



# HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2002  
OF THE CONDITION AND AFFAIRS OF THE

## Health Alliance Plan of Michigan

NAIC Group Code 1311 1311 NAIC Company Code 95844 Employer's ID Number 38-2242827  
(Current Period) (Prior Period)

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

Country of Domicile US

Licensed as business type:

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

Incorporated June 27, 1978 Commenced Business February 8, 1979

Statutory Home Office 2850 West Grand Boulevard, Detroit, Michigan 48202  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 2850 West Grand Boulevard, Detroit, Michigan 48202 313-872-8100  
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 2850 West Grand Boulevard, Detroit, Michigan 48202  
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 2850 West Grand Boulevard, Detroit, Michigan 48202  
(Street and Number, City or Town, State and Zip Code)  
313-872-8100  
(Area Code) (Telephone Number)

Internet Website Address www.hapcorp.org

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(Street and Number, City or Town, State and Zip Code)  
313-872-8100  
(Area Code)(Telephone Number)

### OFFICERS

President ..... Cleve Lee Killingsworth, Jr.  
Secretary ..... Maurice E. McMurray  
Treasurer ..... #Ronald W. Berry

### OTHER OFFICERS

Chairperson: Jack Martin

Asst. Secretary: Deborah T. Withrow

### DIRECTORS OR TRUSTEES

Sandra Baumchen  
Herman Coleman  
David Hirschland  
Charles M. Malloy  
Sandra Pierce  
Gail Warden

Mary Beth Bolton, M.D.  
William Conway, M.D.  
Cleve Lee Killingsworth, Jr.  
L. Susan Mannisto  
Carole Pritchard  
Leonard J. Weber, Ph.D.

Gloria Clark-Arnold  
Mary Dickson  
George Madison  
Jack Martin  
Carol Quigley

State of Michigan SS  
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.

Cleve Lee Killingsworth, Jr.  
President

Maurice E. McMurray  
Secretary

#Ronald W. Berry  
Treasurer

Subscribed and sworn to before me this  
5th day of April, 2002

NOTARY PUBLIC (Seal)

## ASSETS

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds .....	51,109,405		51,109,405	54,224,575
2. Stocks:				
2.1 Preferred Stocks .....				
2.2 Common Stocks .....	70,884,108	2,367,230	68,516,878	66,680,978
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 611,486 encumbrances) .....	5,385,305		(a) 5,385,305	5,340,864
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ 25,687,179 ) and short-term investments (\$ 104,910,153 ) .....	130,597,332		130,597,332	115,541,141
6. Other long-term invested assets .....	3,138,589		3,138,589	3,138,589
7. Receivable for securities .....	20,673,451		20,673,451	24,160,542
8. Aggregate write-ins for invested assets .....	1,350,000		1,350,000	1,350,000
9. Subtotal cash and invested assets (Lines 1 to 8) .....	283,138,190	2,367,230	280,770,960	270,436,689
10. Accident and health premiums due and unpaid .....	20,893,311		20,893,311	17,218,129
11. Health care receivables .....				
12. Amounts recoverable from reinsurers .....				
13. Net adjustments in assets and liabilities due to foreign exchange rates .....				
14. Investment income due and accrued .....	1,705,700		1,705,700	1,283,989
15. Amounts due from parent, subsidiaries and affiliates .....	9,985,030		9,985,030	7,621,070
16. Amounts receivable relating to uninsured accident and health plans .....				
17. Furniture and equipment .....	3,841,677		3,841,677	3,974,525
18. Amounts due from agents .....				
19. Federal and foreign income tax recoverable and interest thereon (including \$ ..... net deferred tax asset) .....				
20. Electronic data processing equipment and software .....	28,479,209		28,479,209	29,661,160
21. Other nonadmitted assets .....	31,476,266	31,476,266		
22. Aggregate write-ins for other than invested assets .....	194,655		194,655	708,834
23. Total assets (Lines 9 plus 10 through 22) .....	379,714,038	33,843,496	345,870,542	330,904,396
DETAILS OF WRITE-INS				
0801. Restricted Cash and Other Assets .....	1,350,000		1,350,000	1,350,000
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. Totals (Lines 0801 through 0803 plus Line 0898) (Line 8 above) .....	1,350,000		1,350,000	1,350,000
2201. Other Receivables .....	194,655		194,655	708,834
2202. ....				
2203. ....				
2298. Summary of remaining write-ins for Line 22 from overflow page .....				
2299. Totals (Lines 2201 through 2203 plus Line 2298) (Line 22 above) .....	194,655		194,655	708,834

(a) \$ ..... health care delivery assets included in Line 4.1, Column 3.

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	91,624,998	218,432	91,843,430	67,555,292
2. Accrued medical incentive pool and bonus payments .....				
3. Unpaid claims adjustment expenses .....				
4. Aggregate policy reserves .....				
5. Aggregate claim reserves .....				
6. Premiums received in advance .....	12,823,772		12,823,772	23,968,298
7. General expenses due or accrued .....	3,218,489		3,218,489	2,569,041
8. Federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses) (including \$ ..... net deferred tax liability) .....				
9. Amounts withheld or retained for the account of others .....	8,534,649		8,534,649	10,228,973
10. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....				
11. Amounts due to parent, subsidiaries and affiliates .....	1,381,524		1,381,524	2,654,129
12. Payable for securities .....	43,476,849		43,476,849	45,537,413
13. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....				
14. Reinsurance in unauthorized companies .....				
15. Net adjustments in assets and liabilities due to foreign exchange rates .....				
16. Liability for amounts held under uninsured accident and health plans .....				
17. Aggregate write-ins for other liabilities (including \$ ..... current) .....	1,140,312		1,140,312	559,013
18. Total liabilities (Lines 1 to 17) .....	162,200,593	218,432	162,419,025	153,072,159
19. Common capital stock .....	X X X	X X X		
20. Preferred capital stock .....	X X X	X X X		
21. Gross paid in and contributed surplus .....	X X X	X X X	1,766,793	1,766,793
22. Surplus notes .....	X X X	X X X		
23. Aggregate write-ins for other than special surplus funds .....	X X X	X X X	1,350,000	1,350,000
24. Unassigned funds (surplus) .....	X X X	X X X	180,334,724	174,715,444
25. Less treasury stock, at cost:				
25.1 ..... shares common (value included in line 19 \$ ..... ) .....	X X X	X X X		
25.2 ..... shares preferred (value included in line 20 \$ ..... ) .....	X X X	X X X		
26. Total capital and surplus (Lines 19 to 24 less 25) .....	X X X	X X X	183,451,517	177,832,237
27. Total Liabilities, capital and surplus (Line 18 and Line 26) .....	X X X	X X X	345,870,542	330,904,396
<b>DETAILS OF WRITE-INS</b>				
1701. Pension Liability - Long Term .....	575,001		575,001	
1702. Retiree Health Benefits .....	565,311		565,311	559,013
1703. ....				
1798. Summary of remaining write-ins for Line 17 from overflow page .....				
1799. Totals (Lines 1701 through 1703 plus Line 1798) (Line 17 above) .....	1,140,312		1,140,312	559,013
2301. Contingency Reserve .....	X X X	X X X	1,350,000	1,350,000
2302. ....	X X X	X X X		
2303. ....	X X X	X X X		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399. Totals (Lines 2301 through 2303 plus Line 2398) (Line 23 above) .....	X X X	X X X	1,350,000	1,350,000

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	1,521,983	5,438,922
2. Net premium income .....	X X X	323,195,094	1,133,463,303
3. Change in unearned premium reserves and reserve for rate credits .....	X X X		
4. Fee-for-service (net of \$ ..... medical expenses) .....	X X X		
5. Risk revenue .....	X X X		
6. Aggregate write-ins for other health care related revenues .....	X X X		
7. Total revenues (Lines 2 to 6) .....	X X X	323,195,094	1,133,463,303
Medical and Hospital:			
8. Hospital/medical benefits .....		145,091,100	504,629,076
9. Other professional services .....			
10. Outside referrals .....		5,474,979	19,042,061
11. Emergency room and out-of-area .....		23,195,520	80,674,376
12. Prescription drugs .....		51,966,338	180,739,721
13. Aggregate write-ins for other medical and hospital .....		72,721,090	252,925,071
14. Incentive pool and withhold adjustments .....			
15. Subtotal (Lines 8 to 14) .....		298,449,027	1,038,010,305
Less:			
16. Net reinsurance recoveries .....			
17. Total medical and hospital (Line 15 minus Line 16) .....		298,449,027	1,038,010,305
18. Claims adjustment expenses .....		1,501,330	11,762,783
19. General administrative expenses .....		21,037,170	70,288,095
20. Increase in reserves for accident and health contracts .....			
21. Total underwriting deductions (Lines 17 through 20) .....		320,987,527	1,120,061,183
22. Net underwriting gain or (loss) (Lines 7 minus 21) .....	X X X	2,207,567	13,402,120
23. Net investment income earned .....		2,312,653	11,444,124
24. Net realized capital gains or (losses) .....		156,304	1,322,775
25. Net investment gains or (losses) (Line 23 plus Line 24) .....		2,468,957	12,766,899
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			
27. Aggregate write-ins for other income or expenses .....		(6,165)	(4,635)
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27) .....		4,670,359	26,164,384
29. Federal and foreign income taxes incurred .....	X X X		
30. Net income (loss) (Line 28 minus Line 29) .....	X X X	4,670,359	26,164,384
DETAILS OF WRITE-INS			
0601. ....	X X X		
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. Totals (Lines 0601 through 0603 plus Line 0698) (Line 6 above) .....	X X X		
1301. Outpatient .....		45,220,815	157,278,693
1302. Radiology/Lab .....		7,815,428	27,182,177
1303. Other .....		19,057,941	66,283,812
1398. Summary of remaining write-ins for Line 13 from overflow page .....		626,906	2,180,389
1399. Totals (Lines 1301 through 1303 plus Line 1398) (Line 13 above) .....		72,721,090	252,925,071
2701. Gain/(Loss) on the Sale of Assets .....		(7,295)	(10,940)
2702. Miscellaneous Revenue .....		1,130	6,305
2703. ....			
2798. Summary of remaining write-ins for Line 27 from overflow page .....			
2799. Totals (Lines 2701 through 2703 plus Line 2798) (Line 27 above) .....		(6,165)	(4,635)

**STATEMENT OF REVENUE AND EXPENSES (continued)**

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year
31. Capital and surplus prior reporting period .....	177,832,237	195,831,757
GAINS AND LOSSES TO CAPITAL AND SURPLUS		
32. Net income (loss) from Line 30 .....	4,670,358	26,164,384
33. Change in valuation basis of aggregate policy and claims reserves .....		
34. Net unrealized capital gains and losses .....	38,922	(11,958,447)
35. Change in net unrealized foreign exchange capital gain or (loss) .....		
36. Change in net deferred income tax .....		
37. Change in nonadmitted assets .....	910,000	(32,205,457)
38. Change in unauthorized reinsurance .....		
39. Change in treasury stock .....		
40. Change in surplus notes .....		
41. Cumulative effect of changes in accounting principles .....		
42. Capital Changes:		
42.1 Paid in .....		
42.2 Transferred from surplus (Stock Dividend) .....		
42.3 Transferred to surplus .....		
43. Surplus adjustments:		
43.1 Paid in .....		
43.2 Transferred to capital (Stock Dividend) .....		
43.3 Transferred from capital .....		
44. Dividends to stockholders .....		
45. Aggregate write-ins for gains or (losses) in surplus .....		
46. Net change in capital and surplus (Lines 32 to 45) .....	5,619,280	(17,999,520)
47. Capital and surplus end of reporting period (Line 31 plus 46) .....	183,451,517	177,832,237
DETAILS OF WRITE-INS		
4501. ....		
4502. ....		
4503. ....		
4598. Summary of remaining write-ins for Line 45 from overflow page .....		
4599. Totals (Lines 4501 through 4503 plus 4598) (Line 45 above) .....		

**CASH FLOW**

	1	2
	Current Year to Date	Prior Year
Cash from Operations		
1. Premiums and revenues collected net of reinsurance .....	308,375,386	1,132,131,062
2. Claims and claims adjustment expenses .....	274,160,890	1,041,418,218
3. General administrative expenses paid .....	20,108,575	71,564,120
4. Other underwriting income (expenses) .....	508,014	(56,009)
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	14,613,935	19,092,715
6. Net investment income .....	2,047,246	11,482,910
7. Other income (expenses) .....		
8. Federal and foreign income taxes (paid) recovered .....		
9. Net cash from operations (Lines 5 to 8) .....	16,661,181	30,575,625
Cash from Investments		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds .....	60,631,522	235,290,299
10.2 Stocks .....	25,548	84,282
10.3 Mortgage Loans .....		
10.4 Real estate .....		
10.5 Other invested assets .....		
10.6 Net gains or (losses) on cash and short-term investments .....		
10.7 Miscellaneous proceeds .....	3,487,091	(1,323,024)
10.8 Total investment proceeds (Lines 10.1 to 10.7) .....	64,144,161	234,051,557
11. Cost of investment acquired (long-term only):		
11.1 Bonds .....	57,516,350	242,509,315
11.2 Stocks .....	822,526	4,093,732
11.3 Mortgage Loans .....		
11.4 Real estate .....		
11.5 Other invested assets .....		38,332,183
11.6 Miscellaneous applications .....	2,060,564	
11.7 Total investments acquired (Lines 11.1 to 11.6) .....	60,399,440	284,935,230
12. Net cash from investments (Line 10.8 minus Line 11.7) .....	3,744,721	(50,883,673)
Cash from Financing and Miscellaneous Sources		
13. Cash Provided:		
13.1 Surplus notes, capital and surplus paid in .....		
13.2 Net transfers from affiliates .....		
13.3 Borrowed funds received .....		
13.4 Other cash provided .....	933,749	21,225,911
13.5 Total (Lines 13.1 to 13.4) .....	933,749	21,225,911
14. Cash applied:		
14.1 Dividends to stockholders paid .....		
14.2 Net transfers to affiliates .....	4,636,565	15,195,551
14.3 Borrowed funds repaid .....		
14.4 Other applications .....	1,646,895	14,844,160
14.5 Total (Lines 14.1 to 14.4) .....	6,283,460	30,039,711
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5) .....	(5,349,711)	(8,813,800)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15) .....	15,056,191	(29,121,848)
17. Cash and short-term investments:		
17.1 Beginning of period .....	115,541,141	144,662,989
17.2 End of period (Line 16 plus Line 17.1) .....	130,597,332	115,541,141

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	462,085	5,889	411,151	16,314				28,731		
2. First Quarter .....	501,757	6,025	457,693	18,159				19,880		
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	1,521,983	18,550	1,387,747	54,355				61,331		
Total Member Ambulatory Encounters for Period:										
7. Physician .....	467,905									467,905
8. Non-Physician .....	235,839									235,839
9. Total .....	703,744									703,744
10. Hospital Patient Days Incurred .....	46,829		27,980	8,931				8,964		954
11. Number of Inpatient Admissions .....	10,530		7,231	1,567				1,519		213
12. Premiums Collected .....	308,375,383	3,759,558	246,563,533	3,277,130			8,785,675	28,677,781		17,311,706
13. Premiums Earned .....	323,195,092	3,942,961	250,053,817	3,277,130			11,024,978	37,584,500		17,311,706
14. Amount Paid for Provision of Health Care Services .....	274,160,890	3,293,356	208,857,281	13,507,883			9,152,606	39,658,912	(309,148)	
15. Amount Incurred for Provision of Health Care Services .....	298,449,028	3,743,157	237,382,682	14,419,354			12,106,529	31,086,687	(289,381)	

**CLAIMS PAYABLE (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
Individually listed claims payable							
0199999 Individually listed claims payable							
0299999 Aggregate accounts not individually listed-uncovered		20,096	77,762	76,888	24,028	19,658	218,432
0399999 Aggregate accounts not individually listed-covered		5,481,034	1,786,430	757,888	106,012	39,909	8,171,273
0499999 Subtotals		5,501,130	1,864,192	834,776	130,040	59,567	8,389,705
0599999 Unreported Claims and other claim reserves							58,727,937
0699999 Total amounts withheld							24,725,788
0799999 Total claims payable							91,843,430

**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 plus 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (Hospital and Medical) .....	39,880,807	172,353,864	10,739,581	76,514,149	50,620,388	55,743,320
2. Medicare Supplement .....	1,480,230	12,027,653	1,100,089	2,487,835	2,580,319	2,676,453
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan Premiums .....	1,582,676	7,485,896	511,756	2,526,200	2,094,432	2,619,241
6. Title XVIII - Medicare .....	5,212,866	34,446,046	3,116,293	(4,868,199)	8,329,159	6,820,319
7. Title XIX - Medicaid .....	(309,148)		3,693	(287,967)	(305,455)	(304,041)
8. Other .....						
9. Subtotal .....	47,847,431	226,313,459	15,471,412	76,372,018	63,318,843	67,555,292
10. Medical incentive pools, accruals and disbursements .....						
11. Totals .....	47,847,431	226,313,459	15,471,412	76,372,018	63,318,843	67,555,292

**GENERAL INTERROGATORIES**

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes ( ) No (X)
- 1.2 If yes, explain:  
 .....  
 .....  
 .....
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes ( ) No (X)
- 2.2 If yes, has the report been filed with the domiciliary state? Yes ( ) No ( )
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes ( ) No (X)
- 3.2 If yes, date of change:  
 If not previously filed, furnish herewith a certified copy of the instrument as amended. .....
- 4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes ( ) No (X)  
 If yes, attach an organizational chart.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ( ) No (X)
- 5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes ( ) No ( ) N/A (X)  
 If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1998
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1998
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/22/1999
- 7.4 By what department or departments?  
 The Michigan Insurance Bureau.  
 .....
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes ( ) No (X)
- 8.2 If yes, give full information  
 .....  
 .....

**GENERAL INTERROGATORIES (continued)**

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

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes ( ) No (X)

9.2 If yes, explain

.....  
 .....

10.1 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)

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

.....  
 .....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ .....

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

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes (X) No ( )

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....	\$ .....	\$ .....
13.22 Preferred Stock .....	\$ .....	\$ .....
13.23 Common Stock .....	\$ 6,845,457	\$ 7,879,568
13.24 Short-Term Investments .....	\$ .....	\$ .....
13.25 Mortgages, Loans or Real Estate .....	\$ .....	\$ .....
13.26 All Other .....	\$ 3,138,589	\$ 3,138,589
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	\$ 9,984,046	\$ 11,018,157
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....

14.1 Does the reporting entity have any hedging transactions reported on schedule DB? Yes ( ) No (X)

14.2 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.

15. 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 ( )

15.1 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
Comerica Bank, NA .....	Detroit, Michigan .....
The Northern Trust Company .....	Chicago, Illinois .....
.....	.....

15.2 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)
.....	.....	.....
.....	.....	.....
.....	.....	.....

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes ( ) No (X)

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

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

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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
70923 .....	Mary Ann Logsdon .....	Chicago, Illinois .....
Not Applicable .....	Brian Gamble .....	Detroit, Michigan .....
.....	.....	.....

**SCHEDULE A - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	5,340,864			4,046,795
2. Increase (decrease) by adjustment				(420,281)
3. Cost of acquired	(120,453)			
4. Cost of additions to and permanent improvements	153,658			1,714,350
5. Total profit (loss) on sales				
6. Increase (decrease) by foreign exchange adjustment				
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period	5,374,069			5,340,864
9. Total valuation allowance				
10. Subtotal (Line 8 plus Line 9)	5,374,069			5,340,864
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	5,374,069			5,340,864

**SCHEDULE B - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest				
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisition				
3. Accrual of discount and mortgage interest paid				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
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				
10. Total valuation allowance				
11. Subtotal (Line 9 plus Line 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

NONE

**SCHEDULE BA - VERIFICATION**

Other Invested Assets Included in Schedule BA

Description	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	3,138,589			
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions				3,138,589
2.2 Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
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	3,138,589			3,138,589
10. Total valuation allowance				
11. Subtotal (Line 9 plus Line 10)	3,138,589			3,138,589
12. Total nonadmitted amounts				
13. Statement value of long term invested assets at end of current period	3,138,589			3,138,589

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
 During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	145,883,868	1,376,773,992	1,380,255,091		142,402,768			145,883,868
2. Class 2 .....	5,583,328				5,583,328			5,583,328
3. Class 3 .....	7,376,837				7,376,837			7,376,837
4. Class 4 .....	637,075				637,075			637,075
5. Class 5 .....	13,800				13,800			13,800
6. Class 6 .....	5,750				5,750			5,750
7. Total Bonds .....	159,500,658	1,376,773,992	1,380,255,091		156,019,558			159,500,658
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds and Preferred Stock .....	159,500,658	1,376,773,992	1,380,255,091		156,019,558			159,500,658

**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	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals .....	104,910,153	X X X	104,910,153	404,734	

**SCHEDULE DA - PART 2 - VERIFICATION**

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book / adjusted carrying value, beginning of period .....	105,334,560			156,731,397
2. Cost of short-term investments acquired .....	1,319,251,631			7,868,899,976
3. Increase (decrease) by adjustment .....				
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....				
6. Consideration received on disposal of short-term investments .....	1,319,676,038			7,920,296,813
7. Book / adjusted carrying value, current period .....	104,910,153			105,334,560
8. Total valuation allowance .....				
9. Subtotal (Line 7 plus Line 8) .....	104,910,153			105,334,560
10. Total nonadmitted amounts .....				
11. Statement value (Line 9 minus Line 10) .....	104,910,153			105,334,560
12. Income collected during period .....	254,202			4,374,937
13. Income earned during period .....	404,734			4,433,415

**Page 16**

Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open

**NONE**

**Page 17**

Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets

**NONE**

**Page 18**

Schedule S - Ceded Reinsurance

**NONE**

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Allocated by States and Territories

States, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed ? (Yes or No)	Direct Business Only Year-to-Date			
			3 Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums
1. Alabama	AL	NO				
2. Alaska	AK	NO				
3. Arizona	AZ	NO				
4. Arkansas	AR	NO				
5. California	CA	NO				
6. Colorado	CO	NO				
7. Connecticut	CT	NO				
8. Delaware	DE	NO				
9. District of Columbia	DC	NO				
10. Florida	FL	NO				
11. Georgia	GA	NO				
12. Hawaii	HI	NO				
13. Idaho	ID	NO				
14. Illinois	IL	NO				
15. Indiana	IN	NO				
16. Iowa	IA	NO				
17. Kansas	KS	NO				
18. Kentucky	KY	NO				
19. Louisiana	LA	NO				
20. Maine	ME	NO				
21. Maryland	MD	NO				
22. Massachusetts	MA	NO				
23. Michigan	MI	NO				
24. Minnesota	MN	NO				
25. Mississippi	MS	NO				
26. Missouri	MO	NO				
27. Montana	MT	NO				
28. Nebraska	NE	NO				
29. Nevada	NV	NO				
30. New Hampshire	NH	NO				
31. New Jersey	NJ	NO				
32. New Mexico	NM	NO				
33. New York	NY	NO				
34. North Carolina	NC	NO				
35. North Dakota	ND	NO				
36. Ohio	OH	NO				
37. Oklahoma	OK	NO				
38. Oregon	OR	NO				
39. Pennsylvania	PA	NO				
40. Rhode Island	RI	NO				
41. South Carolina	SC	NO				
42. South Dakota	SD	NO				
43. Tennessee	TN	NO				
44. Texas	TX	NO				
45. Utah	UT	NO				
46. Vermont	VT	NO				
47. Virginia	VA	NO				
48. Washington	WA	NO				
49. West Virginia	WV	NO				
50. Wisconsin	WI	NO				
51. Wyoming	WY	NO				
52. American Samoa	AS	NO				
53. Guam	GU	NO				
54. Puerto Rico	PR	NO				
55. U.S. Virgin Islands	VI	NO				
56. Canada	CN	NO				
57. Aggregate Other Alien	OT	X X X				
58. Total (Direct Business)		(a) 1	271,077,432	37,584,500		14,533,162
DETAILS OF WRITE-INS						
5701.						
5702.						
5703.						
5798. Summary of remaining write-ins for Line 57 from overflow page						
5799. Total (Lines 5701 through 5703 plus Line 5798) (Line 57 above)						

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

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

No

EXPLANATION:

.....

BARCODE:

Document Identifier 470:



**OVERFLOW PAGE FOR WRITE-INS**

OVERFLOW WRITE-INS FOR Page 4, Statement of Revenue and Expenses

Current Year To Date		Prior Year
1	2	3
Uncovered	Total	Total

AGGREGATED AT Line 13, Other Medical and Hospital

Ambulance .....	626,906	2,180,389
1398 Line 13, Other Medical and Hospital .....	626,906	2,180,389

**Page E01**

Sch. A, Pt. 2, Real Estate Acquired

**NONE**

Sch. A, Pt. 3, Real Estate Sold

**NONE**

**Page E02**

Schedule B, Part 1, Mortgage Loans Acquired

**NONE**

Schedule B, Part 2, Mortgage Loans Sold

**NONE**

**Page E03**

Sch. BA, Pt. 1, Other Long-Term Invested Assets Acquired

**NONE**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Sold

**NONE**

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
<b>Bonds - U.S. Governments</b>								
912810-FP-8	US TREAS BDS WI TREAS SEC GOVT NATL	01/16/2002	UBS WARBURG DILLON READ LLC		35,164	35,000		
912810-FP-8	US TREAS BDS WI TREAS SEC GOVT NATL	01/24/2002	SALOMON BROS INC		49,500	50,000		
912810-FP-8	US TREAS BDS WI TREAS SEC GOVT NATL	01/29/2002	UBS WARBURG DILLON READ LLC		94,035	95,000		
912827-7K-2	US TREAS NTS	01/28/2002	SPEAR LEEDS AND KELLOG		1,031,523	1,035,000		
912827-7B-2	US TREAS NTS	01/08/2002	MORGAN STANLEY & CO INC		74,613	75,000		
912827-7B-2	US TREAS NTS	01/09/2002	GOLDMAN SACHS & COMPANY		9,955	10,000		
912827-7B-2	US TREAS NTS	01/11/2002	GOLDMAN SACHS & COMPANY		60,103	60,000		
912827-7B-2	US TREAS NTS	01/10/2002	GREENWICH CAPITAL MARKETS INC		1,407,521	1,410,000		
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF (PC)	01/10/2002	BEAR, STEARNS, SECURITIES CORP		504,570	500,000		
02R062-62-7	FHLMC 30 YR MULTI-FAMILY (MF)	01/10/2002	BEAR, STEARNS, SECURITIES CORP		501,875	500,000		
01F060-62-6	FNMA TBA POOL	01/04/2002	FIRST BOSTON CORPORATION		654,750	675,000		
01F060-62-6	FNMA TBA POOL	01/04/2002	GOLDMAN SACHS & COMPANY		1,940,000	2,000,000		
01F070-62-5	FNMA TBA POOL	01/07/2002	MERRILL LYNCH GOV SEC		1,017,617	1,000,000		
01F070-62-5	FNMA TBA POOL	01/31/2002	FIRST BOSTON CORPORATION		1,008,779	985,000		
01F060-42-8	FNMA 15 YR PASS-THROUGHS	01/14/2002	FIRST BOSTON CORPORATION		1,314,625	1,300,000		
01F062-61-4	FNMA 30 YR PASS-THROUGHS	01/10/2002	BEAR, STEARNS, SECURITIES CORP		503,555	500,000		
02R062-63-5	FHLMC GOLD TBA POOL	02/05/2002	UBS WARBURG DILLON READ LLC		503,906	500,000		
02R062-63-5	FHLMC GOLD TBA POOL	02/05/2002	SALOMON BROS INC		503,906	500,000		
02R062-63-5	FHLMC GOLD TBA POOL	02/05/2002	BEAR, STEARNS, SECURITIES CORP		503,750	500,000		
01F060-63-4	FNMA TBA POOL	02/05/2002	FIRST BOSTON CORPORATION		664,453	675,000		
01F060-63-4	FNMA TBA POOL	02/05/2002	GOLDMAN SACHS & COMPANY		1,970,625	2,000,000		
01F062-63-0	FNMA TBA POOL	02/05/2002	UBS WARBURG DILLON READ LLC		2,013,125	2,000,000		
01F062-63-0	FNMA TBA POOL	02/05/2002	BANK OF NEW YORK - COUNTRYWIDE		3,018,750	3,000,000		
01F062-63-0	FNMA TBA POOL	02/05/2002	MORGAN STANLEY & CO INC		3,525,156	3,500,000		
01F062-63-0	FNMA TBA POOL	02/05/2002	GOLDMAN SACHS & COMPANY		3,787,025	3,760,000		
01F062-63-0	FNMA TBA POOL	02/06/2002	MERRILL LYNCH GOV SEC		2,482,717	2,465,000		
01F070-64-1	FNMA TBA POOL	02/25/2002	GOLDMAN SACHS & COMPANY		1,010,548	985,000		
01F070-64-1	FNMA TBA POOL	02/25/2002	MERRILL LYNCH GOVERNMENT		1,025,938	1,000,000		
01F070-63-3	FNMA TBA POOL	02/05/2002	MERRILL LYNCH GOV SEC		1,025,000	1,000,000		
01F070-63-3	FNMA TBA POOL	02/05/2002	FIRST BOSTON CORPORATION		1,009,625	985,000		
01F060-43-6	FNMA 15 YR PASS-THROUGHS	02/11/2002	FIRST BOSTON CORPORATION		1,311,375	1,300,000		
01F060-64-2	FNMA 30 YR PASS-THROUGHS	02/27/2002	FIRST BOSTON CORPORATION		667,406	675,000		
01F060-64-2	FNMA 30 YR PASS-THROUGHS	02/27/2002	GOLDMAN SACHS & COMPANY		1,977,500	2,000,000		
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002	MERRILL LYNCH GOVERNMENT		2,489,650	2,465,000		
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002	BANK OF NEW YORK - COUNTRYWIDE		3,030,000	3,000,000		
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002	UBS WARBURG DILLON READ LLC		2,019,375	2,000,000		
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002	GOLDMAN SACHS & COMPANY		3,797,600	3,760,000		
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002	MORGAN STANLEY & CO INC		3,535,000	3,500,000		
0399999	Subtotal - Bonds - U.S. Governments				52,080,617	51,800,000		
<b>Bonds - Industrial and Miscellaneous</b>								
012873-AK-1	ALBERTA ENERGY LTD NT	01/09/2002	UBS WARBURG DILLON READ LLC		25,143	25,000		
52517P-SC-6	LEHMAN BROTHERS HLDGS INC	01/07/2002	LEHMAN BROTHERS INC		49,985	50,000		
22541L-AC-7	CR SUISSE 1ST BOSTON USA INC	01/08/2002	FIRST BOSTON CORPORATION		64,669	65,000		
264399-DW-3	DUKE ENERGY CORP SR NT	01/09/2002	UBS WARBURG DILLON READ LLC		59,837	60,000		
38141G-BU-7	GOLDMAN SACHS GROUP INC	01/03/2002	GOLDMAN SACHS & COMPANY		70,000	70,000		
637432-CQ-6	NATL RURAL UTILS COOP FIN CORP	01/17/2002	B.A. SECURITIES INC		40,560	40,000		
666807-AW-2	NORTHROP GRUMMAN CORP DEB	01/31/2002	HSBC SECURITIES INC		27,431	25,000		
74622E-AB-8	PURE RES INC SR NT	01/03/2002	UBS WARBURG DILLON READ LLC		24,108	25,000		

**Bonds - Industrial and Miscellaneous**

012873-AK-1	ALBERTA ENERGY LTD NT	01/09/2002	UBS WARBURG DILLON READ LLC		25,143	25,000		
52517P-SC-6	LEHMAN BROTHERS HLDGS INC	01/07/2002	LEHMAN BROTHERS INC		49,985	50,000		
22541L-AC-7	CR SUISSE 1ST BOSTON USA INC	01/08/2002	FIRST BOSTON CORPORATION		64,669	65,000		
264399-DW-3	DUKE ENERGY CORP SR NT	01/09/2002	UBS WARBURG DILLON READ LLC		59,837	60,000		
38141G-BU-7	GOLDMAN SACHS GROUP INC	01/03/2002	GOLDMAN SACHS & COMPANY		70,000	70,000		
637432-CQ-6	NATL RURAL UTILS COOP FIN CORP	01/17/2002	B.A. SECURITIES INC		40,560	40,000		
666807-AW-2	NORTHROP GRUMMAN CORP DEB	01/31/2002	HSBC SECURITIES INC		27,431	25,000		
74622E-AB-8	PURE RES INC SR NT	01/03/2002	UBS WARBURG DILLON READ LLC		24,108	25,000		

(continues)

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

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - Industrial and Miscellaneous (continued)								
69073T-AA-1	PVTPL OWENS-BROCKWAY GLASS	01/16/2002	B.A. SECURITIES INC		65,000	65,000		
87613Y-AA-9	PVTPL TARGETED RETURN INDEX SECS	01/16/2002	LEHMAN BROTHERS INC		146,292	140,000		
83001P-AC-3	PVTPL 6 FLAGS INC	01/31/2002	LEHMAN BROTHERS INC		24,911	25,000		
74913E-AN-0	QWEST CAP FDG INC GTD NT	01/28/2002	B.A. SECURITIES INC		163,186	170,000		
87613Y-AB-7	TARGETED RETURN INDEX SECS TR TRAINS	01/16/2002	LEHMAN BROTHERS INC		297,475	280,000		
17305E-AS-4	CITIBANK CR CARD ISSUANCE TR	01/28/2002	ABN AMBO CORRESPONDENT CLEARANCE		558,184	560,000		
89232R-AD-5	TOYOTA AUTO RECEIVABLES 2000-A	01/29/2002	SALOMAN BROS INC		595,656	560,000		
126408-AP-8	CSX CORP SR NT	02/22/2002	UBS WARBURG DILLON READ LLC		177,458	170,000		
36962G-XS-8	GEN ELEC CAP CORP MTN BD TRANCHE	02/12/2002	LEHMAN BROTHERS INC		452,962	455,000		
370334-AS-3	GEN MLS INC GEN MLS	02/13/2002	DEUTSCHE BANC ALEX BROWN INC		139,535	140,000		
390064-AH-6	GREAT ATLC & PAC TEA INC SR NT	02/21/2002	LEHMAN BROTHERS INC		25,781	25,000		
595620-AB-1	MIDAMERICAN ENERGY CO NT	02/05/2002	FIRST BOSTON CORPORATION		49,429	50,000		
637432-CU-7	NATL RURAL UTILS COOP FIN CORP NT	02/28/2002	LEHMAN BROTHERS INC		129,484	130,000		
98157D-AK-2	WORLDCOM INC GA NEW	02/05/2002	HSBC SECURITIES INC		9,002	10,000		
98157D-AK-2	WORLDCOM INC GA NEW	02/05/2002	MORGAN STANLEY & CO INC		9,048	10,000		
98157D-AK-2	WORLDCOM INC GA NEW	02/05/2002	BEAR, STEARNS, SECURITIES CORP		13,567	15,000		
98157D-AK-2	WORLDCOM INC GA NEW	02/06/2002	GOLDMAN SACHS & COMPANY		13,756	15,000		
17305E-AS-4	CITIBANK CR CARD ISSUANCE TR	02/01/2002	SALOMON BROS INC		949,801	950,000		
25466K-CN-7	DISCOVER CARD MASTER TR I SER	02/06/2002	SALOMON BROS INC		601,584	560,000		
34527R-GJ-6	FORD CR AUTO OWNER TR 2001-D BKD NT	02/14/2002	SALOMON BROS INC		657,900	645,000		
4599999	Subtotal - Bonds - Industrial and Miscellaneous				5,441,742	5,335,000		
6099997	Subtotal - Bonds - Part 3				57,522,359	57,135,000		
6099999	Subtotal - Bonds				57,522,359	57,135,000		
Common Stock - Industrial and Miscellaneous								
68231N-74-3	MFO 1 GROUP BD CL 1	12/31/2001	BANK ONE	38,905.570	417,846			
68231N-74-3	MFO 1 GROUP BD CL 1	01/07/2002	BANK ONE	1,790.500	19,302			
68231N-74-3	MFO 1 GROUP BD CL 1	01/09/2002	BANK ONE	806.360	8,701			
68231N-74-3	MFO 1 GROUP BD CL 1	01/31/2002	BANK ONE	32,327.350	347,842			
68231N-74-3	MFO 1 GROUP BD CL 1	02/06/2002	BANK ONE	1,811.510	19,600			
68231N-74-3	MFO 1 GROUP BD CL 1	02/07/2002	BANK ONE	816.580	8,835			
6899999	Subtotal - Common Stock - Industrial and Miscellaneous				822,126			
7099997	Subtotal - Common Stock - Part 3				822,126			
7099999	Subtotal - Common Stock				822,126			
7199999	Subtotal - Preferred and Common Stock				822,126			
7299999	TOTALS				58,344,485			

**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
CUSIP Identif-ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designation (a)
Bonds - U.S. Governments																
912810-FP-8	US TREAS BDS WI TREAS SEC GOVT NATL	01/18/2002			34,934	35,000.00	35,164	35,164				(230)	(230)			
912810-FP-8	US TREAS WI TREAS SEC GOVT NATL	01/31/2002			19,825	20,000.00	19,798	19,798				27	27			
912810-EL-8	US TREAS BDS	01/04/2002			852,374	685,000.00	876,634	876,634				(24,260)	(24,260)			
912810-EC-8	US TREAS BDS	01/18/2002			190,400	140,000.00	172,209	172,209				18,191	18,191			
912827-6N-7	US TREAS NTS	01/14/2002			3,665,616	3,440,000.00	3,666,019	3,666,019				(403)	(403)			
912827-7B-2	US TREAS NTS	01/03/2002			19,816	20,000.00	19,957	19,957				(141)	(141)			
912827-7B-2	US TREAS NTS	01/03/2002			64,502	65,000.00	64,860	64,860				(357)	(357)			
912827-7B-2	US TREAS NTS	01/07/2002			49,813	50,000.00	49,892	49,892				(79)	(79)			
912827-7B-2	US TREAS NTS	01/08/2002			59,658	60,000.00	59,862	59,862				(204)	(204)			
912827-7B-2	US TREAS NTS	01/09/2002			49,816	50,000.00	49,885	49,885				(69)	(69)			
912827-7B-2	US TREAS NTS	01/14/2002			1,919,594	1,900,000.00	1,896,249	1,896,249				23,345	23,345			
912827-7B-2	US TREAS NTS	01/16/2002			263,392	260,000.00	259,487	259,487				3,905	3,905			
912827-7B-2	US TREAS NTS	01/18/2002			882,338	880,000.00	878,263	878,263				4,075	4,075			
31359M-GJ-6	FNMA	01/28/2002			298,665	280,000.00	291,836	291,836				6,829	6,829			
31359M-FJ-7	FNMA	01/14/2002			374,112	330,000.00	352,864	352,864				21,248	21,248			
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF	12/17/2001			(493,750)	(500,000.00)	(500,117)	(500,117)				6,367	6,367			
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF	12/17/2001			(493,730)	(500,000.00)	(500,117)	(500,117)				6,387	6,387			
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF	12/17/2001			493,730	500,000.00	501,602	501,602				(7,871)	(7,871)			
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF	12/17/2001			493,750	500,000.00	501,602	501,602				(7,852)	(7,852)			
02R062-61-9	FHLMC 30 YR GOLD PARTN CTF	01/10/2002			503,789	500,000.00	501,602	501,602				2,187	2,187			
01F062-62-2	FNMA TBA POOL	01/07/2002			998,125	1,000,000.00	982,340	982,340				15,785	15,785			
01F062-62-2	FNMA TBA POOL	01/10/2002			501,563	500,000.00	491,170	491,170				10,393	10,393			
01F060-61-8	FNMA 30 YR PASS-THROUGHS	01/04/2002			1,948,672	2,000,000.00	1,996,513	1,996,513				(47,841)	(47,841)			
01F060-61-8	FNMA 30 YR PASS-THROUGHS	01/04/2002			657,677	675,000.00	673,823	673,823				(16,146)	(16,146)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/17/2001			(492,949)	(500,000.00)	(501,007)	(501,007)				8,058	8,058			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/17/2001			(2,957,695)	(3,000,000.00)	(3,006,043)	(3,006,043)				48,348	48,348			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/17/2001			492,949	500,000.00	501,083	501,083				(8,134)	(8,134)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/17/2001			2,957,695	3,000,000.00	3,006,500	3,006,500				(48,804)	(48,804)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			(3,455,020)	(3,500,000.00)	(3,507,050)	(3,507,050)				52,031	52,031			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			(1,971,875)	(2,000,000.00)	(2,004,029)	(2,004,029)				32,154	32,154			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			(3,706,978)	(3,760,000.00)	(3,767,574)	(3,767,574)				60,596	60,596			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			(3,421,552)	(3,465,000.00)	(3,471,980)	(3,471,980)				50,427	50,427			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			3,706,978	3,760,000.00	3,768,147	3,768,147				(61,169)	(61,169)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			3,455,020	3,500,000.00	3,507,583	3,507,583				(52,564)	(52,564)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			3,421,552	3,465,000.00	3,472,508	3,472,508				(50,955)	(50,955)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	12/18/2001			1,971,875	2,000,000.00	2,004,333	2,004,333				(32,458)	(32,458)			
01F062-61-4	FNMA 30 YR PASS-THROUGHS	01/10/2002			504,570	500,000.00	501,083	501,083				3,487	3,487			
01F060-41-0	FNMA 6 TBA POOL 15YR	01/14/2002			1,319,398	1,300,000.00	1,297,156	1,297,156				22,242	22,242			
31282Y-CU-1	I/O FHLMC MULTICLASS FHLMC	01/07/2002			18,988	84,390.02	14,431	14,431				4,557	4,557			
31282Y-CU-1	I/O FHLMC MULTICLASS FHLMC	01/29/2002				0.07	1,116	1,116				(1,116)	(1,116)			
912810-FP-8	US TREAS BDS WI TREAS SEC GOVT NATL	02/05/2002			35,175	35,000.00	34,646	34,646				529	529			
912827-7K-2	US TREAS NTS	02/01/2002			1,033,221	1,035,000.00	1,031,523	1,031,523				1,698	1,698			
912827-7G-1	US TREAS NTS	02/01/2002			290,181	290,000.00	291,178	291,178				(997)	(997)			
912827-7G-1	US TREAS NTS	02/02/2002			220,636	220,000.00	220,894	220,894				(258)	(258)			
02R062-62-7	FHLMC 30 YR MULTI-FAMILY (MF)	02/05/2002			505,859	500,000.00	501,875	501,875				3,984	3,984			
02R062-62-7	FHLMC 30 YR MULTI-FAMILY (MF)	02/05/2002			506,016	500,000.00	491,563	491,563				14,453	14,453			
02R062-62-7	FHLMC 30 YR MULTI-FAMILY	02/05/2002			506,035	500,000.00	491,563	491,563				14,473	14,473			
01F060-62-6	FNMA TBA POOL	02/05/2002			667,169	675,000.00	654,750	654,750				12,419	12,419			
01F060-62-6	FNMA TBA POOL	02/05/2002			1,978,672	2,000,000.00	1,940,000	1,940,000				38,672	38,672			

(a) For all common stock bearing the NAIC designation 'U' provide: the number of such issues .....

**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
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - U.S. Governments (continued)																
01F060-63-4	FNMA TBA POOL	02/27/2002		669,727	675,000.00	664,926	664,926					4,800	4,800			
01F060-63-4	FNMA TBA POOL	02/27/2002		1,984,375	2,000,000.00	1,970,152	1,970,152					14,223	14,223			
01F062-62-2	FNMA TBA POOL	02/05/2002		3,539,512	3,500,000.00	3,437,578	3,437,578					101,934	101,934			
01F062-62-2	FNMA TBA POOL	02/05/2002		3,802,594	3,760,000.00	3,692,941	3,692,941					109,653	109,653			
01F062-62-2	FNMA TBA POOL	02/05/2002		3,031,172	3,000,000.00	2,947,020	2,947,020					84,152	84,152			
01F062-62-2	FNMA TBA POOL	02/05/2002		2,021,406	2,000,000.00	1,963,125	1,963,125					58,281	58,281			
01F062-62-2	FNMA TBA POOL	02/06/2002		2,492,828	2,465,000.00	2,421,468	2,421,468					71,360	71,360			
01F062-63-0	FNMA TBA POOL	02/25/2002		2,499,279	2,465,000.00	2,482,037	2,482,037					17,242	17,242			
01F062-63-0	FNMA TBA POOL	02/25/2002		2,027,188	2,000,000.00	2,013,823	2,013,823					13,364	13,364			
01F062-63-0	FNMA TBA POOL	02/25/2002		3,041,719	3,000,000.00	3,020,735	3,020,735					20,984	20,984			
01F062-63-0	FNMA TBA POOL	02/25/2002		3,548,672	3,500,000.00	3,524,191	3,524,191					24,481	24,481			
01F062-63-0	FNMA TBA POOL	02/25/2002		3,812,434	3,760,000.00	3,785,988	3,785,988					26,447	26,447			
01F070-62-5	FNMA TBA POOL	02/05/2002		1,012,896	985,000.00	1,005,541	1,005,541					7,354	7,354			
01F070-62-5	FNMA TBA POOL	02/05/2002		1,028,320	1,000,000.00	1,020,854	1,020,854					7,466	7,466			
01F070-63-3	FNMA TBA POOL	02/25/2002		1,013,934	985,000.00	1,009,625	1,009,625					4,309	4,309			
01F070-63-3	FNMA TBA POOL	02/25/2002		1,029,336	1,000,000.00	1,025,000	1,025,000					4,336	4,336			
01F060-42-8	FNMA 15 YR PASS-THROUGHS	02/11/2002		1,315,844	1,300,000.00	1,314,625	1,314,625					1,219	1,219			
01F062-64-8	FNMA 30 YR PASS-THROUGHS	02/25/2002		1,008,750	1,000,000.00	1,009,958	1,009,958					(1,208)	(1,208)			
0399999	Subtotal - Bonds - U.S. Governments			59,820,584	58,924,390.09	59,125,229	59,125,230					695,355	695,355			
Bonds - Industrial and Miscellaneous																
003924-AG-2	ABITIBI-CONSOLIDATED INC DEB	01/09/2002		10,550	10,000.00	10,455	10,455					95	95			
37931K-AG-6	GLOBAL CROSSING HLDGS LTD SR NT	01/31/2002		2,025	45,000.00	44,153	44,153					(42,128)	(42,128)			
37931K-AG-6	GLOBAL CROSSING HLDGS LTD SR NT	01/31/2002		3,750	75,000.00	73,589	73,589					(69,839)	(69,839)			
780641-AG-1	ROYAL KPN NV	01/15/2002		10,246	10,000.00	10,000	10,000					247	247			
337932-AB-3	FIRST ENERGY CORP NT SER B	01/08/2002		79,030	80,000.00	79,241	79,241					(211)	(211)			
345370-CA-6	FORD MTR CO DEL GLOBAL LANDMARK SECS-GLO	01/24/2002		66,462	70,000.00	69,446	69,446					(2,985)	(2,985)			
447012-AB-1	HUNTSMAN ICI CHEMS LLC SR SUB NT	01/22/2002		9,100	10,000.00	10,175	10,175					(1,075)	(1,075)			
447012-AB-1	HUNTSMAN ICI CHEMS LLC SR SUB NT	01/24/2002		4,625	5,000.00	5,088	5,088					(463)	(463)			
501044-BR-1	KROGER CO SR NT SER B	01/10/2002		79,024	75,000.00	75,279	75,279					3,745	3,745			
582268-AA-6	MCLEODUSA SR NT	01/04/2002		2,500	10,000.00	5,500	5,500					(3,000)	(3,000)			
582268-AA-6	MCLEODUSA SR NT	01/11/2002		3,938	15,000.00	8,250	8,250					(4,313)	(4,313)			
74913E-AH-3	QWEST CAP FDG INC NT	01/28/2002		164,402	170,000.00	171,967	171,967					(7,565)	(7,565)			
775371-AU-1	ROHM & HAAS CO DEB	01/16/2002		43,872	40,000.00	43,143	43,143					729	729			
969457-BB-5	WILLIAMS COS INC DEB SER A	01/29/2002		107,389	115,000.00	113,931	113,931					(6,541)	(6,541)			
974280-AB-5	WINN DIXIE STORES INC SR NT	01/23/2002		9,700	10,000.00	10,100	10,100					(400)	(400)			
31331F-BC-4	CMO FED EXPRESS CORP PASS THRU TR	01/04/2002			0.13											
161546-BA-3	CHASE FDG MTG LN SER	02/12/2002		3,354	3,353.56	3,351	3,351					3	3			
161548-BA-3	CHASE FDG MTG LN SER	02/12/2002		1,990	1,989.83	1,988	1,988					2	2			
161546-BA-3	CHASE FDG MTG LN SER	02/12/2002		1,945	1,944.56	1,943	1,943					2	2			
161546-BA-3	CHASE FDG MTG LN SER	02/12/2002		829	828.64	828	828					1	1			
161546-BA-3	CHASE FDG MTG LN SER	02/12/2002		965	965.46	965	965					1	1			
500750-AB-0	KPNQWEST N V SR NT	02/20/2002		1,625	5,000.00	4,844	4,844					(3,219)	(3,219)			
500750-AB-0	KPNQWEST N V SR NT	02/26/2002		3,450	15,000.00	14,531	14,531					(11,081)	(11,081)			
539830-AL-3	LOCKHEED MARTIN CORP NT	02/22/2002		160,448	140,000.00	155,359	155,359					5,089	5,089			
65332V-AV-5	NEXTEL COMMUNICATIONS INC SR SER NT	02/21/2002		13,163	22,500.00	21,146	21,146					(7,983)	(7,983)			
65332V-AV-5	NEXTEL COMMUNICATIONS INC SR SER NT	02/21/2002		13,303	22,500.00	21,146	21,146					(7,843)	(7,843)			
65332V-AV-5	NEXTEL COMMUNICATIONS INC SR SER NT	02/26/2002		5,825	10,000.00	9,398	9,398					(3,573)	(3,573)			
969455-AA-2	WILLIAMS COMMUNICATIONS GROUP INC SR NT	02/26/2002		14,025	110,000.00	115,913	115,913					(101,888)	(101,888)			
974280-AB-5	WINN DIXIE STORES INC SR NT	02/08/2002		29,100	30,000.00	30,300	30,300					(1,200)	(1,200)			

(continues)

**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
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - Industrial and Miscellaneous (continued)																
974280-AB-5	WINN DIXIE STORES INC SR NT	02/27/2002		14,738	15,000.00	15,150	15,150					(413)	(413)			
4599999	Subtotal - Bonds - Industrial and Miscellaneous			861,372	1,119,082.18	1,127,177	1,127,177					(265,806)	(265,806)			
6099997	Subtotal - Bonds - Part 4			60,681,956	60,043,472.27	60,252,407	60,252,407					429,549	429,549			
6099999	Subtotal - Bonds			60,681,956	60,043,472.27	60,252,407	60,252,407					429,549	429,549			
Common Stock - Industrial and Miscellaneous																
68231N-74-3	MFO 1 GROUP BD CL 1	01/17/2002	BANK ONE	2,421.200	26,415	25,548	25,548					868	868			
6899999	Subtotal - Common Stock - Industrial and Miscellaneous			26,415	26,415	25,548	25,548					868	868			
7099997	Subtotal - Common Stock - Part 4			26,415	26,415	25,548	25,548					868	868			
7099999	Subtotal - Common Stock			26,415	26,415	25,548	25,548					868	868			
7199999	Subtotal - Preferred and Common Stock			26,415	26,415	25,548	25,548					868	868			
7299999	TOTALS			60,708,371	60,708,371	60,277,954	60,277,955					430,417	430,417			

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Schedule DB, Part A, Section 1

**NONE**

Schedule DB, Part B, Section 1

**NONE**

**Page E07**

Schedule DB, Part C, Section 1

**NONE**

Schedule DB, Part D, Section 1

**NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository		2	3	4	Book Balance at End of Each Month During Current Quarter			8 *
					5	6	7	
Name	Location and Supplemental Information	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	
Open Depositories								
Comerica Bank, NA	Detroit, Michigan				(5,233,381)	(12,134,159)	(879,714)	
The Northern Trust Company	Chicago, Illinois						26,566,230	
0199999	TOTAL - Open Depositories				(5,233,381)	(12,134,159)	25,686,516	
0399999	TOTAL Cash on Deposit				(5,233,381)	(12,134,159)	25,686,516	
0499999	Cash in Company's Office				663	663	663	
0599999	TOTALS				(5,232,718)	(12,133,496)	25,687,179	