



HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2003
OF THE CONDITION AND AFFAIRS OF THE

Upper Peninsula Health Plan, Inc.

NAIC Group Code 0000 (Current Period) (Prior Period) NAIC Company Code 52615 Employer's ID Number 38-3379956

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

Country of Domicile United States of America

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

Incorporated 10/14/1997 Commenced Business 08/01/1998

Statutory Home Office 228 W. Washington St., Marquette, MI 49855
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 228 W. Washington St.
(Street and Number) Marquette, MI 49855 906-225-7500
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 228 W. Washington St., Marquette, MI 49855
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 228 W. Washington St.
(Street and Number) Marquette, MI 49855 906-225-7500
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.uphp.com

Statutory Statement Contact Patrick N. Thomson CPA 906-225-7500
(Name) (Area Code) (Telephone Number) (Extension)
pthomson@uphp.com 906-225-7690
(E-mail Address) (FAX Number)

Policyowner Relations Contact 228 W. Washington St.
(Street and Number) Marquette, MI 49855 906-225-7500
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President Mr. Dennis Smith Secretary John Weiss MD
Treasurer Mr. John Schon

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

<u>Mr. John Schon</u>	<u>Mr. James Bogan</u>	<u>Mr. Robert Vairo</u>
<u>Mr. John Chartier</u>	<u>Mr. William Nemacheck</u>	<u>Kirk Lufkin MD</u>
<u>Catherine Kroll DO</u>	<u>Mr. Fred Geissler</u>	<u>Jerry Luoma MD</u>
<u>Ms. Connie Lekander</u>	<u>Richard Bruner DO</u>	<u>Mark Callaghan MD</u>
<u>Mr. Wayne Hellerstedt</u>	<u>Mr. David Jahn</u>	<u>John Weiss MD</u>
<u>Ms. Michelle Tavernier</u>	<u>Satish Chawla MD</u>	

State of Michigan } ss
County of Marquette

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.

Dennis H. Smith (CEO) John Weiss, MD Greg A. Gustafson (CFO)
President Secretary Treasurer

Subscribed and sworn to before me this
14 day of August, 2003

Tanya M. Koski

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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	489,780		489,780	514,447
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$7,039,605) and short -term investments (\$509,479)	7,549,084		7,549,084	5,235,192
6. Contract loans, (including \$premium notes)			0	
7. Other invested assets	0	0	0	0
8. Receivable for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	8,038,864	0	8,038,864	5,749,639
11. Investment income due and accrued	5,051		5,051	7,158
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection			0	204,782
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	
12.3 Accrued retrospective premiums			0	
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers			0	0
13.2 Funds held by or deposited with reinsured companies			0	
13.3 Other amounts receivable under reinsurance contracts			0	
14. Amounts receivable relating to uninsured plans			0	0
15.1 Current federal and foreign income tax recoverable and interest thereon			0	260,000
15.2 Net deferred tax asset.....			0	0
16. Guaranty funds receivable or on deposit			0	
17. Electronic data processing equipment and software	30,444	3,395	27,049	58,381
18. Furniture and equipment, including health care delivery assets (\$)	75,956		75,956	51,562
19. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
20. Receivables from parent, subsidiaries and affiliates			0	0
21. Health care (\$1,911,898) and other amounts receivable.....	1,911,898		1,911,898	2,251,694
22. Other assets nonadmitted			0	0
23. Aggregate write-ins for other than invested assets	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	10,062,213	3,395	10,058,818	8,583,216
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. Total (Lines 24 and 25)	10,062,213	3,395	10,058,818	8,583,216
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	6,355,792		6,355,792	5,429,000
2. Accrued medical incentive pool and bonus payments			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	695,039		695,039	146,929
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital 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			0	0
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured accident and health plans			0	0
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	7,050,831	0	7,050,831	5,575,929
23. Common capital stock	XXX	XXX	2,761,670	2,761,670
24. Preferred capital stock	XXX	XXX		0
25. Gross paid in and contributed surplus	XXX	XXX		0
26. Surplus notes	XXX	XXX		0
27. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
28. Unassigned funds (surplus)	XXX	XXX	246,317	245,617
29. Less treasury stock, at cost:				
29.1 shares common (value included in Line 23) \$)	XXX	XXX		0
29.2 shares preferred (value included in Line 24) \$)	XXX	XXX		0
30. Total capital and surplus (Lines 23 to 28 minus Line 29)	XXX	XXX	3,007,987	3,007,287
31. Total liabilities, capital and surplus (Lines 22 and 30)	XXX	XXX	10,058,818	8,583,216
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
2701.	XXX	XXX		
2702.	XXX	XXX		
2703.	XXX	XXX		
2798. Summary of remaining write-ins for Line 27 from overflow page	XXX	XXX	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	XXX	XXX	0	0

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	153,493	113,511
2. Net premium income (including non-health premium income).....	XXX	22,039,366	16,023,508
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	22,039,366	16,023,508
Hospital and Medical:			
9. Hospital/medical benefits		11,068,148	4,497,890
10. Other professional services		1,972,598	4,233,674
11. Outside referrals			0
12. Emergency room and out-of-area		797,346	594,957
13. Prescription drugs		5,852,124	4,186,823
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool and withhold adjustments			0
16. Subtotal (Lines 9 to 15)	0	19,690,216	13,513,344
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	19,690,216	13,513,344
19. Non-health claims			0
20. Claims adjustment expenses		1,197,604	0
21. General administrative expenses.....		1,182,615	1,374,311
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			0
23. Total underwriting deductions (Lines 18 through 22)	0	22,070,435	14,887,655
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(31,069)	1,135,853
25. Net investment income earned		33,786	48,719
26. Net realized capital gains or (losses)			0
27. Net investment gains or (losses) (Lines 25 plus 26)	0	33,786	48,719
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) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	2,717	1,184,572
31. Federal and foreign income taxes incurred	XXX		337,730
32. Net income (loss) (Lines 30 minus 31)	XXX	2,717	846,842
DETAILS OF WRITE-INS			
0601.	XXX		
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 AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year To Date
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting period	3,007,287	2,076,831
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
34. Net income or (loss) from Line 32	2,717	25,780
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Net unrealized capital gains and losses		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	1,043	2,676
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock		0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles	(3,060)	0
44. Capital Changes:		
44.1 Paid in		0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in		902,000
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital & surplus (Lines 34 to 47)	700	930,456
49. Capital and surplus end of reporting period (Line 33 plus 48)	3,007,987	3,007,287
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	22,039,366	32,420,752
2. Net investment income	33,787	102,505
3. Miscellaneous income	0	0
4. Total (Lines 1 to 3)	22,073,153	32,523,257
5. Benefits and loss related payments	19,757,811	33,039,577
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions	0	
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gains (losses)	0	77,730
10. Total (Lines 5 through 9)	19,757,811	33,117,307
11. Net cash from operations (Line 4 minus Line 10)	2,315,342	(594,050)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	25,000	0
12.2 Stocks	0	0
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 and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	25,000	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	26,450	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	26,450	0
14. Net increase (or decrease) in policy loans and premium notes	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,450)	0
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	902,000
16.2 Capital and paid in surplus, less treasury stock.....	0	
16.3 Borrowed funds received.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	0	902,000
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17)	2,313,892	307,950
19. Cash and short-term investments:		
19.1 Beginning of period	5,235,192	4,927,242
19.2 End of period (Line 18 plus Line 19.1).....	7,549,084	5,235,192

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	19,052	.0	.0	.0	.0	.0	.0	.0	18,738				314
2 First Quarter	26,211	.0	.0	.0	.0	.0	.0	.0	25,914	.0	.0	.0	297
3 Second Quarter	25,724								25,432				292
4. Third Quarter .....	.0												
5. Current Year	51,935								51,346				589
6 Current Year Member Months	155,295								153,493				1,802
Total Member Ambulatory Encounters for Period:													
7. Physician	44,121								43,782				339
8. Non-Physician	100,727								100,125				602
9. Total	144,848	0	0	0	0	0	0	0	143,907	0	0	0	941
10. Hospital Patient Days Incurred	4,103								4,101				2
11. Number of Inpatient Admissions	1,329								1,328				1
12. Health Premiums Collected	22,772,951								22,637,757				135,194
13. Life Premiums Direct .....	.0												
14. Property/Casualty Premiums Written .....	.0												
15. Health Premiums Earned	22,039,366								21,904,172				135,194
16. Property/Casualty Premiums Earned .....	.0												
17. Amount Paid for Provision of Health Care Services	19,129,812								19,066,595				63,217
18. Amount Incurred for Provision of Health Care Services	19,690,216								19,607,921				82,295

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STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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
Claims Payable (Reported)						
Dickinson County Health System.....	6,432	2,314	1,165	450		10,361
Keweenaw Memorial Medical Center.....	2,385		7,498			9,883
Portage Health System.....	3,654	2,865	694			7,213
OSF St. Francis Hospital.....	5,431	4,734	456			10,621
University of Michigan.....					15,745	15,745
War Memorial Hospital.....	8,924	1,945		3,192		14,061
Marquette General Hospital.....		9,251		19,302		28,553
Paid Prescriptions, LLC.....	638,551					638,551
0199999 Individually Listed Claims Payable	665,377	21,109	9,813	22,944	15,745	734,988
0299999 Aggregate Accounts Not Individually Listed-Uncovered						0
0399999 Aggregate Accounts Not Individually Listed-Covered						0
0499999 Subtotals	665,377	21,109	9,813	22,944	15,745	734,988
0599999 Unreported Claims and Other Claim Reserves	XXX	XXX	XXX	XXX	XXX	5,620,804
0699999 Total Amounts Withheld	XXX	XXX	XXX	XXX	XXX	
0799999 Total Claims Payable	XXX	XXX	XXX	XXX	XXX	6,355,792
0899999 Accrued Medical Incentive Pool	XXX	XXX	XXX	XXX	XXX	

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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) .....					.0	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only .....					.0	.0
4. Vision Only .....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid	4,165,225	14,901,370	735,168	6,255,706	4,900,393	5,402,480
8. Other Health	20,687	42,530	1,545	21,274	22,232	26,520
9. Health Subtotal (Lines 1 to 8).....	4,185,912	14,943,900	736,713	6,276,980	4,922,625	5,429,000
10. Other non-health .....					.0	.0
11. Medical incentive pools, accruals and disbursements .....					.0	.0
12. Totals	4,185,912	14,943,900	736,713	6,276,980	4,922,625	5,429,000

NOTES TO FINANCIAL STATEMENTS

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES GENERAL

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

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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002
- 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. 12/31/2002
- 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). 03/13/2003
- 7.4 By what department or departments?
State of Michigan - Office of Insurance & Financial Services
.....
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]
- 8.2 If yes, give full information:
.....
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
.....
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

GENERAL INTERROGATORIES

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

INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]
 10.2 If yes, explain:

11.1 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]
 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$0

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]
 14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-term Investments	\$	\$
14.25 Mortgages, Loans or Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above	\$	\$

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

15.2 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.

16. 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 []

16.1 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
Wells Fargo Trust Department.....	101 W. Washington St., Marquette, MI 49855.....

16.2 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)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]

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

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

16.5 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
421093006.....	Joe Huss.....	101 W. Washington St., Marquette, MI 49855.....

SCHEDULE A - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Increase (decrease) by adjustment		0
3. Cost of acquired		0
4. Cost of additions to and permanent improvements		0
5. Total profit (loss) on sales		0
6. Increase (decrease) by foreign exchange adjustment		0
7. Amount received on sales		0
8. Book/adjusted carrying value at end of current period	0	0
9. Total valuation allowance		0
10. Subtotal (Lines 8 plus 9)	0	0
11. Total nonadmitted amounts		0
12. Statement value, current period (Page 2, real estate lines, current period)	0	0

SCHEDULE B – VERIFICATION

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

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

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

SCHEDULE D - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	514,447	514,447
2. Cost of bonds and stocks acquired		0
3. Accrual of discount	368	
4. Increase (decrease) by adjustment		0
5. Increase (decrease) by foreign exchange adjustment		0
6. Total profit (loss) on disposal		0
7. Consideration for bonds and stocks disposed of	25,000	0
8. Amortization of premium	35	
9. Book/adjusted carrying value, current period	489,780	514,447
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	489,780	514,447
12. Total nonadmitted amounts		0
13. Statement value (Lines 11 minus 12)	489,780	514,447

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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 .....	.0		25,000	183	.0	(24,817)	.0	514,447
2. Class 2 .....	.0				.0	.0	.0	.0
3. Class 3 .....	.0				.0	.0	.0	.0
4. Class 4 .....	.0				.0	.0	.0	.0
5. Class 5 .....	.0				.0	.0	.0	.0
6. Class 6	0				0	0	0	0
7. Total Bonds	0	0	25,000	183	0	(24,817)	0	514,447
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	0	0	25,000	183	0	(24,817)	0	514,447

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	509,479	XXX	509,479	1,375	

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.....	484,639	484,639
2. Cost of short-term investments acquired .....		.0
3. Increase (decrease) by adjustment	(160)	.0
4. Increase (decrease) by foreign exchange adjustment .....		.0
5. Total profit (loss) on disposal of short-term investments	25,000	.0
6. Consideration received on disposal of short-term investments .....	.0	.0
7. Book/adjusted carrying value, current period	509,479	484,639
8. Total valuation allowance .....		.0
9. Subtotal (Lines 7 plus 8)	509,479	484,639
10. Total nonadmitted amounts .....		.0
11. Statement value (Lines 9 minus 10)	509,479	484,639
12. Income collected during period	2,641	.964
13. Income earned during period	2,737	480

SCHEDULE DB - PART F- SECTION 1

Summary of Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1	2	3	4	5	Derivative Instruments Open		Cash Instrument(s) Held				
Replication RSAT Number	Description	NAIC Designation or Other Description	Statement Value	Fair Value	6 Description	7 Fair Value	8 CUSIP	9 Description	10 Statement Value	11 Fair Value	12 NAIC Designation or Other Description
9999999 Totals					XXX		XXX	XXX			XXX

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-to-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Add: Opened or Acquired Transactions .....									.0	.0
3. Add: Increases in Replicated Asset Statement Value	XXX		XXX		XXX		XXX		XXX	.0
4. Less: Closed or Disposed of Transactions .....									.0	.0
5. Less: Positions Disposed of for Failing Effectiveness Criteria .....									.0	.0
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX		XXX		XXX		XXX		XXX	.0
7. Ending Inventory	0	0	0	0	0	0	0	0	0	0

SCHEDULE S—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
		LIFE AND ANNUITY AFFILIATES		
		LIFE AND ANNUITY NON-AFFILIATES		
		ACCIDENT AND HEALTH AFFILIATES		
		ACCIDENT AND HEALTH NON-AFFILIATES		

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 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefit Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums	
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ								
4. Arkansas	AR								
5. California	CA								
6. Colorado	CO								
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL								
11. Georgia	GA								
12. Hawaii	HI								
13. Idaho	ID								
14. Illinois	IL								
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY								
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD								
22. Massachusetts	MA								
23. Michigan	MI	No	Yes	135,194		21,904,172			
24. Minnesota	MN								
25. Mississippi	MS								
26. Missouri	MO								
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC								
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR								
39. Pennsylvania	PA								
40. Rhode Island	RI								
41. South Carolina	SC								
42. South Dakota	SD								
43. Tennessee	TN								
44. Texas	TX								
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA								
48. Washington	WA								
49. West Virginia	WV								
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Canada	CN								
57. Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0	0
58. Total (Direct Business)	XXX	(a)	1	135,194	0	21,904,172	0	0	0
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0	0	0

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

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

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 on "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 question.

RESPONSE

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

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
9999999 - Totals								

SCHEDULE A - PART 3

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
9999999 Totals															

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED during the Current Quarter

1	2	3	4	5	6	7	8	9	10	11
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
9999999 Totals										XXX

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13
Loan Number	City	State	Loan Type	Date Acquired	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
9999999 Totals												

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							
9999999 Totals									

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/Adjusted Carrying Value Less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
9999999 Totals												

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation ^(a)
6099998 - Total - Bonds - Part 5					0	0	0	XXX
6099999 - Total - Bonds					0	0	0	XXX
6599998 - Total - Preferred Stocks - Part 5					0	XXX	0	XXX
6599999 - Total - Preferred Stocks					0	XXX	0	XXX
7099998 - Total - Common Stock - Part 5					0	XXX	0	XXX
7099999 - Total - Common Stocks					0	XXX	0	XXX
7199999 - Total - Preferred and Common Stocks					0	XXX	0	XXX
7299999 - Totals					0	XXX	0	XXX

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

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

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 Identification	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)
1799999	Bonds - States, Territories and Possessions				0	0	0	0	0	0	0	0	0	0	XXX	XXX
3133MF-FV-5	Federal Home Loan Bank 5.410%, Due 6/20/2005, FULL CALL	06/20/2003	FULL CALL		26,450	25,000	25,000	25,000	0	0	0	1,450	1,450	1,450		
4599999	Bonds - Industrial and Miscellaneous				26,450	25,000	25,000	25,000				1,450	1,450	1,450	XXX	XXX
6099997	Bonds - Part 4				26,450	25,000	25,000	25,000				1,450	1,450	1,450	XXX	XXX
6099998	Bonds - Part 5				0	0	0	0	0	0	0	0	0	0	XXX	XXX
6099999	Total - Bonds				26,450	25,000	25,000	25,000	0	0	0	1,450	1,450	1,450	XXX	XXX
6599998	Preferred Stocks - Part 5				0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
6599999	Total - Preferred Stocks				0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7099998	Common Stocks - Part 5				0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7099999	Total - Common Stocks				0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7199999	Total - Preferred and Common Stocks				0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7299999	Totals				26,450	XXX	25,000	25,000	0	0	0	1,450	1,450	1,450	0	XXX

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

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income
2599999 - Subtotal - Hedging Transactions								XXX					
2799999 - Subtotal - Other Derivative Transactions								XXX					
9999999 - Totals								XXX					

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income
2599999 - Subtotal - Hedging Transactions								XXX					
2699999 - Subtotal - Income Generation Transactions								XXX					
2799999 - Subtotal - Other Derivative Transactions								XXX					
9999999 - Totals								XXX					

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
2599999 - Subtotal - Hedging Transactions								XXX						
2799999 - Subtotal - Other Derivative Transactions								XXX						
9999999 - Totals								XXX						

SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts Open at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure
2599999 - Subtotal - Hedging Transactions						XXX	XXX					
2799999 - Subtotal - Other Derivative Transactions						XXX	XXX					
9999999 - Totals						XXX	XXX					

STATEMENT AS OF JUNE 30, 2003 OF THE Upper Peninsula Health Plan, Inc.

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			8 *
				5 First Month	6 Second Month	7 Third Month	
Wells Fargo..... 101 W. Washington St., Marquette, MI 49855.....	.0.500	9,998	7,737	6,177,018	6,042,580	7,039,605	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	0	0	0	0	0	XXX
0199999 Totals - Open Depositories	XXX			6,177,018	6,042,580	7,039,605	XXX
0399999 Total Cash on Deposit	XXX			6,177,018	6,042,580	7,039,605	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	0	0	0	XXX
0599999 Total Cash	XXX			6,177,018	6,042,580	7,039,605	XXX