	0	2,999,682	76,444,090	11,147,195	90,843,932	3.2	XXX	XXX	44,278,766	46,565,166
10.4 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
10.5 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.7 Totals	140,664,544	581,312,667	929,257,555	698,024,594	496,883,706	2,846,143,066	100.0	XXX	XXX	2,728,474,277	117,668,789
10.8 Line 10.7 as a % of Col. 6	4.9	20.4	32.6	24.5	17.5	100.0	XXX	XXX	XXX	95.9	4.1
11. **Total Bonds Prior Year**											
11.1 Issuer Obligations	205,552,605	645,196,993	740,082,169	260,688,791	47,398,030	XXX	XXX	1,898,918,588	61.3	1,853,208,199	45,710,388
11.2 Single Class Mortgage-Backed/Asset-Backed Securities		55,260,103	25,124,829	545,562,771	452,312,235	XXX	XXX	1,078,259,938	34.8	1,078,259,938	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined	5,456,804	44,481,599	62,000,610		6,675,140	XXX	XXX	118,614,153	3.8	58,977,448	59,636,705
11.4 Other						XXX	XXX	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
11.5 Defined						XXX	XXX	0	0.0		
11.6 Other						XXX	XXX	0	0.0		
11.7 Totals	211,009,409	744,938,695	827,207,608	806,251,562	506,385,405	XXX	XXX	3,095,792,679	100.0	2,990,445,585	105,347,093
11.8 Line 11.7 as a % of Col. 8	6.8	24.1	26.7	26.0	16.4	XXX	XXX	100.0	XXX	96.6	3.4
12. **Total Publicly Traded Bonds**											
12.1 Issuer Obligations	100,417,579	473,270,807	881,637,438	178,922,431	45,384,336	1,679,632,591	59.0	1,853,208,199	59.9	1,679,632,591	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities		105,101,996	20,101,004	441,622,986	437,736,934	1,004,562,920	35.3	1,078,259,938	34.8	1,004,562,920	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined	252,965		2,999,682	36,026,119	5,000,000	44,278,766	1.6	58,977,448	1.9	44,278,766	XXX
12.4 Other						0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
12.5 Defined						0	0.0	0	0.0	0	XXX
12.6 Other						0	0.0	0	0.0	0	XXX
12.7 Totals	100,670,544	578,372,803	904,738,124	656,571,536	488,121,270	2,728,474,277	95.9	2,990,445,585	96.6	2,728,474,277	XXX
12.8 Line 12.7 as a % of Col. 6	3.7	21.2	33.2	24.1	17.9	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	3.5	20.3	31.8	23.1	17.2	95.9	XXX	XXX	XXX	95.9	XXX
13. **Total Privately Placed Bonds**											
13.1 Issuer Obligations	39,994,000	2,939,864	24,519,431	1,035,088	2,615,241	71,103,624	2.5	45,710,388	1.5	XXX	71,103,624
13.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined				40,417,971	6,147,195	46,565,166	1.6	59,636,705	1.9	XXX	46,565,166
13.4 Other						0	0.0	0	0.0	XXX	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
13.5 Defined						0	0.0	0	0.0	XXX	0
13.6 Other						0	0.0	0	0.0	XXX	0
13.7 Totals	39,994,000	2,939,864	24,519,431	41,453,059	8,762,436	117,668,790	4.1	105,347,093	3.4	XXX	117,668,790
13.8 Line 13.7 as a % of Col. 6	34.0	2.5	20.8	35.2	7.4	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	1.4	0.1	0.9	1.5	0.3	4.1	XXX	XXX	XXX	XXX	4.1

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value December 31 of prior year	457,974,989	457,974,989			
2. Cost of short-term investments acquired	615,643,377	615,643,377			
3. Increase (decrease) by adjustment	352,529	352,529			
4. Increase (decrease) by foreign exchange adjustment	0				
5. Total profit (loss) on disposal of short-term investments	(38,987)	(38,987)			
6. Consideration received on disposal of short-term investments	1,052,648,254	1,052,648,254			
7. Book/adjusted carrying value, current year	21,283,654	21,283,654	0	0	0
8. Total valuation allowance	0				
9. Subtotal (Lines 7 plus 8)	21,283,654	21,283,654	0	0	0
10. Total nonadmitted amounts	0				
11. Statement value (Lines 9 minus 10)	21,283,654	21,283,654	0	0	0
12. Income collected during year	4,949,486	4,949,486			
13. Income earned during year	4,224,378	4,224,378			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Sch. DB-Pt.A-Verification Between Years
NONE

Sch. DB-Pt.B-Verification Between Years
NONE

Sch. DB-Pt.C-Verification Between Years
NONE

Sch. DB-Pt.D-Verification Between Years
NONE

Sch. DB-Pt.E-Verification
NONE

Sch. DB-Pt. F-Sn. 1
NONE

Sch. DB-Pt. F-Sn. 2
NONE

Sch. S-Pt. 1-Sn. 2
NONE

Sch. S-Pt. 2
NONE

Sch. S-Pt. 3-Sn. 2
NONE

Sch. S-Pt. 4
NONE

Sch. S-Pt.5
NONE

Sch. S-Pt.6
NONE

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	Direct Business Only					
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama AL						0
2. Alaska AK						0
3. Arizona AZ						0
4. Arkansas AR						0
5. California CA						0
6. Colorado CO						0
7. Connecticut CT						0
8. Delaware DE						0
9. District of Columbia DC						0
10. Florida FL						0
11. Georgia GA						0
12. Hawaii HI						0
13. Idaho ID						0
14. Illinois IL						0
15. Indiana IN						0
16. Iowa IA						0
17. Kansas KS						0
18. Kentucky KY						0
19. Louisiana LA						0
20. Maine ME						0
21. Maryland MD						0
22. Massachusetts MA						0
23. Michigan MI						0
24. Minnesota MN						0
25. Mississippi MS						0
26. Missouri MO						0
27. Montana MT	NONE					0
28. Nebraska NE						0
29. Nevada NV						0
30. New Hampshire NH						0
31. New Jersey NJ						0
32. New Mexico NM						0
33. New York NY						0
34. North Carolina NC						0
35. North Dakota ND						0
36. Ohio OH						0
37. Oklahoma OK						0
38. Oregon OR						0
39. Pennsylvania PA						0
40. Rhode Island RI						0
41. South Carolina SC						0
42. South Dakota SD						0
43. Tennessee TN						0
44. Texas TX						0
45. Utah UT						0
46. Vermont VT						0
47. Virginia VA						0
48. Washington WA						0
49. West Virginia WV						0
50. Wisconsin WI						0
51. Wyoming WY						0
52. American Samoa AS						0
53. Guam GU						0
54. Puerto Rico PR						0
55. US Virgin Islands VI						0
56. Northern Mariana Islands MP						0
57. Canada CN						0
58. Aggregate Other Alien OT						0
59. Totals	0	0	0	0	0	0

SCHEDULE Y (Continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1 NAIC Company Code	2 Federal ID Number	3 Names of Insurers and Parent, Subsidiaries or Affiliates	4 Shareholder Dividends	5 Capital Contributions	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	7 Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	8 Management Agreements and Service Contracts	9 Income/ (Disbursements) Incurred under Reinsurance Agreements	10 *	11 Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	12 Totals	13 Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
54291	38-2069753	BLUE CROSS BLUE SHIELD OF MICHIGAN	14,300,000	(30,771,000)			561,178,911				544,707,911	
95610	38-2359234	BLUE CARE NETWORK OF MICHIGAN		(341,076)			(528,610,244)	(2,110,143)			(531,061,463)	7,857,452
52037	38-2536979	BLUE CARE OF MICHIGAN, INC					(4,333,272)	(1,000)			(4,334,272)	
10166	38-3207001	ACCIDENT FUND INSURANCE COMPANY OF AMERICA	(12,000,000)				(8,486,771)		*		(20,486,771)	21,552,000
12304	20-3058200	ACCIDENT FUND GENERAL INSURANCE COMPANY					(2,214,921)		*		(2,214,921)	(29,886,000)
12305	20-3058291	ACCIDENT FUND GENERAL INSURANCE COMPANY					(4,529,343)		*		(4,529,343)	(37,363,000)
29157	30-0941450	UNITED WISCONSIN COMPAMY					(7,196,999)		*		(7,196,999)	45,697,000
	38-6561861	BCN MEDICAL MALPRACTICE SELF-INSURANCE TRUST									0	
	38-6561862	BCN STOP LOSS AND CASUALTY SELF-INSURANCE TRU						2,111,143			2,111,143	(7,857,452)
	38-3134881	BCN SERVICE COMPANY		341,076			(51,518)				289,558	
	38-2612298	DENTEMAX	(2,300,000)				(1,865,975)				(4,165,975)	
95449	38-2649504	M-CARE									0	
11557	38-0026448	M-CAID									0	
11946	20-0547500	MICHIGAN HEALTH INSURANCE COMPANY									0	
	38-2338506	BLUE CROSS BLUE SHIELD OF MICHIGAN FOUNDATION					(795,601)				(795,601)	
12606	76-0800811	LIFESECURE INSURANCE COMPANY		30,771,000			(3,094,267)				27,676,733	
9999999.	Control Totals		0	0	0	0	0	0	XXX	0	0	0

10166	ACCIDENT FUND INS CO OF AMERICA	80.00%
29157	UNITED WISCONSIN INS CO	10.00%
12305	ACCIDENT FUND NATIONAL INS CO	6.00%
12304	ACCIDENT FUND GENERAL INS CO	4.00%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED 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.

		Responses
	MARCH FILING	
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the Risk-Based Capital Report be filed with the NAIC by March 1?	YES
4.	Will the Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES
	APRIL FILING	
5.	Will the Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
	JUNE FILING	
8.	Will an audited financial report be filed by June 1?	YES

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.

	MARCH FILING	
9.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	YES
10.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	SEE EXPLANATION
11.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	SEE EXPLANATION
12.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	SEE EXPLANATION
13.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	YES
	APRIL FILING	
14.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	SEE EXPLANATION
15.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	SEE EXPLANATION
16.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	SEE EXPLANATION

EXPLANATIONS:

10. This line of business is not written by the company.
11. This line of business is not written by the company.
12. This line of business is not written by the company.

14. This line of business is not written by the company.
15. This line of business is not written by the company.
16. This line of business is not written by the company.

BAR CODE:

5429120062050000
5429120062070000
5429120064200000
5429120063300000
5429120062110000
5429120062130000

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
2304. Company Owned Automobile	634,318	634,318	0	
2305. Prepaid Pension Fund	104,728,961	78,546,721	26,182,240	61,915,391
2397. Summary of remaining write-ins for Line 23	105,363,279	79,181,039	26,182,240	61,915,391

Additional Write-ins for Liabilities:

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2104. Accounts Payable for Drugs and Vision Vendors	21,747,322		21,747,322	3,337,032
2105. Account payable to other plans	10,606,274		10,606,274	6,649,536
2197. Summary of remaining write-ins for Line 21	32,353,596	0	32,353,596	9,986,568

Additional Write-ins for Nonadmitted Assets:

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2304. Prepaid Pension Fund	78,546,721	61,915,391	(16,631,330)
2305. Advances to Providers	40,884,359	33,221,809	(7,662,550)
2397. Summary of remaining write-ins for Line 23	119,431,080	95,137,200	(24,293,880)

Overflow Page for Write-Ins

NONE

Supplement for the year 2006 of the **BLUE CROSS BLUE SHIELD OF MICHIGAN**

* 5 4 2 9 1 2 0 0 6 3 6 0 2 3 1 0 0 *

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2006
(To Be Filed by March 1)
FOR THE STATE OF.....Michigan

NAIC Group Code.....572
Address (City, State and Zip Code).....600 E. Lafayette, Detroit, MI 48226
Person Completing This Exhibit.....Kenneth A. Bluhm
Title.....Director, Financial Accounting

NAIC Company Code.....54291

Telephone Number.....313-225-9095

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2003				Policies Issued in 2004, 2005 & 2006			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives
Individual Policies																	
N/A	4744/4745/4851	P	NO	256	12/29/1980	N/A	01/21/2001	N/A	Medigap Low Option			0.0		1,989,255	5,165,127	259.7	3,712
N/A	4744/4745	P	NO	256	12/29/1980	N/A	01/21/2001	N/A	Medigap High Option			0.0		47,135,742	89,654,011	190.2	41,207
Yes	4290	A	NO	256	08/21/1992	N/A	01/21/2001	N/A	Medigap Plan A			0.0		3,773,692	12,504,666	331.4	10,505
Yes	4291	C	NO	256	08/21/1992	N/A	01/21/2001	N/A	Medigap Plan C			0.0		166,931,085	268,547,053	160.9	157,180
Yes	9802	A	NO	1256	04/29/1999	N/A	01/21/2001	N/A	Medigap Blue Plan			0.0		1,599,939	2,769,820	173.1	2,333
0199999.	Total Policy Experience on Individual Policies									0	0	0.0	0	221,429,713	378,640,677	171.0	214,937

360.MI

GENERAL INTERROGATORIES

1. If response in Column 1 is no, give full and complete details.....

2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
   2.1 Address..... 27000 W. Eleven Mile Road Southfield MI 48034
   2.2 Contact person and phone number..... John Fitzgerald 248-486-2027
3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
   3.1 Address..... 27000 W. Eleven Mile Road Southfield MI 48034
   3.2 Contact person and phone number..... Brenda Selle 248-448-5444
4. Explain any policies identified as policy type "O".

* 5 4 2 9 1 2 0 0 6 3 6 5 0 0 1 0 0 *

MEDICARE PART D COVERAGE SUPPLEMENT

For the Year Ended December 31 2006

(To Be Filed By March 1)

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums Collected:					
1.1 Standard Coverage					
1.11 With Reinsurance Coverage	66,419,415	XXX		XXX	66,419,415
1.12 Without Reinsurance Coverage		XXX		XXX	0
1.13 Risk-Corridor Payment Adjustments	(1,161,582)	XXX		XXX	(1,161,582)
1.2 Supplemental Benefits		XXX		XXX	0
2. Premiums Due and Uncollected-Change:					
2.1 Standard Coverage					
2.11 With Reinsurance Coverage	1,911,023	XXX		XXX	XXX
2.12 Without Reinsurance Coverage		XXX		XXX	XXX
2.2 Supplemental Benefits		XXX		XXX	XXX
3. Unearned Premium and Advance Premium-Change:					
3.1 Standard Coverage:					
3.11 With Reinsurance Coverage		XXX		XXX	XXX
3.12 Without Reinsurance Coverage		XXX		XXX	XXX
3.2 Supplemental Benefits		XXX		XXX	XXX
4. Risk-Corridor Payment Adjustments-Change:					
4.1 Receivable		XXX		XXX	XXX
4.2 Payable		XXX		XXX	XXX
5. Earned Premiums:					
5.1 Standard Coverage:					
5.11 With Reinsurance Coverage	68,330,438	XXX	0	XXX	XXX
5.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
5.13 Risk-Corridor Payment Adjustments	(1,161,582)	XXX	0	XXX	XXX
5.2 Supplemental Benefits	0	XXX	0	XXX	XXX
6. Total Premiums	67,168,856	XXX	0	XXX	65,257,833
7. Claims Paid:					
7.1 Standard Coverage:					
7.11 With Reinsurance Coverage	50,333,512	XXX		XXX	50,333,512
7.12 Without Reinsurance Coverage		XXX		XXX	0
7.2 Supplemental Benefits		XXX		XXX	0
8. Claim Reserves and Liabilities-Change:					
8.1 Standard Coverage:					
8.11 With Reinsurance Coverage	9,183,309	XXX		XXX	XXX
8.12 Without Reinsurance Coverage		XXX		XXX	XXX
8.2 Supplemental Benefits		XXX		XXX	XXX
9. Health Care Receivables-Change:					
9.1 Standard Coverage					
9.11 With Reinsurance Coverage		XXX		XXX	XXX
9.12 Without Reinsurance Coverage		XXX		XXX	XXX
9.2 Supplemental Benefits		XXX		XXX	XXX
10. Claims Incurred:					
10.1 Standard Coverage:					
10.11 With Reinsurance Coverage	59,516,821	XXX	0	XXX	XXX
10.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
10.2 Supplemental Benefits	0	XXX	0	XXX	XXX
11. Total Claims	59,516,821	XXX	0	XXX	50,333,512
12. Reinsurance Coverage and Low Income Cost Sharing:					
12.1 Claims Paid - Net To Reimbursements Applied	XXX		XXX		0
12.2 Reimbursements Received but Not Applied-Change	XXX	1,302,210	XXX		1,302,210
12.3 Reimbursements Receivable-Change	XXX		XXX		XXX
12.4 Health Care Receivables-Change	XXX		XXX		XXX
13. Aggregate Policy Reserves-Change					XXX
14. Expenses Paid	14,607,000	XXX		XXX	14,607,000
15. Expenses Incurred	15,103,000	XXX		XXX	XXX
16. Underwriting Gain/Loss	(7,450,965)	XXX	0	XXX	XXX
17. Cash Flow Results	XXX	XXX	XXX	XXX	1,619,531

54291200620700000

PROPERTY/CASUALTY SUPPLEMENTS

NONE

TO BE FILED ON OR BEFORE MARCH 1

For the Year Ended December 31, 2006

Of the.....BLUE CROSS BLUE SHIELD OF MICHIGAN

ADDRESS .....Detroit MI 48226

NAIC Group Code.....572 NAIC Company Code.....54291 Employer's ID Number.....38-2069753

Sch. F-Pt. 1
NONE

Sch. F-Pt. 3
NONE

Sch. P-Pt. 1-Summary
NONE

Sch. P-Pt. 1A
NONE

Sch. P-Pt. 1B
NONE

Sch. P-Pt. 1C
NONE

Sch. P-Pt. 1D
NONE

Sch. P-Pt. 1E
NONE

Sch. P-Pt. 1F-Sn. 1
NONE

Sch. P-Pt. 1F-Sn. 2
NONE

Sch. P-Pt. 1G
NONE

Sch. P-Pt. 1H-Sn. 1
NONE

Sch. P-Pt. 1H-Sn. 2
NONE

Sch. P-Pt. 1I
NONE

Sch. P-Pt. 1J
NONE

Sch. P-Pt. 1K
NONE

Sch. P-Pt. 1L
NONE

Sch. P-Pt. 1M
NONE

Sch. P-Pt. 1N
NONE

Sch. P-Pt. 1O
NONE

Sch. P-Pt. 1P
NONE

Sch. P-Pt. 1R-Sn. 1
NONE

Sch. P-Pt. 1R-Sn. 2
NONE

Sch. P-Pt. 1S
NONE

Sch. P-Pt. 2-Summary
NONE

Sch. P-Pt. 2A
NONE

Sch. P-Pt. 2B
NONE

Sch. P-Pt. 2C
NONE

Sch. P-Pt. 2D
NONE

Sch. P-Pt. 2E
NONE

Sch. P-Pt. 2F-Sn. 1
NONE

Sch. P-Pt. 2F-Sn. 2
NONE

Sch. P-Pt. 2G
NONE

Sch. P-Pt. 2H-Sn. 1
NONE

Sch. P-Pt. 2H-Sn. 2
NONE

Sch. P-Pt. 2I
NONE

Sch. P-Pt. 2J
NONE

Sch. P-Pt. 2K
NONE

Sch. P-Pt. 2L
NONE

Sch. P-Pt. 2M
NONE

Sch. P-Pt. 2N
NONE

Sch. P-Pt. 2O
NONE

Sch. P-Pt. 2P
NONE

Sch. P-Pt. 2R-Sn. 1
NONE

Sch. P-Pt. 2R-Sn. 2
NONE

Sch. P-Pt. 2S
NONE

Supplement for the year 2006 of the **BLUE CROSS BLUE SHIELD OF MICHIGAN**

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

* 5 4 2 9 1 2 0 0 6 2 0 8 5 9 1 0 0 *

NAIC Group Code.....572 NAIC Company Code....54291

BUSINESS IN GRAND TOTAL DURING THE YEAR

Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		3	4	5	6	7	8	9	10	11	12
	1 Direct Premiums Written	2 Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Unearned Premium Reserves	Direct Losses Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Direct Defense and Cost Containment Expense Paid	Direct Defense and Cost Containment Expense Incurred	Direct Defense and Cost Containment Expense Unpaid	Commissions and Brokerage Expenses	Taxes, Licenses and Fees
1. Fire												
2.1 Allied lines												
2.2 Multiple peril crop												
2.3 Federal flood												
3. Farmowners multiple peril												
4. Homeowners multiple peril												
5.1 Commercial multiple peril (non-liability portion)												
5.2 Commercial multiple peril (liability portion)												
6. Mortgage guaranty												
8. Ocean marine												
9. Inland marine												
10. Financial guaranty												
11. Medical malpractice												
12. Earthquake												
13. Group accident and health (b)												
14. Credit A & H (group and individual)												
15.1 Collectively renewable A&H (b)												
15.2 Non-cancelable A & H (b)												
15.3 Guaranteed renewable A & H (b)												
15.4 Non-renewable for stated reasons only (b)												
15.5 Other accident only												
15.6 All other A & H (b)												
15.7 Federal employees health benefits program premium (b)												
16. Workers' compensation												
17. Other liability												
18. Products liability												
19.1 Private passenger auto no-fault (personal injury protection)												
19.2 Other private passenger auto liability												
19.3 Commercial auto no-fault (personal injury protection)												
19.4 Other commercial auto liability												
21.1 Private passenger auto physical damage												
21.2 Commercial auto physical damage												
22. Aircraft (all perils)												
23. Fidelity												
24. Surety												
26. Burglary and theft												
27. Boiler and machinery												
28. Credit												
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0	0	0	0
34. TOTALS (a)	0	0	0	0	0	0	0	0	0	0	0	0

NONE

DETAILS OF WRITE-INS

3301.												
3302.												
3303.												
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
3399. TOTALS (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0	0	0	0	0	0	0	0	0	0

(a) Finance and service charges not included in Lines 1 to 34 $.....0.

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

PS32.GT

Overflow Page for Write-Ins

NONE