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ANNUAL STATEMENT

For the Year Ended December 31, 2013

of the Condition and Affairs of the

Blue Cross Complete of Michigan

NAIC Group Code.....572, 572 (Current Period) (Prior Period) NAIC Company Code..... 11557 Employer's ID Number..... 32-0026448

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

Licensed as Business Type.....Health Maintenance Organization Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized..... September 25, 2002 Commenced Business..... January 1, 2003

Statutory Home Office	20500 Civic Center Drive….. Southfield ..... MI ..... US …. 48076 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	600 E. Lafayette Blvd…… Detroit ..... MI ..... US …. 48226 *(Street and Number) (City or Town, State, Country and Zip Code)*	313-225-9000 *(Area Code) (Telephone Number)*
Mail Address	600 E. Lafayette Blvd., MC 1508….. Detroit ..... MI ..... US …. 48226 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	20500 Civic Center Drive….. Southfield ..... MI ..... US …. 48076 *(Street and Number) (City or Town, State, Country and Zip Code)*	248-223-5480 *(Area Code) (Telephone Number)*
Internet Web Site Address	MiBlueCrossComplete.com	
Statutory Statement Contact	Karen Marie Hackett *(Name)*	248-223-5480 *(Area Code) (Telephone Number) (Extension)*
	KHackett@bcbsm.com *(E-Mail Address)*	866-316-7774 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Nancy Laran Wanchik	President & Chief Executive Officer	2. Julie Concetta Swantek	Secretary
3. Susan Anne Kluge	Chief Financial Officer & Treasurer	4. Donald Samuel Beam MD	Chief Medical Officer

OTHER

DIRECTORS OR TRUSTEES

Jeffrey Lawrence Connolly Joleen Mary Immerfall Nancy Laran Wanchik

State of..... Michigan
County of..... Oakland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions* and *Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Nancy Laran Wanchik	Julie Concetta Swantek	Susan Anne Kluge
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & Chief Executive Officer	Secretary	Chief Financial Officer & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2014

a. Is this an original filing? Yes [X] No [ ]
b. If no
1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	1,930,542		1,930,542	1,959,154
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....(1,232,169), Schedule E-Part 1), cash equivalents ($.....2,476,989, Schedule E-Part 2) and short-term investments ($.....31,346,382, Schedule DA)	32,591,202		32,591,202	8,244,749
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)	571,282		571,282	500,906
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	35,093,026	0	35,093,026	10,704,809
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	191,165		191,165	19,550
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	109,844		109,844	502,513
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset			0	
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	5,640		5,640	1,716
24. Health care ($.....2,783,951) and other amounts receivable	2,936,255	152,304	2,783,951	1,853,851
25. Aggregate write-ins for other than invested assets	2,467	0	2,467	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	38,338,397	152,304	38,186,093	13,082,439
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTALS (Lines 26 and 27)	38,338,397	152,304	38,186,093	13,082,439

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Miscellaneous Receivables	2,467		2,467	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	2,467	0	2,467	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $.....1,714,430 reinsurance ceded)	11,150,313		11,150,313	3,698,538
2. Accrued medical incentive pool and bonus amounts	286,749		286,749	151,305
3. Unpaid claims adjustment expenses	509,560		509,560	110,097
4. Aggregate health policy reserves, including the liability of $.....0 for medical loss ratio rebate per the Public Health Service Act	2,971,845		2,971,845	
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserve			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance			0	
9. General expenses due or accrued	24,903		24,903	14,782
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses))			0	
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable	43,608		43,608	51,039
12. Amounts withheld or retained for the account of others	7,456,778		7,456,778	3,515,848
13. Remittances and items not allocated			0	
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates	2,931,808		2,931,808	652,953
16. Derivatives			0	
17. Payable for securities			0	
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties with ($.....0 authorized reinsurers, $.....0 unauthorized and $.....0 certified reinsurers)			0	
20. Reinsurance in unauthorized and certified ($.....0) companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans			0	
23. Aggregate write-ins for other liabilities (including $.....0 current)	1,245	0	1,245	40,457
24. Total liabilities (Lines 1 to 23)	25,376,809	0	25,376,809	8,235,019
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX		
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	20,250,000	3,250,000
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(7,440,716)	1,597,420
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	12,809,284	4,847,420
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	38,186,093	13,082,439

DETAILS OF WRITE-INS

2301. Stale Dated Checks	1,245		1,245	
2302. Miscellaneous Payables			0	40,457
2303.			0	
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)	1,245	0	1,245	40,457
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1. Member months	XXX	427,860	259,477
2. Net premium income (including $.....0 non-health premium income)	XXX	122,057,102	65,291,747
3. Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of $.....0 medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	1,149,993	613,571
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	123,207,095	65,905,318
Hospital and Medical:			
9. Hospital/medical benefits		92,813,984	44,155,330
10. Other professional services		3,870,853	1,987,924
11. Outside referrals			
12. Emergency room and out-of-area		9,189,819	4,410,198
13. Prescription drugs		13,932,461	9,542,229
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		393,187	165,140
16. Subtotal (Lines 9 to 15)	0	120,200,304	60,260,821
Less:			
17. Net reinsurance recoveries		2,375,528	311,386
18. Total hospital and medical (Lines 16 minus 17)	0	117,824,776	59,949,435
19. Non-health claims (net)			
20. Claims adjustment expenses, including $.....2,689,249 cost containment expenses		4,603,116	1,475,603
21. General administrative expenses		6,833,694	4,352,604
22. Increase in reserves for life and accident and health contracts including $.....0 increase in reserves for life only)		2,971,845	
23. Total underwriting deductions (Lines 18 through 22)	0	132,233,431	65,777,642
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(9,026,336)	127,676
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		29,531	14,115
26. Net realized capital gains or (losses) less capital gains tax of $.....0			28,588
27. Net investment gains or (losses) (Lines 25 plus 26)	0	29,531	42,703
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]			
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	(8,996,805)	170,379
31. Federal and foreign income taxes incurred	XXX		
32. Net income (loss) (Lines 30 minus 31)	XXX	(8,996,805)	170,379

DETAILS OF WRITE-INS

0601. Michigan Health Insurance Claims Assessment collected from MDCH	XXX	1,149,993	613,331
0602. Miscellaneous Revenue	XXX		240
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	1,149,993	613,571
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	4,847,420	4,623,229
34. Net income or (loss) from Line 32	(8,996,805)	170,379
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains and (losses) less capital gains tax of $0	70,376	81,538
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(111,707)	(27,725)
40. Change in unauthorized and certified reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in	17,000,000	
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	7,961,864	224,191
49. Capital and surplus end of reporting period (Line 33 plus 48)	12,809,284	4,847,420

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	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance	122,442,340	64,786,645
2. Net investment income	(113,472)	91,084
3. Miscellaneous income	1,149,993	613,571
4. Total (Lines 1 through 3)	123,478,861	65,491,300
5. Benefit and loss related payments	111,282,226	57,806,194
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	11,066,438	5,699,605
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)		
10. Total (Lines 5 through 9)	122,348,664	63,505,799
11. Net cash from operations (Line 4 minus Line 10)	1,130,197	1,985,501
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		2,677,340
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	2,677,340
13. Cost of investments acquired (long-term only):		
13.1 Bonds		3,020,195
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	3,020,195
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	0	(342,855)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	17,000,000	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	6,216,256	1,689,103
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	23,216,256	1,689,103
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	24,346,453	3,331,749
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	8,244,749	4,913,000
19.2 End of year (Line 18 plus Line 19.1)	32,591,202	8,244,749

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	122,057,102							122,057,102		
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of $.....0 medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	1,149,993	0	0	0	0	0	0	1,149,993	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	123,207,095	0	0	0	0	0	0	123,207,095	0	0
8. Hospital/medical benefits	92,813,984							92,813,984		XXX
9. Other professional services	3,870,853							3,870,853		XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	9,189,819							9,189,819		XXX
12. Prescription drugs	13,932,461							13,932,461		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	393,187							393,187		XXX
15. Subtotal (Lines 8 to 14)	120,200,304	0	0	0	0	0	0	120,200,304	0	XXX
16. Net reinsurance recoveries	2,375,528							2,375,528		XXX
17. Total hospital and medical (Lines 15 minus 16)	117,824,776	0	0	0	0	0	0	117,824,776	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $.....2,689,249 cost containment expenses	4,603,116							4,603,116		
20. General administrative expenses	6,833,694							6,833,694		
21. Increase in reserves for accident and health contracts	2,971,845							2,971,845		XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	132,233,431	0	0	0	0	0	0	132,233,431	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(9,026,336)	0	0	0	0	0	0	(9,026,336)	0	0

DETAILS OF WRITE-INS

0501. Michigan Health Insurance Claims Assessment collected from MDCH	1,149,993							1,149,993		XXX
0502.	0									XXX
0503.	0									XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 thru 0503 plus 0598) (Line 5 above)	1,149,993	0	0	0	0	0	0	1,149,993	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0									XXX
1302.	0									XXX
1303.	0									XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)				0
2. Medicare supplement				0
3. Dental only				0
4. Vision only				0
5. Federal employees health benefits plan				0
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid	122,484,962		427,860	122,057,102
8. Other health				0
9. Health subtotal (Lines 1 through 8)	122,484,962	0	427,860	122,057,102
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	122,484,962	0	427,860	122,057,102

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	110,848,697							110,848,697		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	833,813							833,813		
1.4 Net	110,014,884	0	0	0	0	0	0	110,014,884	0	0
2. Paid medical incentive pools and bonuses	257,743							257,743		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	12,864,743							12,864,743		
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	1,714,430							1,714,430		
3.4 Net	11,150,313	0	0	0	0	0	0	11,150,313	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	286,749							286,749		
6. Net healthcare receivables (a)	35,070							35,070		
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	3,871,253							3,871,253		
8.2 Reinsurance assumed	0									
8.3 Reinsurance ceded	172,715							172,715		
8.4 Net	3,698,538	0	0	0	0	0	0	3,698,538	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	151,305							151,305		
11. Amounts recoverable from reinsurers December 31, prior year	0									
12. Incurred benefits:										
12.1 Direct	119,807,117	0	0	0	0	0	0	119,807,117	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	2,375,528	0	0	0	0	0	0	2,375,528	0	0
12.4 Net	117,431,589	0	0	0	0	0	0	117,431,589	0	0
13. Incurred medical incentive pools and bonuses	393,187	0	0	0	0	0	0	393,187	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	3,399,235							3,399,235		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	3,399,235	0	0	0	0	0	0	3,399,235	0	0
2. Incurred but unreported:										
2.1 Direct	9,465,508							9,465,508		
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	1,714,430							1,714,430		
2.4 Net	7,751,078	0	0	0	0	0	0	7,751,078	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	12,864,743	0	0	0	0	0	0	12,864,743	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	1,714,430	0	0	0	0	0	0	1,714,430	0	0
4.4 Net	11,150,313	0	0	0	0	0	0	11,150,313	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	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	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)					0	
2. Medicare supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal employees health benefits plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid	3,431,508	106,583,376	164,060	10,986,253	3,595,568	3,698,538
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	3,431,508	106,583,376	164,060	10,986,253	3,595,568	3,698,538
10. Healthcare receivables (a)		42,207			0	7,137
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	129,926	127,817	9,000	277,749	138,926	151,305
13. Totals (Lines 9 - 10 + 11 + 12)	3,561,434	106,668,986	173,060	11,264,002	3,734,494	3,842,706

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	1,572	1,574	1,574	1,574	1,574
2. 2009	51,279	52,364	52,375	52,376	52,376
3. 2010	XXX	52,461	53,724	53,760	53,760
4. 2011	XXX	XXX	51,029	52,100	52,107
5. 2012	XXX	XXX	XXX	56,150	59,704
6. 2013	XXX	XXX	XXX	XXX	106,669

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	1,572	1,574	1,574	1,574	1,574
2. 2009	52,281	52,377	52,375	52,376	52,376
3. 2010	XXX	53,715	53,751	53,760	53,760
4. 2011	XXX	XXX	52,161	52,102	52,109
5. 2012	XXX	XXX	XXX	59,998	63,726
6. 2013	XXX	XXX	XXX	XXX	117,933

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009	59,378	52,376	1,198	2.3	53,574	90.2			53,574	90.2
2. 2010	60,796	53,760	1,198	2.2	54,958	90.4			54,958	90.4
3. 2011	59,444	52,107	1,408	2.7	53,515	90.0			53,515	90.0
4. 2012	65,292	59,704	1,725	2.9	61,429	94.1	173	5	61,607	94.4
5. 2013	122,057	106,669	3,729	3.5	110,398	90.4	11,264	505	122,167	100.1

U & I Ex.-Pt.2C-Sn A-Paid Claims-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Dental
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	1,572	1,574	1,574	1,574	1,574
2. 2009	51,279	52,364	52,375	52,376	52,376
3. 2010	XXX	52,461	53,724	53,760	53,760
4. 2011	XXX	XXX	51,029	52,100	52,107
5. 2012	XXX	XXX	XXX	56,150	59,704
6. 2013	XXX	XXX	XXX	XXX	106,669

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	1,572	1,574	1,574	1,574	1,574
2. 2009	52,281	52,377	52,375	52,376	52,376
3. 2010	XXX	53,715	53,751	53,760	53,760
4. 2011	XXX	XXX	52,161	52,102	52,109
5. 2012	XXX	XXX	XXX	59,998	63,726
6. 2013	XXX	XXX	XXX	XXX	117,933

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009	59,378	52,376	1,198	2.3	53,574	90.2			53,574	90.2
2. 2010	60,796	53,760	1,198	2.2	54,958	90.4			54,958	90.4
3. 2011	59,444	52,107	1,408	2.7	53,515	90.0			53,515	90.0
4. 2012	65,292	59,704	1,725	2.9	61,429	94.1	173	5	61,607	94.4
5. 2013	122,057	106,669	3,729	3.5	110,398	90.4	11,264	505	122,167	100.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior					
2. 2009					
3. 2010	XXX				
4. 2011	XXX	XXX			
5. 2012	XXX	XXX	XXX		
6. 2013	XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - OTHER

NONE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior					
2. 2009					
3. 2010	XXX				
4. 2011	XXX	XXX			
5. 2012	XXX	XXX	XXX		
6. 2013	XXX	XXX	XXX	XXX	

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

NONE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009					0	0.0			0	0.0
2. 2010				0.0	0	0.0			0	0.0
3. 2011				0.0	0	0.0			0	0.0
4. 2012				0.0	0	0.0			0	0.0
5. 2013				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	2,971,845							2,971,845	
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $.....0) for investment income	0								
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	2,971,845	0	0	0	0	0	0	2,971,845	0
7. Reinsurance ceded	0								
8. Totals (net) (Page 3, Line 4)	2,971,845	0	0	0	0	0	0	2,971,845	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

0501.	0								
0502.	0								
0503.	0								
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.	0								
1102.	0								
1103.	0								
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $.....2,971,845 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($.....0 for occupancy of own building)	31,619	33,380	78,151		143,150
2. Salaries, wages and other benefits	1,816,135	742,270	2,621,824		5,180,229
3. Commissions (less $.....0 ceded plus $.....0 assumed)					0
4. Legal fees and expenses					0
5. Certifications and accreditation fees	15,000				15,000
6. Auditing, actuarial and other consulting services			76,725		76,725
7. Traveling expenses	24,313	5,458	23,871		53,642
8. Marketing and advertising			753,831		753,831
9. Postage, express and telephone	27,905	18,080	108,299		154,284
10. Printing and office supplies	17,071	5,384	118,071		140,526
11. Occupancy, depreciation and amortization	676	880	23,417		24,973
12. Equipment	2,976	3,880	3,568		10,424
13. Cost or depreciation of EDP equipment and software	72,297	117,965	380,442		570,704
14. Outsourced services including EDP, claims, and other services	548,854	935,940	1,321,132		2,805,926
15. Boards, bureaus and association fees	3,145	1,435	24,856		29,436
16. Insurance, except on real estate	883	823	7,556		9,262
17. Collection and bank service charges			2,319	29,013	31,332
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses			624		624
22. Real estate taxes	350	150	1,555		2,055
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			1,116,545		1,116,545
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees			20,120		20,120
23.4 Payroll taxes	114,350	47,258	146,642		308,250
23.5 Other (excluding federal income and real estate taxes)					0
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	13,675	964	4,146	0	18,785
26. Total expenses incurred (Lines 1 to 25)	2,689,249	1,913,867	6,833,694	29,013	(a) 11,465,823
27. Less expenses unpaid December 31, current year	63,169	446,391	24,903		534,463
28. Add expenses unpaid December 31, prior year	131	109,966	14,782		124,879
29. Amounts receivable relating to uninsured plans, prior year					0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	2,626,211	1,577,442	6,823,573	29,013	11,056,239

DETAILS OF WRITE-INS

2501. State of Michigan Use Tax			395		395
2502. Other expenses	13,675	964	3,751		18,390
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above)	13,675	964	4,146	0	18,785

(a) Includes management fees of $.....9,049,534 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a)	
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 49,587	49,587
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) (162,953)	8,663
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	294	294
10.	Total gross investment income	(113,072)	58,544
11.	Investment expenses		(g) 29,013
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		29,013
17.	Net investment income (Line 10 minus Line 16)		29,531

DETAILS OF WRITE-INS

0901.	Miscellaneous income	294	294
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	294	294
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....0 accrual of discount less $.....28,612 amortization of premium and less $.....0 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....0 accrual of discount less $.....35,200 amortization of premium and less $.....132,526 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds			0		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)			0		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)			0		
2.21	Common stocks of affiliates			0		
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets			0	70,376	
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	0	0	0	70,376	0

DETAILS OF WRITE-INS

0901.				0		
0902.				0		
0903.				0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset			0
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	152,304	37,735	(114,569)
25. Aggregate write-ins for other than invested assets	0	2,862	2,862
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	152,304	40,597	(111,707)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	152,304	40,597	(111,707)

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0
2501. Miscellaneous Receivables		2,862	2,862
2502.			0
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	2,862	2,862

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health maintenance organizations	26,803	30,030	34,739	39,598	43,321	427,860
2. Provider service organizations						
3. Preferred provider organizations						
4. Point of service						
5. Indemnity only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	26,803	30,030	34,739	39,598	43,321	427,860

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Heath Care Receivables Accrued as of December 31 of Current Year		5	6
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year	Health Care Receivables in Prior Years (Columns 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
1. Pharmaceutical rebate receivables	45,330	20,862		100,317	45,330	48,284
2. Claim overpayment receivables	21,758	1,373,884		36,093	21,758	28,595
3. Loans and advances to providers					0	
4. Capitation arrangement receivables					0	
5. Risk sharing receivables	1,061,897		86,823	1,682,854	1,148,720	1,148,720
6. Other health care receivables	664,637	10,532,567		1,030,168	664,637	665,987
7. Totals (Lines 1 through 6)	1,793,622	11,927,313	86,823	2,849,432	1,880,445	1,891,586

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Blue Cross Complete of Michigan (BCC) are presented on the basis of accounting practices required by the Michigan Department of Insurance and Financial Services (DIFS).

DIFS has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* and the related *NAIC Annual Statement Instructions* (NAIC SAP) for determining and reporting the financial condition and results of operations of an insurance company. DIFS requires the use of NAIC SAP to the extent that practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or by the DIFS *Forms and Instructions for Required Filings in Michigan* as prescribed or permitted practices.

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

	State of Domicile	2013	2012
NET INCOME			
(1) Blue Cross Complete of Michigan	Michigan	$ (8,996,805)	$ 170,379
(2) State Prescribed Practices that increase / (decrease) NAIC SAP: None		-	-
(3) State Permitted Practices that increase / (decrease) NAIC SAP: None		-	-
(4) NAIC SAP (1-2-3=4)		$ (8,996,805)	$ 170,379
SURPLUS			
(5) Blue Cross Complete of Michigan	Michigan	$ 12,809,284	$ 4,847,420
(6) State Prescribed Practices that increase / (decrease) NAIC SAP: None		-	-
(7) State Permitted Practices that increase / (decrease) NAIC SAP: None		-	-
(8) NAIC SAP (5-6-7=8)		$ 12,809,284	$ 4,847,420

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of statutory-basis financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the statutory-basis financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Accounting Policy

BCC follows the accounting policies below:

(1) Short-term investments – stated at amortized cost.

(2) Bonds – stated at amortized cost using the scientific interest method.

(3) Common Stocks – NOT APPLICABLE

(4) Preferred Stocks – NOT APPLICABLE

(5) Mortgage loans on real estate – NOT APPLICABLE

(6) Loan-backed securities – NOT APPLICABLE

(7) Investments in subsidiaries, controlled and affiliated entities – BCC records its investment in certain affiliated trusts, Blue Care Network Medical Malpractice Self-Insurance Trust (Malpractice Trust) and Blue

Care Network Stop-Loss and Casualty Self-Insurance Trust (Stop-Loss Trust), as other invested assets. The investments are valued using the adjusted audited accounting principles generally accepted in the United States of America (GAAP) equity method; and reports the increase or decrease in the investment as a component of capital and surplus - change in net unrealized capital gains and (losses).

(8) Investments in joint ventures, partnerships and limited liability companies – NOT APPLICABLE

(9) Derivatives – NOT APPLICABLE

(10) Investment income in premium deficiency calculation – BCC used anticipated investment income as part of the premium deficiency actuarial estimate calculation.

(11) Claims Unpaid – The claims unpaid liability for incurred but unpaid and unreported claims is accrued in the period during which the services are provided and includes actuarial estimates of services performed that have not been reported to BCC by providers. Such estimates are based on historical claims experience modified for current trends and changes in benefits provided. Revisions in actuarial estimates are reported in the period in which they arise. BCC has reinsured certain of its claims liabilities through the affiliated Stop-Loss Trust. Processing expense related to claims unpaid is accrued based on an estimate of the cost to process such claims.

(12) Fixed Asset Capitalization – NOT APPLICABLE

(13) Pharmaceutical rebate receivables – estimated based on historical rebate experience and membership.

2. Accounting Changes and Corrections of Errors – NOT APPLICABLE

3. Business Combinations and Goodwill – NOT APPLICABLE

4. Discontinued Operations – NOT APPLICABLE

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans – NOT APPLICABLE

B. Debt Restructuring – NOT APPLICABLE

C. Reverse Mortgages – NOT APPLICABLE

D. Loan-Backed Securities – NOT APPLICABLE

E. Repurchase Agreements and/or Securities Lending Transactions – NOT APPLICABLE

F. Real Estate – NOT APPLICABLE

G. Investments in Low-Income Housing Tax Credits – NOT APPLICABLE

H. Restricted Assets

1. Restricted Assets (Including Pledged)

	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase (Decrease)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets [(a)]	Percentage Admitted Restricted to Total Admitted Assets [(b)]
a. Subject to contractual obligation for which liability is not shown	$ -	$ -	$ -	$ -	0.00%	0.00%
b. Collateral held under security lending arrangements						
c. Subject to repurchase agreements						
d. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						
g. Placed under option contracts						
h. Letter stock or securities restricted as to sale						
i. On deposit with states	1,000,000	1,000,000	-	1,000,000	2.61%	2.62%
j. On deposit with other regulatory bodies						
k. Pledged as collateral not captured in other categories						
l. Other restricted assets	$ 571,282	$ 500,906	$ 70,376	$ 571,282	1.49%	1.50%
m. Total Restricted Assets	$1,571,282	$1,500,906	$ 70,376	$1,571,282	4.10%	4.12%

(a) Subset of column 1
(b) Subset of column 3

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate) – NOT APPLICABLE

3. Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate) **–** NOT APPLICABLE

6. Joint Ventures, Partnerships and Limited Liability Companies – NOT APPLICABLE

7. Investment Income

   A. BCC non-admits investment income due and accrued if the amounts are over 90 days past due.

   B. BCC admitted all accrued investment income as of December 31, 2013 and 2012, respectively.

8. Derivative Instruments – NOT APPLICABLE

9. Income Taxes – NOT APPLICABLE

   BCC has been recognized by the Internal Revenue Service, under Internal Revenue Code Section 501(c)(4), as an organization exempt from tax under Section 501(a). In 2013 and 2012, BCC recorded no federal income tax expense on unrelated business income.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

   A. On a routine basis, BCC conducts business transactions with its parent, Blue Care Network of Michigan (BCN), and affiliates: Malpractice Trust; Stop-Loss Trust; AmeriHealth Caritas Health Plan (AmeriHealth), an affiliate of BCBSM; and PerformRx, LLC (PerformRx), a subsidiary of AmeriHealth.

   B. These transactions include some claims processing; management, administrative and professional services; leased employees; malpractice liability coverage; insolvency coverage; and reduced deductibles for property, general liability, automobile, and fidelity insurance coverage.

   Administrative support fees incurred from BCN were allocated to the statutory administrative expense categories of cost containment, other claims adjustment, general administrative, and investment expenses, based on the

affiliate's statutory administrative expense categories. Administrative support fees incurred from AmeriHealth, BCBSM, and PerformRx were allocated to the statutory administrative expense categories of cost containment, other claims adjustment, and general administrative, based on expense detail provided. These statutory administrative expense categories were further allocated to detailed expense accounts based on the affiliates' expense detail.

C. For the years ended December 31, 2013 and 2012, $26,119,690 and $8,895,386, respectively, were billed from BCN and affiliates for the operating activities detailed above. The majority of these transactions were related to BCN.

For the year ended December 31, 2013, $48,955 was billed to BCN and affiliates for the operating activities detailed above. The transactions were related to PerformRx. For the year ended December 31, 2012, no amounts were billed to BCN and affiliates.

On July 31, 2013 and December 20, 2013, BCN contributed additional capital in the amount of $15,000,000 and $2,000,000, respectively.

D. Except for reinsurance ceded and ceded reinsurance premiums payable, all related-party receivable and payable balances were classified as healthcare receivables, claims unpaid, unpaid claims adjustment expense or amounts due to or receivables from parent, subsidiaries and affiliates.

As of December 31, 2013 and 2012, BCC had $54,595 and $1,716, respectively, in related-party receivables. The majority of these balances were related to PerformRx and BCN as of December 31, 2013 and 2012, respectively.

As of December 31, 2013 and 2012, BCC had $3,009,949 and $709,922, respectively, in related-party payables. The majority of these balances were related to BCN.

E. Affiliate Guarantees – NOT APPLICABLE

F. BCC has agreements with BCN and affiliates to receive services. The agreements provide for monthly payments.

G. All outstanding shares of BCC are owned by BCN. In addition, BCC; BCBSM; Blue Care of Michigan, Inc., a subsidiary of BCBSM; Accident Fund Holdings, Inc. and Bloom Health Corporation, subsidiaries of BCBSM; BCN; and BCN Service Company, a subsidiary of BCN; have some common officers and board members.

H. Ownership in upstream affiliate or parent – NOT APPLICABLE

I. BCC performs the test of "significance of an investment to the reporting entity's financial position and results of operations," as required by SSAP No. 97*, Investments in Subsidiary, Controlled and Affiliated Entities, a replacement of SSAP No. 88.* BCC's carrying value of its investments in the Stop-Loss Trust and the Malpractice Trust did not exceed 10% of BCC's total admitted assets as of December 31, 2013 and 2012.

J. Investment impaired – NOT APPLICABLE

K. Investment in a foreign insurance subsidiary – NOT APPLICABLE

L. Investment in downstream noninsurance holding company – NOT APPLICABLE

11. Debt - NOT APPLICABLE

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans – NOT APPLICABLE

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

(1) BCC has 10,000 shares of common stock authorized and 100 shares issued and outstanding. All shares are one class and have no par value per share.

(2) Preferred stock – NOT APPLICABLE

(3) Dividend Restrictions – BCC's Articles of Incorporation prohibit dividends.

(4) Dates and amounts of dividends paid – NOT APPLICABLE

(5) Stockholder's portion of ordinary dividends from profits – NOT APPLICABLE

(6) Restrictions placed on unassigned funds (surplus) – NOT APPLICABLE

(7) The total amount of advances to surplus not repaid – NOT APPLICABLE

(8) The amount of stock held by BCC for special purposes – NOT APPLICABLE

(9) Special surplus funds changes – NOT APPLICABLE

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was a net unrealized gain of $571,282 at December 31, 2013.

(11) Surplus Notes – NOT APPLICABLE

(12) Impact of any restatement due to quasi-reorganization – NOT APPLICABLE

(13) Effective date(s) of all quasi-reorganizations in the prior 10 years is/are – NOT APPLICABLE

14. Contingencies

A. Contingent commitments – NOT APPLICABLE

B. Assessments

Effective January 1, 2012 through December 31, 2017, Michigan Health Insurance Claims Assessment Act imposes an assessment on certain health care claims. BCC bears the inherent credit risk of uncollectability of the tax and therefore records the tax under the gross method, whereby claims taxes collected and paid are recorded as aggregate write-ins for other health care related revenues and general administrative expense, respectively. The liability is reflected in amounts withheld for the account of others as of December 31, 2013 and 2012, in the amount of $361,718 and $159,838, respectively, under SSAP No. 35R, *Guaranty Fund and Other Assessments*.

C. Gain Contingencies – NOT APPLICABLE

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits – NOT APPLICABLE

E. Product Warranties – NOT APPLICABLE

F. All Other Contingencies – NOT APPLICABLE

15. Leases – NOT APPLICABLE

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk – NOT APPLICABLE

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – NOT APPLICABLE

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – NOT APPLICABLE

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators – NOT APPLICABLE

20. Fair Value Measurements

A. Fair Value Measurements at Reporting Date – NOT APPLICABLE

Certain assets and liabilities of BCC are measured and reported: (a) at amortized cost, (b) at values using the adjusted audited GAAP equity method, or (c) at values that approximate fair value due to their liquid or short-term nature.

B. Other Fair Value Information – NOT APPLICABLE

C. Fair Value of Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds - Industrial and miscellaneous	$ 1,863,591	$ 1,930,542	$ -	$ 1,863,591	$ -	$ -
Cash equivalents - Industrial and miscellaneous bonds	$ 2,476,122	$ 2,476,989	$ -	$ 2,476,122	$ -	$ -
Short-term Investments:						
Industrial and miscellaneous bonds	$10,294,160	$10,300,122	$ -	$10,294,160	$ -	$ -
Money market mutual funds	21,046,260	21,046,260	21,046,260	-	-	-
Total short-term investments	$31,340,420	$31,346,382	$21,046,260	$10,294,160	$ -	$ -

D. Not Practicable to Estimate Fair Value – NOT APPLICABLE

21. Other Items

A. Extraordinary Items – NOT APPLICABLE

B. Troubled Debt Restructuring – NOT APPLICABLE

C. Other Disclosures and Unusual Items

Statutory Deposit - As a condition of maintaining its certificate of authority with the State of Michigan, BCC maintains a deposit in a segregated account of $1,000,000, which is the maximum required for a Health Maintenance Organization. These funds are intended to be used for the sole benefit of all BCC members in case of insolvency and only at the director of the Director of DIFS. The funds are invested in an exempt money market mutual fund and reported in short-term investments. Interest on these funds accrues to BCC.

Other - During early 2014, it became apparent that certain inpatient claims overpayments occurred in the normal course of business in the third and fourth quarter of 2013. BCC is still in process of reviewing these matters and will take appropriate action, which may include reprocessing of claims and seeking claim overpayment recoveries from providers. BCC did not report these overpayments as assets in the 2013 results as they did not meet the threshold requirement of an asset at December 31, 2013 or as of the filing date of the statutory annual statement as of March 3, 2014 under SSAP No. 4, *Assets and Nonadmitted Assets* and SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*.

D. Business Interruption Insurance Recoveries – NOT APPLICABLE

E. State Transferable and Non-transferable Tax Credits – NOT APPLICABLE

F. Subprime-Mortgage-Related Risk Exposure – NOT APPLICABLE

G. Retained Assets – NOT APPLICABLE

H. Offsetting and Netting of Assets and Liabilities – NOT APPLICABLE

I. Joint and Several Liabilities – NOT APPLICABLE

22. Events Subsequent

Management has evaluated all events subsequent to the annual statement date of December 31, 2013 through February 28, 2014, for the annual statement submitted on March 3, 2014, and has determined that there are no Type I or Type II subsequent events that require disclosure under SSAP No. 9, *Subsequent Events*.

23. Reinsurance

A. Ceded Reinsurance Report

In compliance with the NAIC annual statement instructions and SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance,* BCC accounts for its transactions with the Stop-Loss Trust as ceded reinsurance. The Stop-Loss Trust covers risks incurred in excess of a retention amount. BCC is responsible for inpatient facility claims up to $150,000 per member each calendar year (the deductible) and has an agreement with the Stop-Loss Trust to cover the claims incurred in excess of the deductible. The Stop-Loss Trust also provides insolvency coverage.

Section 1 - General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? NOT APPLICABLE

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( ) No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. NOT APPLICABLE

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? NOT APPLICABLE

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes ( ) No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? NOT APPLICABLE

B. Uncollectible Reinsurance – NOT APPLICABLE

C. Commutation of Ceded Reinsurance – NOT APPLICABLE

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – NOT APPLICABLE

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination – NOT APPLICABLE

25. Change in Incurred Claims and Claim Adjustment Expenses

Liabilities for unpaid claims and claims adjustment expenses as of December 31, 2012 were $3,808,635. As of December 31, 2013, $3,906,161 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Liabilities for unpaid claims and claims adjustment expenses remaining for prior years are now estimated to be $168,982 as a result of re-estimation of unpaid claims and claims adjustment expenses. Therefore, there has been a $266,508 unfavorable prior year development based on the analysis of recent loss development trends from December 31, 2012 to December 31, 2013.

26. Inter-company Pooling Arrangements – NOT APPLICABLE

27. Structured Settlements – NOT APPLICABLE

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Healthcare receivables include pharmacy rebates BCC receives from a third-party vendor. BCC estimates pharmacy rebate receivables based on historical rebate experience and membership. Activity for the most recent three years is summarized as follows:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2013	$ 36,716	$ -	$ -	$ -	$ -
9/30/2013	33,730	20,171	-	-	-
6/30/2013	30,163	24,575	292	-	-
3/31/2013	20,569	20,719	1,118	19,451	-
12/31/2012	$ 21,600	$ 19,714	$ 1,078	$ 18,653	$ (175)
9/30/2012	21,600	19,981	2,706	(76)	13,873
6/30/2012	21,600	21,535	10,268	3,542	12,006
3/31/2012	21,367	21,272	10,850	10,517	(29)
12/31/2011	$ 27,000	$ 29,031	$ 9,066	$ 19,817	$ (141)
9/30/2011	27,000	29,620	13,812	15,685	(167)
6/30/2011	27,888	27,888	6,903	21,198	10
3/31/2011	25,850	26,137	6,880	19,106	(265)

B. Risk Sharing Receivables

BCC estimates risk sharing receivables based on historical claims experience modified for current trends and benefits provided for in the risk sharing agreement. At December 31, 2013, 2012 and 2011 BCC had risk sharing receivables of $2,172,913, $2,195,842 and $1,675,711, respectively, that were offset by risk sharing payables of $403,236, $1,047,122 and $718,593, respectively. The resulting net receivables are recorded in health care and other amounts receivable. Details of the balances for the most recent three years are summarized as follows:

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Invoiced	Risk Sharing Receivable Not Invoiced	Actual Risk Sharing- Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
2013	2013	$ 2,195,842	$ -	$ 2,195,842	$ -	$ -	$2,195,842	$ -	$ -
	2014	XXX	$ 2,172,913	XXX	$ 2,172,913	XXX	XXX	XXX	XXX
2012	2012	$1,675,711	$ -	$1,675,711	$ -	$ -	$1,675,711	$ -	$ -
	2013	XXX	$2,195,842	XXX	$2,195,842	XXX	XXX	XXX	XXX
2011	2011	$ 2,298,076	$ -	$2,298,076	$ -	$ -	$2,298,076	$ -	$ -
	2012	XXX	$1,675,711	XXX	$1,675,711	XXX	XXX	XXX	XXX

29. Participating Policies – NOT APPLICABLE

30. Premium Deficiency Reserves

A reserve for premium deficiency and related expense is recognized when it is probable that expected future health care costs, under a group of existing contracts, will exceed future premiums and stop-loss recoveries anticipated over the remaining term of the contract. The methods for making such estimates and for establishing the resulting reserves are actuarially calculated and periodically reviewed and updated. Any adjustments are reflected in current operations. Estimates in reserves are subject to the impact of change in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided.

	Medicaid
1. Liability carried for premium deficiency reserves	$2,971,845
2. Date of the most recent evaluation of this liability	12/31/2013
3. Was anticipated investment income utilized in the calculation?	Yes [X] No [ ]

31. Anticipated Salvage and Subrogation – NOT APPLICABLE

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State regulating? Michigan

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010

3.2 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. 12/31/2010

3.3 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). 06/26/2012

3.4 By what department or departments?
Department of Insurance and Financial Services

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

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 the 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 Co. Code	3 State of Domicile

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,
7.21 State the percentage of foreign control .....%
7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality		2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche LLP 200 Renaissance Center Suite 3900. Detroit, Michigan 48243

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the answer to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Erika Monroe, ASA MAAA Director of Actuarial Services, Blue Care Network of Michigan 20500 Civic Center Dr MC C410 Southfield, Michigan 48076

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved .....

12.13 Total book/adjusted carrying value .....

12.2 If yes, provide explanation.

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).
BCC's management and officers are subject to BCBSM's "Corporate Code of Ethics and Compliance" policy. Effective 1/1/2013, this policy was amended to add language for new definitions related to the Patient Protection and Affordable Care Act and to government programs.
Also, language was updated revising the responsibilities of the corporate compliance officer.
.
.

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers $.....0

20.12 To stockholders not officers $.....0

20.13 Trustees, supreme or grand (Fraternal only) $.....0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers $.....0

20.22 To stockholders not officers $.....0

20.23 Trustees, supreme or grand (Fraternal only) $.....0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others .....

21.22 Borrowed from others .....

21.23 Leased from others .....

21.24 Other .....

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No [ ]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $.....0

22.22 Amount paid as expenses $.....851,438

22.23 Other amounts paid $.....0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. $.....5,640

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto.

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. .....

24.06 If answer to 24.04 is no, report amount of collateral for other programs. .....

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. .....

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. .....

24.103 Total payable for securities lending reported on the liability page. .....

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	$.....0
25.22 Subject to reverse repurchase agreements	$.....0
25.23 Subject to dollar repurchase agreements	$.....0
25.24 Subject to reverse dollar repurchase agreements	$.....0
25.25 Pledged as collateral	$.....0
25.26 Placed under option agreements	$.....0
25.27 Letter stock or securities restricted as to sale	$.....0
25.28 On deposit with state or other regulatory body	$.....1,000,000
25.29 Other	$.....571,282

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: .....

28. Excluding items in Schedule E-Part 3-Special Deposits, 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 Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
State Street Bank and Trust Company	801 Pennsylvania, Kansas City, MO 64105

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

28.05 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 Number(s)	2 Name	3 Address
	Blue Cross Blue Shield of Michigan	600 E. Lafayette Blvd. Detroit, MI 48226

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [ ] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999. TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation

PART 1 - COMMON INTERROGATORIES - INVESTMENT

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	35,753,913	35,680,133	(73,780)
30.2 Preferred stocks			0
30.3 Totals	35,753,913	35,680,133	(73,780)

30.4 Describe the sources or methods utilized in determining the fair values:
Custodians and Bloomberg are the sources for fair values.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.	

34.1 Amount of payments for legal expenses, if any? $0

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only .....

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .....

1.5 Indicate total incurred claims on all Medicare Supplement insurance. .....

1.6 Individual policies:

Most current three years:

1.61 Total premium earned .....

1.62 Total incurred claims .....

1.63 Number of covered lives .....

All years prior to most current three years:

1.64 Total premium earned .....

1.65 Total incurred claims .....

1.66 Number of covered lives .....

1.7 Group policies:

Most current three years:

1.71 Total premium earned .....

1.72 Total incurred claims .....

1.73 Number of covered lives .....

All years prior to most current three years:

1.74 Total premium earned .....

1.75 Total incurred claims .....

1.76 Number of covered lives .....

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	122,057,102	65,291,747
2.2 Premium Denominator	122,057,102	65,291,747
2.3 Premium Ratio (2.1/2.2)	100.0	100.0
2.4 Reserve Numerator	14,408,907	3,849,843
2.5 Reserve Denominator	14,408,907	3,849,843
2.6 Reserve Ratio (2.4/2.5)	100.0	100.0

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, and if the earnings of the reporting entity permits? Yes [ ] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [ ]

5.1 Does the reporting entity have stop-loss reinsurance? Yes [ ] No [X]

5.2 If no, explain:

Blue Cross Complete of Michigan (BCC) participates in the BCN Stop-Loss & Casualty Self-Insurance Trust. Expiration date of 12/31/2013.
Unlimited inpatient facility coverage with a deductible of $150,000. Blue Cross Complete accounts for its activity with the Trust as if it were reinsurance.

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive medical $.....150,000

5.32 Medical only $.....0

5.33 Medicare supplement $.....0

5.34 Dental and vision $.....0

5.35 Other limited benefit plan $.....0

5.36 Other $.....0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Hold harmless provisions are included in contracts with providers. BCC has a full capitation arrangement with the University of Michigan Health System, which, in the event of insolvency, will continue member inpatient services until discharge occurs; agreement covers significant portion of our members. In addition, a State mandated cash deposit is maintained along with Stop-Loss coverage through an affiliate which includes an insolvency clause.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No [ ]

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 8,563

8.2 Number of providers at end of reporting year 14,212

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months .....

9.22 Business with rate guarantees over 36 months .....

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus arrangements in its provider contracts? Yes [ ] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses .....

10.22 Amount actually paid for year bonuses .....

10.23 Maximum amount payable withholds .....

10.24 Amount actually paid for year withholds .....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,	Yes [ ]	No [X]
11.13 An Individual Practice Association (IPA), or	Yes [X]	No [ ]
11.14 A Mixed Model (combination of above)?	Yes [ ]	No [X]
11.2 Is the reporting entity subject to Minimum Net Worth Requirements?	Yes [X]	No [ ]

11.3 If yes, show the name of the state requiring such net worth. Michigan

11.4 If yes, show the amount required. $.....10,221,942

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [X]

11.6 If the amount is calculated, show the calculation:
The greater of: 4% of subscription revenue: $122,484,962 x 4% = $4,899,398 or 3 times company action level risk-based capital:
3 x $3,407,314 = $10,221,942

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Livingston County
Washtenaw County
Wayne County

13.1 Do you act as a custodian for health savings account?	Yes [ ]	No [X]
13.2 If yes, please provide the amount of custodial funds held as of the reporting date.	.....	
13.3 Do you act as an administrator for health savings accounts?	Yes [ ]	No [X]
13.4 If yes, please provide the balance of the funds administered as of the reporting date.	.....	

FIVE-YEAR HISTORICAL DATA

	1 2013	2 2012	3 2011	4 2010	5 2009
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	38,186,093	13,082,439	8,445,096	7,754,716	6,884,723
2. Total liabilities (Page 3, Line 24)	25,376,809	8,235,019	3,821,867	3,562,611	3,114,799
3. Statutory surplus	10,221,942	2,625,218	2,363,977	2,456,797	2,390,361
4. Total capital and surplus (Page 3, Line 33)	12,809,284	4,847,420	4,623,229	4,192,105	3,769,924
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	123,207,095	65,905,318	59,443,655	60,821,461	58,599,500
6. Total medical and hospital expenses (Line 18)	117,824,776	59,949,435	52,195,125	53,797,517	51,890,287
7. Claims adjustment expenses (Line 20)	4,603,116	1,475,603	1,396,364	1,184,062	1,179,101
8. Total administrative expenses (Line 21)	6,833,694	4,352,604	5,579,019	5,515,389	5,064,311
9. Net underwriting gain (loss) (Line 24)	(9,026,336)	127,676	273,147	324,493	465,801
10. Net investment gain (loss) (Line 27)	29,531	42,703	(1,587)	(6,615)	(4,286)
11. Total other income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	(8,996,805)	170,379	271,560	317,878	461,515
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	1,130,197	1,985,501	662,832	549,517	(873,872)
Risk-Based Capital Analysis					
14. Total adjusted capital	12,809,284	4,847,420	4,623,229	4,192,105	3,769,924
15. Authorized control level risk-based capital	3,407,314	1,585,945	1,292,706	1,331,261	1,289,317
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	43,321	26,803	18,970	20,159	20,878
17. Total member months (Column 6, Line 7)	427,860	259,477	235,514	245,530	239,751
Operating Percentage (Page 4) **(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0**					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	96.5	91.8	87.8	88.5	87.4
20. Cost containment expenses	2.2	1.1	1.1	0.8	1.2
21. Other claims adjustment expenses	1.6	1.2	1.2	1.1	0.7
22. Total underwriting deductions (Line 23)	108.3	100.7	99.5	99.5	97.9
23. Total underwriting gain (loss) (Line 24)	(7.4)	0.2	0.5	0.5	0.8
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5)	3,734,494	1,110,211	1,301,188	1,099,959	1,587,558
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	3,842,706	1,158,802	1,267,126	1,017,629	1,977,802
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	571,282	500,906	419,368	304,596	185,512
32. Total of above Lines 26 to 31	571,282	500,906	419,368	304,596	185,512
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	L			122,484,962				122,484,962	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CAN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	122,484,962	0	0	0	122,484,962	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	0	0	122,484,962	0	0	0	122,484,962	0

DETAILS OF WRITE-INS

58001.								0	
58002.								0	
58003.								0	
58998. Summary of remaining write-ins for line 58	0	0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 + 58998)	0	0	0	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

By Situs of contract

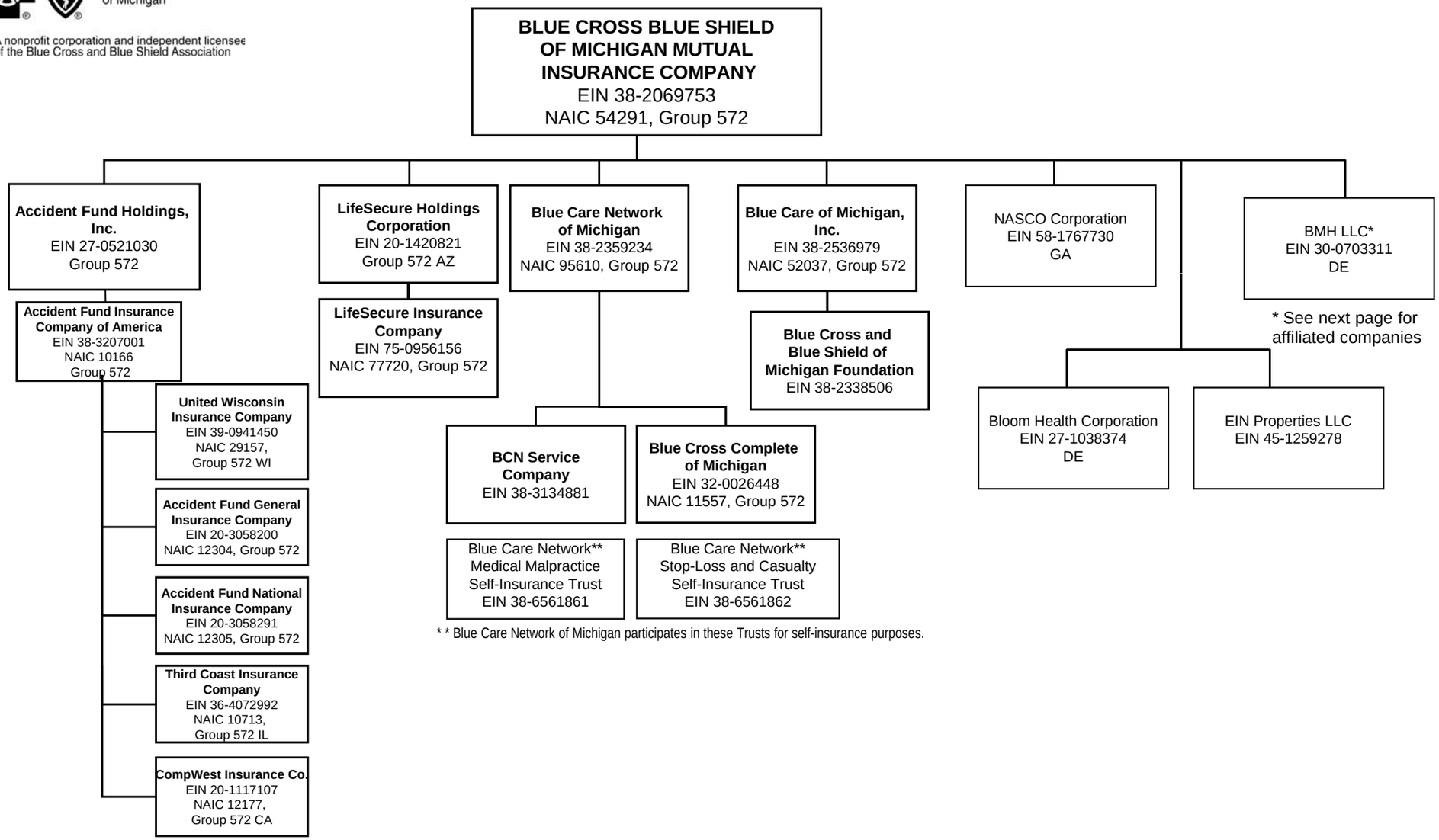
(a) Insert the number of L responses except for Canada and Other Alien.

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

Blue Cross Blue Shield of Michigan

A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

SUBSIDIARY & AFFILIATE ORGANIZATION CHART



* * Blue Care Network of Michigan participates in these Trusts for self-insurance purposes.

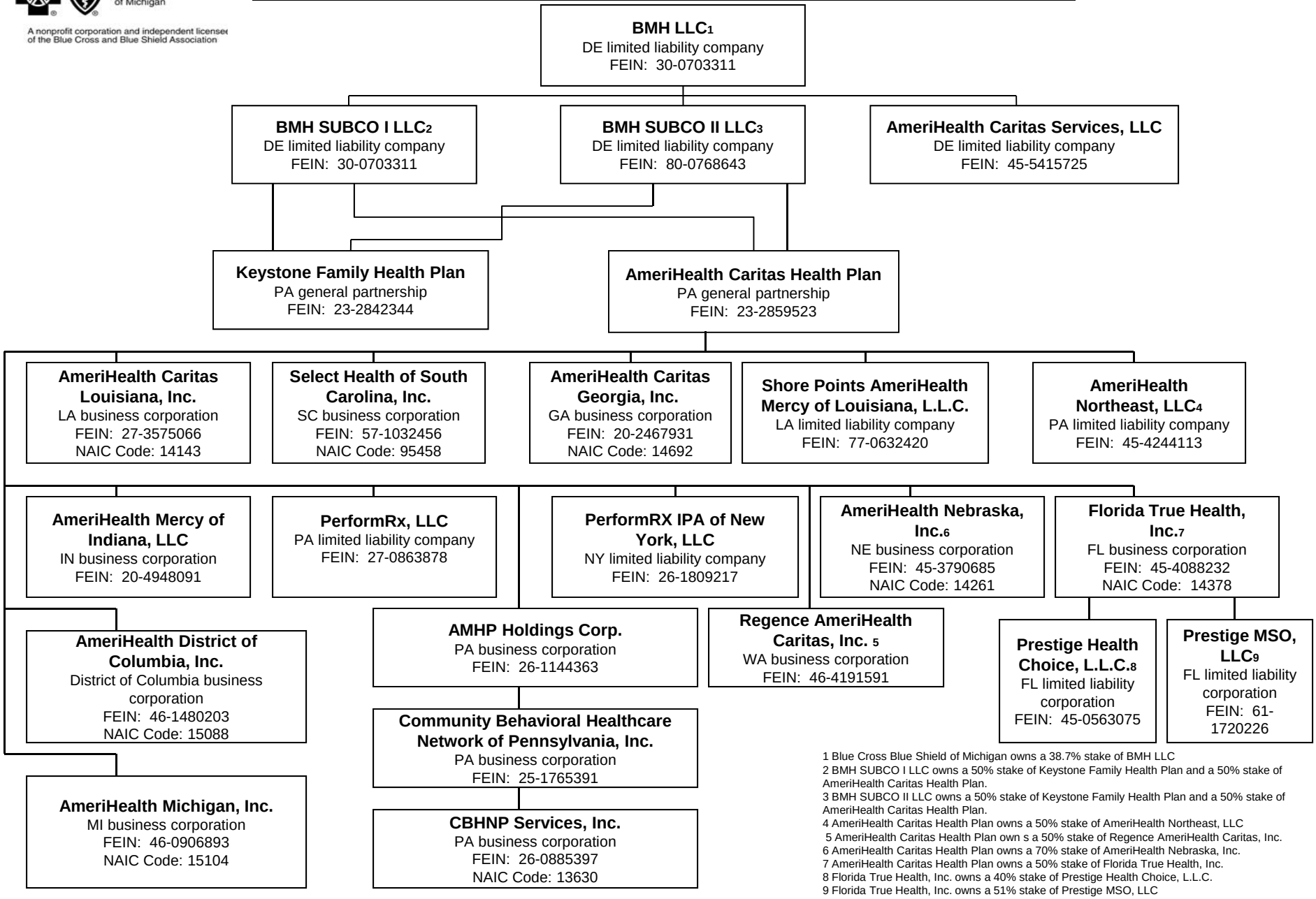
Reporting: 12/31/13 rev. All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

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

Blue Cross Blue Shield of Michigan

A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

SUBSIDIARY & AFFILIATE ORGANIZATION CHART



1 Blue Cross Blue Shield of Michigan owns a 38.7% stake of BMH LLC
2 BMH SUBCO I LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.
3 BMH SUBCO II LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.
4 AmeriHealth Caritas Health Plan owns a 50% stake of AmeriHealth Northeast, LLC
5 AmeriHealth Caritas Health Plan own s a 50% stake of Regence AmeriHealth Caritas, Inc.
6 AmeriHealth Caritas Health Plan owns a 70% stake of AmeriHealth Nebraska, Inc.
7 AmeriHealth Caritas Health Plan owns a 50% stake of Florida True Health, Inc.
8 Florida True Health, Inc. owns a 40% stake of Prestige Health Choice, L.L.C.
9 Florida True Health, Inc. owns a 51% stake of Prestige MSO, LLC

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