



QUARTERLY STATEMENT

AS OF MARCH 31, 2007
OF THE CONDITION AND AFFAIRS OF THE

Priority Health

NAIC Group Code 3383, 3383 NAIC Company Code 95561 Employer's ID Number 38-2715520
(Current Period) (Prior Period)

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

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 [] No [X]

Incorporated/Organized 03/07/1986 Commenced Business 10/15/1986

Statutory Home Office 1231 East Beltline NE, Grand Rapids, MI 49525-4501
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1231 East Beltline NE Grand Rapids, MI 49525-4501 616-464-8235
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1231 East Beltline NE, Grand Rapids, MI 49525-4501
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1231 East Beltline NE Grand Rapids, MI 49525-4501 616-464-8926
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.priority-health.com

Statutory Statement Contact Kristy L. Shoemaker 616-464-8926
(Name) (Area Code) (Telephone Number) (Extension)
kristy.shoemaker@priority-health.com 616-942-7916
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Policyowner Relations Contact 1231 East Beltline NE Grand Rapids, MI 49525-4501 800-446-5674
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
<u>Kimberly K Horn</u>	<u>Chief Executive Officer</u>	<u>Judith W Hooyenga</u>	<u>Secretary</u>
<u>Gaylen J Byker</u>	<u>Interim Treasurer</u>		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

<u>Dennis Aloia</u>	<u>Daniel H Baldwin</u>	<u>Craig H Bethune</u>	<u>Richard C Breon</u>
<u>Joseph L Brock</u>	<u>Stephen W Burkhammer</u>	<u>Gaylen J Byker</u>	<u>Karl D Deck</u>
<u>Kenneth J Fawcett</u>	<u>Michael P Freed</u>	<u>Lynn Kotecki</u>	<u>Michael I Love</u>
<u>Peter B Lundeen</u>	<u>Christina MacInnes</u>	<u>Kathleen S Ponitz</u>	<u>Stephen B Reznicek</u>
<u>Robert W Roth</u>	<u>Thomas G Schwaderer</u>	<u>Timothy V Smith</u>	<u>Hilary F Snell</u>
<u>Dale M Sowders</u>	<u>James J Stephanak</u>	<u>Jody D Vanderwel</u>	<u>Thomas J Wesholski</u>

State of Michigan
County of Kent 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.

Kimberly K Horn
Chief Executive Officer

Judith W Hooyenga
Secretary

Gregory Hawkins
Chief Financial Officer

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 _____

Subscribed and sworn to before me this
14th day of May, 2007

Cheryl Britcher, Executive Administrative Assistant
12/30/2011

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

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	122,302,104	0	122,302,104	128,754,137
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	55,405,435	0	55,405,435	57,656,843
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 \$0 encumbrances)	200,663	200,663	0	0
4.2 Properties held for the production of income (less \$0 encumbrances)			0	0
4.3 Properties held for sale (less \$0 encumbrances)			0	0
5. Cash (\$(3,436,364)), cash equivalents (\$0) and short-term investments (\$164,066,637)	160,630,273		160,630,273	125,029,048
6. Contract loans, (including \$ premium notes)			0	0
7. Other invested assets	0	0	0	0
8. Receivables for securities	0	0	0	65,000
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	338,538,475	200,663	338,337,812	311,505,028
11. Title plants less \$ charged off (for Title insurers only)	0	0	0	0
12. Investment income due and accrued	2,233,771	0	2,233,771	2,809,060
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	19,762,769	0	19,762,769	11,494,230
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	229,402		229,402	29,998
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	514,486	0	514,486	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	0		0	0
19. Furniture and equipment, including health care delivery assets (\$0)	1,437,903	1,437,903	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	15,208,969	0	15,208,969	14,968,167
22. Health care (\$6,191,114) and other amounts receivable	6,264,453	2,744,919	3,519,534	4,091,504
23. Aggregate write-ins for other than invested assets	28,153	28,153	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	384,218,381	4,411,638	379,806,743	344,897,987
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
26. Total (Lines 24 and 25)	384,218,381	4,411,638	379,806,743	344,897,987
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 through 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Prepaid Expenses.....	28,153	28,153	0	0
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	28,153	28,153	0	0

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	78,982,967	8,673,412	87,656,379	74,572,064
2. Accrued medical incentive pool and bonus amounts	24,240,283		24,240,283	19,252,937
3. Unpaid claims adjustment expenses	1,284,778	141,086	1,425,864	1,172,170
4. Aggregate health policy reserves	1,541,404		1,541,404	2,276,000
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	22,798,344		22,798,344	10,166,785
9. General expenses due or accrued	1,370,711		1,370,711	3,127,305
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			0	0
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	5,463,777		5,463,777	2,444,267
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 plans	524,305		524,305	494,237
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	136,206,569	8,814,498	145,021,067	113,505,764
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	8,524	8,524
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	35,821,002	35,821,002
27. Surplus notes	XXX	XXX	33,839,572	33,839,572
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	1,000,000	1,000,000
29. Unassigned funds (surplus)	XXX	XXX	164,116,578	160,723,125
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	234,785,676	231,392,223
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	379,806,743	344,897,987
DETAILS OF WRITE-INS				
2101.				
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. Appropriated Retained Earnings	XXX	XXX	1,000,000	1,000,000
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	1,000,000	1,000,000

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	986,387	1,064,026
2. Net premium income (including \$0 non-health premium income).....	XXX	270,362,499	269,486,291
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	270,362,499	269,486,291
Hospital and Medical:			
9. Hospital/medical benefits		177,240,382	174,245,396
10. Other professional services		95,534	158,184
11. Outside referrals		6,453,579	6,175,469
12. Emergency room and out-of-area		5,179,002	4,578,469
13. Prescription drugs		49,379,925	47,997,334
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		5,722,814	2,053,522
16. Subtotal (Lines 9 to 15)	0	244,071,236	235,208,374
Less:			
17. Net reinsurance recoveries		514,486	0
18. Total hospital and medical (Lines 16 minus 17)	0	243,556,750	235,208,374
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ 371,927 cost containment expenses.....		3,719,275	3,868,846
21. General administrative expenses.....		21,075,890	21,923,463
22. Increase in reserves for life and accident and health contracts including \$0 increase in reserves for life only).....		(734,596)	0
23. Total underwriting deductions (Lines 18 through 22)	0	267,617,319	261,000,683
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	2,745,180	8,485,608
25. Net investment income earned		3,485,506	2,835,286
26. Net realized capital gains (losses) less capital gains tax of \$		(9,782)	(14,203)
27. Net investment gains (losses) (Lines 25 plus 26)	0	3,475,724	2,821,083
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	6,220,904	11,306,691
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	6,220,904	11,306,691
DETAILS OF WRITE-INS			
0601.	XXX		0
0602.	XXX		
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	0
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.			
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.....	231,392,223	207,797,354	207,797,354
34. Net income or (loss) from Line 32.....	6,220,904	11,306,691	22,327,603
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 \$.....	0 (2,338,573)	2,407,979	6,864,016
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.....	(488,878)	(3,246,751)	2,863,143
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....		0	0
42. Change in surplus notes.....	0	0	33,839,572
43. Cumulative effect of changes in accounting principles.....		0	0
44. Capital Changes:			
44.1 Paid in.....		0	(2,000)
44.2 Transferred from surplus (Stock Dividend).....		0	0
44.3 Transferred to surplus.....		0	0
45. Surplus adjustments:			
45.1 Paid in.....		0	2,000
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.....	0	0	(42,299,465)
48. Net change in capital & surplus (Lines 34 to 47).....	3,393,453	10,467,919	23,594,869
49. Capital and surplus end of reporting period (Line 33 plus 48)	234,785,676	218,265,273	231,392,223
DETAILS OF WRITE-INS			
4701. Gain/(Loss) in Affiliates.....	0	0	(42,299,465)
4702.			
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)	0	0	(42,299,465)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	273,791,519	1,082,994,246
2. Net investment income	4,186,797	14,392,346
3. Miscellaneous income	0	0
4. Total (Lines 1 to 3)	277,978,316	1,097,386,592
5. Benefits and loss related payments	223,907,522	996,775,894
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	26,267,998	104,548,502
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)	250,175,520	1,101,324,396
11. Net cash from operations (Line 4 minus Line 10)	27,802,796	(3,937,804)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	6,816,253	23,296,580
12.2 Stocks	0	1,000,000
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	141,296	369,348
12.7 Miscellaneous proceeds	65,000	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	7,022,549	24,665,928
13. Cost of investments acquired (long-term only):		
13.1 Bonds	500,000	24,872,006
13.2 Stocks	87,166	679,908
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	118,855	4,895,388
13.7 Total investments acquired (Lines 13.1 to 13.6)	706,021	30,447,302
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)	6,316,528	(5,781,374)
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)	1,481,901	(15,344,846)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	1,481,901	(15,344,846)
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)	35,601,225	(25,064,024)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	125,029,048	150,093,072
19.2 End of period (Line 18 plus Line 19.1)	160,630,273	125,029,048

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	344,469	1,209	337,774	.0	.0	.0	.0	5,486	.0	.0
2. First Quarter	326,412	1,094	319,059					6,259		
3. Second Quarter .....	.0									
4. Third Quarter .....	.0									
5. Current Year .....	.0									
6. Current Year Member Months	986,387	3,390	964,544					18,453		
Total Member Ambulatory Encounters for Period:										
7. Physician	755,201	2,551	725,747					26,903		
8. Non-Physician	20,478	69	19,679					730		
9. Total	775,679	2,620	745,426	.0	.0	.0	.0	27,633	.0	.0
10. Hospital Patient Days Incurred	19,880	63	17,853					1,964		
11. Number of Inpatient Admissions	5,240	17	4,888					335		
12. Health Premiums Written	270,528,585	780,911	257,290,288					12,457,386		
13. Life Premiums Direct .....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned	270,362,499	780,413	257,126,176					12,455,910		
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services	224,252,999	1,066,672	213,083,058					10,103,269		
18. Amount Incurred for Provision of Health Care Services	244,071,236	1,154,111	231,064,830					11,852,295		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$12,457,386

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

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)	55,415,285	161,208,842	13,142,045	68,866,824	68,557,330	70,673,580
2. Medicare Supplement .....					.0	.0
3. Dental Only .....					.0	.0
4. Vision Only .....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare	3,073,012	7,030,258	595,104	5,052,406	3,668,116	3,898,484
7. Title XIX - Medicaid .....					.0	.0
8. Other Health .....					.0	.0
9. Health Subtotal (Lines 1 to 8).....	58,488,297	168,239,100	13,737,149	73,919,230	72,225,446	74,572,064
10. Healthcare receivables (a)	3,209,866	.0	2,981,263	1,977,776	6,191,129	6,191,129
11. Other non-health .....					.0	.0
12. Medical incentive pools and bonus amounts	131,616	603,852	18,885,691	5,354,592	19,017,307	19,252,937
13. Totals	55,410,047	168,842,952	29,641,577	77,296,046	85,051,624	87,633,871

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

6

NOTES TO FINANCIAL STATEMENTS

Note #	HEALTH Description	Page #
1	Organization and Summary of Significant Accounting Policies	10.1
2	Accounting Changes and Correction of Errors	10.1
3	Business Combinations and Goodwill	10.1
4	Discontinued Operations	10.1
5	Investments	10.1
6	Joint Ventures, Partnerships and Limited Liability Companies	10.1
7	Investment Income	10.1
8	Derivative Instruments	10.1
9	Income Taxes	10.1
10	Information Concerning Parent, Subsidiaries, and Affiliates	10.1
11	Debt	10.1
12	Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans	
13	Capital and Surplus, Shareholder's Dividend Restrictions, and Quasi- Reorganizations	10.1
14	Contingencies	10.1
15	Leases	10.1
16	Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk	10.1
17	Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities	10.1
18	Gain of Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans	10.2
19	Direct Premium Written/Produced by Managing General Agents/Third Party Administrators	10.2
20	September 11 Events	10.2
21	Other Items	10.2
22	Events Subsequent	10.2
23	Reinsurance	10.2
24	Retrospectively Rated Contracts & Contracts Subject to Redetermination	10.2
25	Change in Incurred Claims and Claim Adjustment Expenses	10.2
26	Intercompany Pooling Arrangements	10.2
27	Structured Settlements	10.2
28	Health Care Receivables	10.2
29	Participating Policies	10.2
30	Premium Deficiency Reserves	10.2
31	Anticipated Salvage and Subrogation	10.2

NOTES TO FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies

No material changes from year end disclosures.

2. Accounting Changes and Correction of Errors

No material changes from year end disclosures.

3. Business Combinations and Goodwill

No material changes from year end disclosures.

4. Discontinued Operations

No material changes from year end disclosures.

5. Investments

No material changes from year end disclosures.

6. Joint Ventures, Partnerships and Limited Liability Companies

No material changes from year end disclosures.

7. Investment Income

No material changes from year end disclosures.

8. Derivative Instruments

No material changes from year end disclosures.

9. Income Taxes

No material changes from year end disclosures.

10. Information Concerning Parent, Subsidiaries, and Affiliates

No material changes from year end disclosures.

11. Debt

No material changes from year end disclosures.

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

No material changes from year end disclosures.

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

No material changes from year end disclosures.

14. Contingencies

No material changes from year end disclosures.

15. Leases

No material changes from year end disclosures.

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

No material changes from year end disclosures.

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

No material changes from year end disclosures.

NOTES TO FINANCIAL STATEMENTS

18. Gain of Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

No material changes from year end disclosures

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

No material changes from year end disclosures.

20. September 11 Events

No material changes from year end disclosures.

21. Other Items

No material changes from year end disclosures.

22. Events Subsequent

Effective December 21, 2006, Priority Health (PH) entered into a Merger and Stock Purchase Agreement (the Merger Agreement) with Trinity Health-Michigan (Seller), Care Choices HMO (Care Choices), and Trinity Health Plans (THP). Care Choices and THP are Michigan nonprofit corporations. On April 1, 2007, Care Choices merged with and into PH, at which time the separate existence of Care Choices ceased. Concurrently, PH acquired from the Seller all of the outstanding stock of THP.

During 2006, the Boards of Directors of PH and Priority Health Managed Benefits Inc. (PHMB) passed resolutions authorizing various actions to change the organizations' corporate structure. Effective April 1, 2007, PH acquired the membership interest in PHMB Properties, LLC and the stock of Priority Health Wellness Company.

23. Reinsurance

No material changes from year end disclosures.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

No material changes from year end disclosures

25. Change in Incurred Claims and Claim Adjustment Expenses

No material changes from year end disclosures.

26. Intercompany Pooling Arrangements

No material changes from year end disclosures.

27. Structured Settlements

No material changes from year end disclosures.

28. Health Care Receivables

No material changes from year end disclosures.

29. Participating Policies

No material changes from year end disclosures.

30. Premium Deficiency Reserves

No material changes from year end disclosures.

31. Anticipated Salvage and Subrogation

No material changes from year end disclosures.

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 experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.

- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y - Part 1 - organizational chart.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/04/2005
- 6.4 By what department or departments?
OFIS.....

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?..... Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
.....
- 9.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes [X] No []
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$1,551,717

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]
- 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 [X]
- 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: \$0
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 [X] No []
- 15.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
15.21 Bonds	\$0	\$0
15.22 Preferred Stock	\$0	\$0
15.23 Common Stock	\$18,804,236	\$15,674,414
15.24 Short-Term Investments	\$0	\$0
15.25 Mortgage Loans on Real Estate	\$0	\$0
15.26 All Other	\$0	\$0
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$18,804,236	\$15,674,414
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$0	\$0

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

GENERAL INTERROGATORIES

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 [X] 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
Fifth Third Bank.....	Grand Rapids, MI.....
Huntington National Bank.....	Grand Rapids, MI.....
Mellon Trust.....	Pittsburgh, PA.....

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 [X]

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
N/A.....	Prime Investments.....	Bloomfield, CT.....

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

18.2 If no, list exceptions:

.....

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	223,104	312,868
2. Increase (decrease) by adjustment	(22,441)	(89,764)
3. Cost of acquired	0	0
4. Cost of additions to and permanent improvements	0	0
5. Total profit (loss) on sales	0	0
6. Increase (decrease) by foreign exchange adjustment	0	0
7. Amount received on sales	0	0
8. Book/adjusted carrying value at end of current period	200,663	223,104
9. Total valuation allowance	0	0
10. Subtotal (Lines 8 plus 9)	200,663	223,104
11. Total nonadmitted amounts	200,663	223,104
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

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

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value of long-term invested assets owned December 31 of prior year	0	0
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions	0	0
2.2. Additional investment made after acquisitions	0	0
3. Accrual of discount	0	0
4. Increase (decrease) by adjustment	0	0
5. Total profit (loss) on sale	0	0
6. Amounts paid on account or in full during the period	0	0
7. Amortization of premium	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period	0	0
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts	0	0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	0	0

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	186,410,980	174,471,544
2. Cost of bonds and stocks acquired	587,166	25,551,913
3. Accrual of discount	23,069	81,890
4. Increase (decrease) by adjustment	(2,338,573)	11,414,016
5. Increase (decrease) by foreign exchange adjustment	0	0
6. Total profit (loss) on disposal	(9,782)	(46,454)
7. Consideration for bonds and stocks disposed of	6,816,253	24,296,580
8. Amortization of premium	149,068	765,349
9. Book/adjusted carrying value, current period	177,707,539	186,410,980
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	177,707,539	186,410,980
12. Total nonadmitted amounts	0	0
13. Statement value	177,707,539	186,410,980

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

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	266,746,054	54,586,057	38,489,454	23,359	282,866,016	0	0	266,746,054
2. Class 2	3,863,513	500,000	852,725	(8,061)	3,502,727	0	0	3,863,513
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	270,609,567	55,086,057	39,342,179	15,298	286,368,743	0	0	270,609,567
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	270,609,567	55,086,057	39,342,179	15,298	286,368,743	0	0	270,609,567

SCHEDULE DA - PART 1**Short-Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999 Totals	164,066,637	XXX	163,771,639	1,998,309	0

SCHEDULE DA - PART 2- VERIFICATION**Short-Term Investments Owned**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	141,855,428	156,709,055
2. Cost of short-term investments acquired	54,586,057	334,539,741
3. Increase (decrease) by adjustment	141,296	370,152
4. Increase (decrease) by foreign exchange adjustment		0
5. Total profit (loss) on disposal of short-term investments		(804)
6. Consideration received on disposal of short-term investments	32,516,144	349,762,716
7. Book/adjusted carrying value, current period	164,066,637	141,855,428
8. Total valuation allowance		0
9. Subtotal (Lines 7 plus 8)	164,066,637	141,855,428
10. Total nonadmitted amounts		0
11. Statement value (Lines 9 minus 10)	164,066,637	141,855,428
12. Income collected during period	2,139,605	6,865,915
13. Income earned during period	1,881,290	6,961,340

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

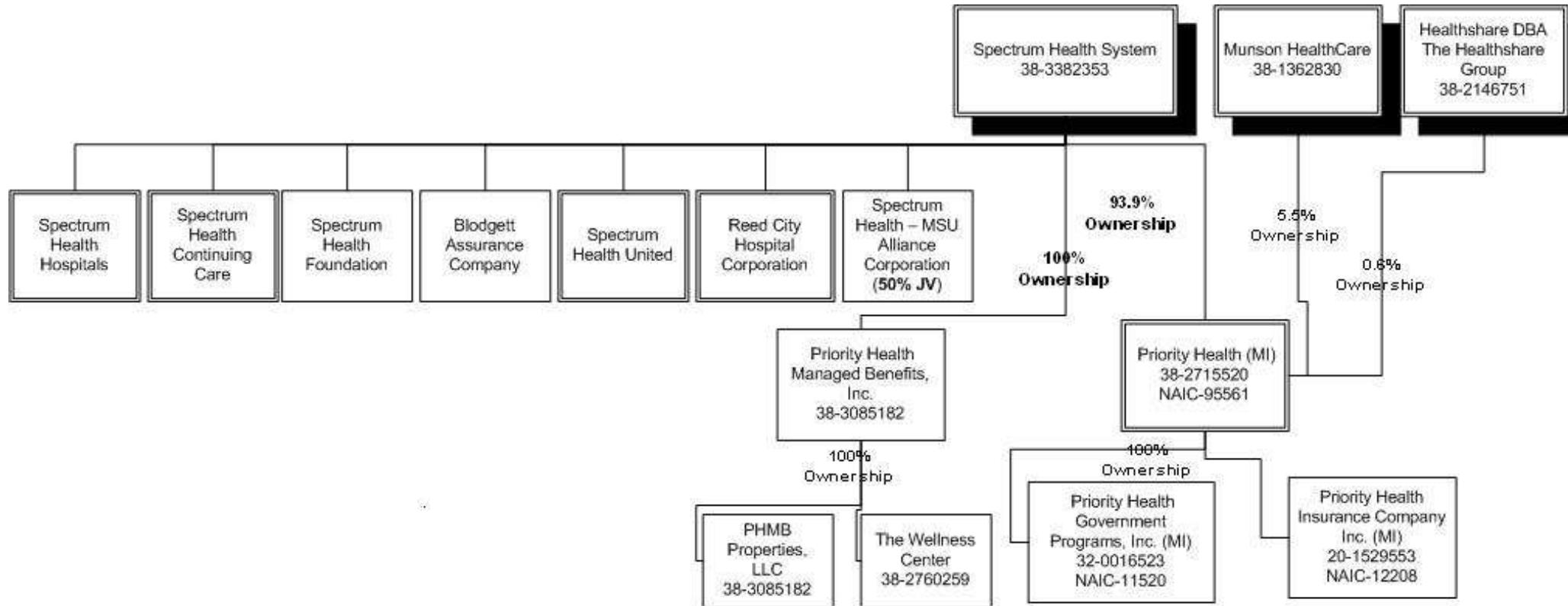
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed (Yes or No)	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefit Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	No							0	
2. Alaska	AK	No							0	
3. Arizona	AZ	No							0	
4. Arkansas	AR	No							0	
5. California	CA	No							0	
6. Colorado	CO	No							0	
7. Connecticut	CT	No							0	
8. Delaware	DE	No							0	
9. District of Columbia	DC	No							0	
10. Florida	FL	No							0	
11. Georgia	GA	No							0	
12. Hawaii	HI	No							0	
13. Idaho	ID	No							0	
14. Illinois	IL	No							0	
15. Indiana	IN	No							0	
16. Iowa	IA	No							0	
17. Kansas	KS	No							0	
18. Kentucky	KY	No							0	
19. Louisiana	LA	No							0	
20. Maine	ME	No							0	
21. Maryland	MD	No							0	
22. Massachusetts	MA	No							0	
23. Michigan	MI	Yes	258,071,199	12,457,386					270,528,585	
24. Minnesota	MN	No							0	
25. Mississippi	MS	No							0	
26. Missouri	MO	No							0	
27. Montana	MT	No							0	
28. Nebraska	NE	No							0	
29. Nevada	NV	No							0	
30. New Hampshire	NH	No							0	
31. New Jersey	NJ	No							0	
32. New Mexico	NM	No							0	
33. New York	NY	No							0	
34. North Carolina	NC	No							0	
35. North Dakota	ND	No							0	
36. Ohio	OH	No							0	
37. Oklahoma	OK	No							0	
38. Oregon	OR	No							0	
39. Pennsylvania	PA	No							0	
40. Rhode Island	RI	No							0	
41. South Carolina	SC	No							0	
42. South Dakota	SD	No							0	
43. Tennessee	TN	No							0	
44. Texas	TX	No							0	
45. Utah	UT	No							0	
46. Vermont	VT	No							0	
47. Virginia	VA	No							0	
48. Washington	WA	No							0	
49. West Virginia	WV	No							0	
50. Wisconsin	WI	No							0	
51. Wyoming	WY	No							0	
52. American Samoa	AS	No							0	
53. Guam	GU	No							0	
54. Puerto Rico	PR	No							0	
55. U.S. Virgin Islands	VI	No							0	
56. Northern Mariana Islands	MP	No							0	
57. Canada	CN	No							0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	258,071,199	12,457,386	0	0	0	0	0	270,528,585	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 1	258,071,199	12,457,386	0	0	0	0	0	270,528,585	0
DETAILS OF WRITE-INS										
5801.	XXX									
5802.	XXX									
5803.	XXX									
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	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**



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Statement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
459999 - Total - Bonds - FLO GREFLO	GREER LAND - FLO GREFLO		02/13/2007	FIFTH THIRD		500,000	500,000	883	XX
609999 - Total - Bonds - Industrial, Misc.	Bonds - Industrial, Misc.					500,000	500,000	883	XX
609999 - Total - Bonds - Preferred Stocks	Bonds - Preferred Stocks					500,000	500,000	883	XX
659999 - Total - Preferred Stocks	Preferred Stocks					0	XXX	0	XX
922040 - 10 - 0	VANGUARD INSTL INDEX FUND		03/30/2007	VANGUARD FUNDS	648,504	85,084		0	L
922908 - 87 - 6	VANGUARD SMALL CAP INDEX FUND		03/21/2007	VANGUARD FUNDS	61,271	2,082		0	L
709999 - Total - Common Stocks - Mutual Fund	Common Stocks - Mutual Fund					87,166	XXX	0	XX
729999 - Total - Common Stocks - Part 3	Common Stocks - Part 3					87,166	XXX	0	XX
729999 - Total - Common Stocks	Common Stocks					87,166	XXX	0	XX
739999 - Total - Preferred and Common Stocks	Preferred and Common Stocks					87,166	XXX	0	XX
749999 - Totals						587,166	XXX	883	XX

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

STATEMENT AS OF MARCH 31, 2007 OF THE Priority Health

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
																						CUSIP Identification
313594-KC-3	FHLMC		01/05/2007	MATURITY		500,000	500,000	500,000	500,000	0	0	0	0	0	500,000	0	0	0	0	16,750	01/05/2007	
313598-LZ-4	FHMA		01/15/2007	MATURITY		50,000	50,000	50,938	50,000	0	(186)	0	0	0	0	50,000	0	0	0	250	01/15/2007	
36202V-XU-0	GNMA		03/01/2007	MBS PAYOUT		41,897	41,897	41,892	41,892	0	5	0	0	0	41,897	0	0	0	0	348	06/01/2034	
36291E-RW-5	GNMA		03/01/2007	MBS PAYOUT		1,847	1,847	1,878	1,847	0	0	0	0	0	1,847	0	0	0	0	17	03/01/2034	
36291S-PT-1	GNMA		03/01/2007	MBS PAYOUT		27,965	27,965	28,542	27,976	0	(10)	0	0	0	27,965	0	0	0	0	173	11/01/2034	
0395939	Bonds - U.S. Governments					621,710	621,710	689,553	621,903	0	(200)	0	0	0	621,710	0	0	0	0	18,537	XXX	XX
31283H-S9-7	FHLMC		03/01/2007	MBS PAYOUT		7,222	7,222	7,225	7,225	0	(4)	0	0	0	7,222	0	0	0	0	81	08/01/2032	
31287A-Z8-2	FHLMC		03/01/2007	MBS PAYOUT		1,174	1,174	1,216	1,174	0	0	0	0	0	1,174	0	0	0	0	11	09/01/2032	
3128M-ZC-0	FHLMC		02/01/2007	MBS PAYOUT		24,009	24,009	24,128	24,011	0	(2)	0	0	0	24,009	0	0	0	0	175	12/01/2034	
3128K6-SB-2	FHLMC		03/01/2007	MBS PAYOUT		10,719	10,719	10,306	10,716	0	4	0	0	0	10,719	0	0	0	0	80	07/01/2035	
3128M-C7-2	FHLMC		03/01/2007	MBS PAYOUT		17,506	17,506	17,394	17,504	0	2	0	0	0	17,506	0	0	0	0	165	05/01/2021	
3128M-KY-4	FHLMC		03/01/2007	MBS PAYOUT		14,823	14,823	14,469	14,817	0	6	0	0	0	14,823	0	0	0	0	124	06/01/2021	
3128M-NX-3	FHLMC		03/01/2007	MBS PAYOUT		17,809	17,809	17,979	17,812	0	(3)	0	0	0	17,809	0	0	0	0	86	03/01/2021	
3128M-BP-4	FHLMC		03/01/2007	MBS PAYOUT		10,460	10,460	10,395	10,460	0	0	0	0	0	10,460	0	0	0	0	277	03/01/2035	
3128M-BO-2	FHLMC		03/01/2007	MBS PAYOUT		31,253	31,253	31,722	31,250	0	(6)	0	0	0	31,253	0	0	0	0	50	08/01/2035	
3128M-CJ-7	FHLMC		03/01/2007	MBS PAYOUT		11,614	11,614	11,316	11,611	0	3	0	0	0	11,614	0	0	0	0	37	03/01/2035	
3128M-CQ-4	FHLMC		03/01/2007	MBS PAYOUT		13,082	13,082	12,865	13,083	0	(3)	0	0	0	13,082	0	0	0	0	115	01/01/2021	
3128M-DE-5	FHLMC		03/01/2007	MBS PAYOUT		3,315	3,315	3,398	3,315	0	0	0	0	0	3,315	0	0	0	0	30	10/01/2032	
3128M-FR-1	FHLMC		03/01/2007	MBS PAYOUT		2,793	2,793	2,898	2,794	0	(1)	0	0	0	2,793	0	0	0	0	30	10/01/2032	
3128M-RZ-9	FHLMC		03/01/2007	MBS PAYOUT		13,731	13,731	13,560	13,730	0	1	0	0	0	13,731	0	0	0	0	125	06/01/2034	
31292J-SR-0	FHLMC		03/01/2007	MBS PAYOUT		22,775	22,775	23,334	22,781	0	(6)	0	0	0	22,775	0	0	0	0	129	06/01/2034	
31294K-BR-0	FHLMC		03/01/2007	MBS PAYOUT		15,651	15,651	15,847	15,654	0	(3)	0	0	0	15,651	0	0	0	0	129	04/01/2019	
31294K-TC-3	FHLMC		03/01/2007	MBS PAYOUT		42,600	42,600	43,352	42,606	0	(6)	0	0	0	42,600	0	0	0	0	267	04/01/2019	
31296S-TD-8	FHLMC		03/01/2007	MBS PAYOUT		37,811	37,811	37,811	37,811	0	0	0	0	0	37,811	0	0	0	0	271	11/01/2019	
31296S-FY-9	FHLMC		03/01/2007	MBS PAYOUT		30,232	30,232	30,945	30,245	0	(13)	0	0	0	30,232	0	0	0	0	302	09/01/2019	
31297C-KU-3	FHLMC		03/01/2007	MBS PAYOUT		52,454	52,454	52,447	52,447	0	7	0	0	0	52,454	0	0	0	0	356	07/01/2034	
31297C-ZO-6	FHLMC		03/01/2007	MBS PAYOUT		47,533	47,533	49,144	47,562	0	(30)	0	0	0	47,533	0	0	0	0	597	08/01/2034	
31297E-UN-4	FHLMC		03/01/2007	MBS PAYOUT		36,202	36,202	36,207	36,207	0	(5)	0	0	0	36,202	0	0	0	0	400	09/01/2034	
31297E-FG-1	FHLMC		03/01/2007	MBS PAYOUT		85,723	85,723	87,143	85,750	0	(27)	0	0	0	85,723	0	0	0	0	828	11/01/2034	
31297M-DE-1	FHLMC		03/01/2007	MBS PAYOUT		2,728	2,728	2,666	2,727	0	0	0	0	0	2,728	0	0	0	0	22	04/01/2035	
31297M-TA-4	FHLMC		03/01/2007	MBS PAYOUT		10,949	10,949	10,612	10,947	0	3	0	0	0	10,949	0	0	0	0	70	02/01/2035	
31335H-4P-5	FHLMC		03/01/2007	MBS PAYOUT		12,154	12,154	11,977	12,153	0	1	0	0	0	12,154	0	0	0	0	83	05/01/2034	
31335H-5F-6	FHLMC		03/01/2007	MBS PAYOUT		25,213	25,213	25,781	25,221	0	(8)	0	0	0	25,213	0	0	0	0	238	08/01/2024	
31333V-DY-3	FHLMC		03/25/2009	MBS PAYOUT		22,057	22,057	21,981	21,990	0	58	0	0	0	22,057	0	0	0	0	130	11/25/2009	
31371H-D9-6	FHMA		03/01/2007	MBS PAYOUT		3,656	3,656	3,665	3,665	0	(9)	0	0	0	3,656	0	0	0	0	43	12/01/2028	
31371K-16-8	FHMA		03/01/2007	MBS PAYOUT		6,854	6,854	7,096	6,852	0	(2)	0	0	0	6,854	0	0	0	0	63	10/01/2017	
31371K-UC-3	FHMA		03/01/2007	MBS PAYOUT		4,300	4,300	4,448	4,302	0	(2)	0	0	0	4,300	0	0	0	0	48	10/01/2032	
31371K-DN-3	FHMA		03/01/2007	MBS PAYOUT		6,183	6,183	6,399	6,185	0	(2)	0	0	0	6,183	0	0	0	0	80	12/01/2032	
31371L-WK-6	FHMA		03/01/2007	MBS PAYOUT		14,420	14,420	14,533	14,422	0	(2)	0	0	0	14,420	0	0	0	0	96	09/01/2033	
31371L-F2-0	FHMA		03/01/2007	MBS PAYOUT		13,297	13,297	13,396	13,292	0	(1)	0	0	0	13,297	0	0	0	0	106	11/01/2023	
31371L-K2-4	FHMA		03/01/2007	MBS PAYOUT		24,369	24,369	24,449	24,370	0	(1)	0	0	0	24,369	0	0	0	0	193	02/01/2024	
31371L-SJ-9	FHMA		03/01/2007	MBS PAYOUT		19,669	19,669	20,164	19,673	0	(4)	0	0	0	19,669	0	0	0	0	171	07/01/2024	
31371L-Z2-8	FHMA		03/01/2007	MBS PAYOUT		22,043	22,043	22,381	22,049	0	(6)	0	0	0	22,043	0	0	0	0	216	12/01/2024	
31371M-GF-8	FHMA		03/01/2007	MBS PAYOUT		22,413	22,413	21,391	22,401	0	(12)	0	0	0	22,413	0	0	0	0	193	03/01/2035	
31371M-MG-9	FHMA		03/01/2007	MBS PAYOUT		13,670	13,670	13,605	13,669	0	1	0	0	0	13,670	0	0	0	0	127	01/01/2036	
31371M-UG-6	FHMA		03/01/2007	MBS PAYOUT		62,068	62,068	61,258	62,056	0	(12)	0	0	0	62,068	0	0	0	0	554	07/01/2036	
31371M-VA-2	FHMA		03/01/2007	MBS PAYOUT		50,692	50,692	50,961	50,700	0	(8)	0	0	0	50,692	0	0	0	0	520	07/01/2036	
31374E-MG-8	FHMA		03/01/2007	MBS PAYOUT		1,469	1,469	1,539	1,470	0	(1)	0	0	0	1,469	0	0	0	0	58	08/01/2017	
31385J-LC-0	FHMA		03/01/2007	MBS PAYOUT		6,470	6,470	6,702	6,474	0	(4)	0	0	0	6,470	0	0	0	0	61	11/01/2032	
31385J-RN-0	FHMA		03/01/2007	MBS PAYOUT		9,533	9,533	9,782	9,536	0	(3)	0	0	0	9,533	0	0	0	0	59	03/01/2033	
31385M-ZS-7	FHMA		03/01/2007	MBS PAYOUT		5,969	5,969	6,072	5,971	0	(1)	0	0	0	5,969	0	0	0	0	59	03/01/2033	
31385X-BD-8	FHMA		03/01/2007	MBS PAYOUT		23,030	23,030	23,554	23,040	0	(10)	0	0	0	23,030	0	0	0	0	182	05/01/2033	
31385X-NR-4	FHMA		03/01/2007	MBS PAYOUT		20,370	20,370	20,554	20,371	0	(2)	0	0	0	20,370	0	0	0	0	228	05/01/2033	
31388K-GA-4	FHMA		03/01/2007	MBS PAYOUT		2,573	2,573	2,574	2,574	0	(1)</											

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

Schedule E - Part 2

NONE