



QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

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

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

Country of Domicile United States

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

Incorporated/Organized 06/27/1978 Commenced Business 02/08/1979

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

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

Mail Address 2850 West Grand Boulevard, Detroit, MI, US 48202
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2850 West Grand Boulevard, Detroit, MI, US 48202 248-443-1093
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.hap.org

Statutory Statement Contact Dianna L Ronan CPA, 248-443-1093
(Name) (Area Code) (Telephone Number) (Extension)

dronan@hap.org, 248-443-8610
(E-Mail Address) (FAX Number)

OFFICERS

| Name | Title | Name | Title |
|--------------------------|--------------------------|-------------------------|----------------------------|
| <u>James M Connelly</u> | <u>President and CEO</u> | <u>Dianna L Ronan</u> | <u>Treasurer</u> |
| <u>Edith L Eisenmann</u> | <u>Secretary</u> | <u>Irita B Matthews</u> | <u>Assistant Secretary</u> |

OTHER OFFICERS

DIRECTORS OR TRUSTEES

| | | | |
|---------------------------------|----------------------------|---------------------------------|----------------------------|
| <u>Marvin W Beatty</u> | <u>Shari L Burgess</u> | <u>Sandra A Cavette MPH RDH</u> | <u>James M Connelly</u> |
| <u>Colleen M Ezzeddine Ph D</u> | <u>Joyce V Hayes-Giles</u> | <u>Harvey Hollins III</u> | <u>Jamie C Hsu Ph D</u> |
| <u>Paul F Hughes-Cromwick</u> | <u>Kirk J Lewis</u> | <u>Jackie Martin</u> | <u>Judith S Milosic</u> |
| <u>Susanne M Mitchell</u> | <u>Marguerite S Rigby</u> | <u>Kim E Schatzel Ph D</u> | <u>Nancy M Schlichting</u> |
| <u>Michelle B Schreiber MD</u> | <u>James G Vella</u> | <u>Susie M Wells</u> | |

State of Michigan

ss

County of Wayne

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

James M Connelly
President and CEO

Dianna L Ronan
Treasurer

Edith L Eisenmann
Secretary

a. Is this an original filing? Yes [X] No []

b. If no:

1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

Subscribed and sworn to before me this _____ day of _____,

Roderick Irwin Curry, Notary
August 14 2020

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 82,492,116 | | 82,492,116 | 70,256,386 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | 161,155,610 | 37,348,723 | 123,806,887 | 125,074,500 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | 8,193,631 | 7,519,186 | 674,445 | 681,504 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$ (5,765,701)), cash equivalents (\$ 0) and short-term investments (\$ 211,639,196) | 205,873,495 | | 205,873,495 | 176,919,066 |
| 6. Contract loans (including \$ premium notes) | | | 0 | 0 |
| 7. Derivatives | 188,376 | | 188,376 | 172,819 |
| 8. Other invested assets | 19,835,403 | | 19,835,403 | 19,607,498 |
| 9. Receivables for securities | 4,012,590 | | 4,012,590 | 1,422,631 |
| 10. Securities lending reinvested collateral assets | | | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 1,475,830 | 0 | 1,475,830 | 1,711,341 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 483,227,052 | 44,867,909 | 438,359,143 | 395,845,744 |
| 13. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 14. Investment income due and accrued | 399,785 | | 399,785 | 510,708 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 59,502,311 | | 59,502,311 | 46,547,800 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | | | 0 | 0 |
| 15.3 Accrued retrospective premiums | | | 0 | 0 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 1,140,000 | | 1,140,000 | 1,070,000 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 18.2 Net deferred tax asset | | | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. Electronic data processing equipment and software | 82,964,594 | 78,320,216 | 4,644,378 | 4,819,245 |
| 21. Furniture and equipment, including health care delivery assets (\$) | 4,610,459 | 4,610,459 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 4,718,760 | | 4,718,760 | 4,028,871 |
| 24. Health care (\$ 5,921,064) and other amounts receivable | 5,921,064 | 1,681,321 | 4,239,743 | 3,766,999 |
| 25. Aggregate write-ins for other-than-invested assets | 4,629,210 | 4,558,426 | 70,784 | 89,078 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 647,113,235 | 134,038,330 | 513,074,905 | 456,678,445 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 28. Total (Lines 26 and 27) | 647,113,235 | 134,038,330 | 513,074,905 | 456,678,445 |
| DETAILS OF WRITE-INS | | | | |
| 1101. Deferred Compensation | 1,467,813 | | 1,467,813 | 1,409,561 |
| 1102. Rabbi Trust | 8,017 | | 8,017 | 301,780 |
| 1103. | | | 0 | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | 1,475,830 | 0 | 1,475,830 | 1,711,341 |
| 2501. Prepaid Expense | 4,558,426 | 4,558,426 | 0 | 0 |
| 2502. Other Assets | 57,843 | | 57,843 | 57,843 |
| 2503. Other Receivables | 12,940 | | 12,940 | 31,235 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 4,629,210 | 4,558,426 | 70,784 | 89,078 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|---|----------------|----------------|-------------|-------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$ reinsurance ceded)..... | 150,342,780 | 1,935,259 | 152,278,039 | 133,653,086 |
| 2. Accrued medical incentive pool and bonus amounts | 1,500,000 | | 1,500,000 | 1,500,000 |
| 3. Unpaid claims adjustment expenses | 1,914,848 | | 1,914,848 | 1,616,359 |
| 4. Aggregate health policy reserves including the liability of \$ for medical loss ratio rebate per the Public Health Service Act..... | 660,000 | | 660,000 | 610,000 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserve | | | 0 | 0 |
| 7. Aggregate health claim reserves | | | 0 | 0 |
| 8. Premiums received in advance | 35,582,024 | | 35,582,024 | 6,730,165 |
| 9. General expenses due or accrued | 29,840,232 | | 29,840,232 | 31,602,010 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses)) | 14,674,172 | | 14,674,172 | 0 |
| 10.2 Net deferred tax liability..... | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | | | 0 | 0 |
| 13. Remittances and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$5,000,000 current) and interest thereon \$ (including \$ current) | 37,916,672 | | 37,916,672 | 39,583,337 |
| 15. Amounts due to parent, subsidiaries and affiliates | 1,766,407 | | 1,766,407 | 1,653,509 |
| 16. Derivatives..... | 38,406 | | 38,406 | 5,372 |
| 17. Payable for securities | 10,358,122 | | 10,358,122 | 2,856,387 |
| 18. Payable for securities lending | | | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers) | | | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$) companies | | | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | | | 0 | 0 |
| 23. Aggregate write-ins for other liabilities (including \$ current) | 26,834,430 | 0 | 26,834,430 | 26,644,310 |
| 24. Total liabilities (Lines 1 to 23)..... | 311,428,093 | 1,935,259 | 313,363,352 | 246,454,536 |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 14,674,172 |
| 26. Common capital stock | XXX | XXX | | 0 |
| 27. Preferred capital stock | XXX | XXX | | 0 |
| 28. Gross paid in and contributed surplus | XXX | XXX | | 0 |
| 29. Surplus notes | XXX | XXX | | 0 |
| 30. Aggregate write-ins for other-than-special surplus funds | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus) | XXX | XXX | 199,711,553 | 195,549,737 |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 shares common (value included in Line 26 \$) | XXX | XXX | | 0 |
| 32.2 shares preferred (value included in Line 27 \$) | XXX | XXX | | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 199,711,553 | 210,223,909 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 513,074,905 | 456,678,445 |
| DETAILS OF WRITE-INS | | | | |
| 2301. Pension Liability - Long Term..... | 23,437,887 | | 23,437,887 | 22,675,127 |
| 2302. Retiree Health Benefits..... | 1,437,288 | | 1,437,288 | 1,415,013 |
| 2303. Deferred Compensation..... | 1,467,813 | | 1,467,813 | 1,411,103 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 491,442 | 0 | 491,442 | 1,143,067 |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) | 26,834,430 | 0 | 26,834,430 | 26,644,310 |
| 2501. Surplus Apropriated for CY ACA Section 9010 Fee..... | XXX | XXX | | 14,674,172 |
| 2502. | XXX | XXX | | 0 |
| 2503. | XXX | XXX | | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | XXX | XXX | 0 | 14,674,172 |
| 3001. | XXX | XXX | | 0 |
| 3002. | XXX | XXX | | 0 |
| 3003. | XXX | XXX | | 0 |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above) | XXX | XXX | 0 | 0 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|---|----------------------|-------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months..... | XXX | 945,638 | 1,015,589 | 3,999,656 |
| 2. Net premium income (including \$ non-health premium income)..... | XXX | 462,142,546 | 470,194,791 | 1,869,010,697 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | | 0 | 0 |
| 4. Fee-for-service (net of \$ medical expenses) | XXX | | 0 | 0 |
| 5. Risk revenue | XXX | | 0 | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 2,698 | 171 |
| 8. Total revenues (Lines 2 to 7) | XXX | 462,142,546 | 470,197,489 | 1,869,010,868 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits | | 288,787,397 | 310,790,000 | 1,200,591,715 |
| 10. Other professional services | | | 0 | 0 |
| 11. Outside referrals | | 15,752,198 | 16,307,502 | 64,925,363 |
| 12. Emergency room and out-of-area | | 39,029,395 | 40,441,024 | 160,866,294 |
| 13. Prescription drugs | | 60,661,493 | 56,268,904 | 240,598,850 |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | | 923 | (877,478) |
| 16. Subtotal (Lines 9 to 15) | 0 | 404,230,483 | 423,808,353 | 1,666,104,744 |
| Less: | | | | |
| 17. Net reinsurance recoveries | | | 0 | 0 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 404,230,483 | 423,808,353 | 1,666,104,744 |
| 19. Non-health claims (net)..... | | | 0 | 0 |
| 20. Claims adjustment expenses, including \$ 3,723,150 cost containment expenses..... | | 6,488,701 | 6,308,146 | 24,579,941 |
| 21. General administrative expenses..... | | 61,205,625 | 35,197,767 | 163,699,978 |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)..... | | | 0 | 0 |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 471,924,809 | 465,314,266 | 1,854,384,663 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (9,782,263) | 4,883,224 | 14,626,205 |
| 25. Net investment income earned | | 397,144 | 690,757 | 2,124,466 |
| 26. Net realized capital gains (losses) less capital gains tax of \$..... | | 861,546 | 381 | 1,021,181 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 1,258,689 | 691,138 | 3,145,647 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)] | | | 0 | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | 0 | 24,495 | 108,132 |
| 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 | (8,523,573) | 5,598,857 | 17,879,984 |
| 31. Federal and foreign income taxes incurred | XXX | | 0 | 0 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | (8,523,573) | 5,598,857 | 17,879,984 |
| DETAILS OF WRITE-INS | | | | |
| 0601. | XXX | | 0 | 0 |
| 0602. | XXX | | 0 | 0 |
| 0603. | XXX | | 0 | 0 |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) | XXX | 0 | 0 | 0 |
| 0701. Gain/(Loss) on Sale of Assets..... | XXX | | 2,698 | 171 |
| 0702. | XXX | | 0 | 0 |
| 0703. | XXX | | 0 | 0 |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 | 0 |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above) | XXX | 0 | 2,698 | 171 |
| 1401. | | | 0 | 0 |
| 1402. | | | 0 | 0 |
| 1403. | | | 0 | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 | 0 |
| 2901. Delta Dental Commission Revenues..... | | | 24,495 | 108,132 |
| 2902. | | | 0 | 0 |
| 2903. | | | 0 | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | 0 | 0 | 24,495 | 108,132 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|------------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year..... | 210,223,909 | 231,454,521 | 231,454,521 |
| 34. Net income or (loss) from Line 32 | (8,523,573) | 5,598,857 | 17,879,984 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | 0 | 0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ | (1,966,725) | 354,853 | 5,043,446 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | 0 | 0 |
| 38. Change in net deferred income tax | | 0 | 0 |
| 39. Change in nonadmitted assets | (22,057) | (11,087,609) | (32,286,619) |
| 40. Change in unauthorized and certified reinsurance | 0 | 0 | 0 |
| 41. Change in treasury stock | | 0 | 0 |
| 42. Change in surplus notes | 0 | 0 | 0 |
| 43. Cumulative effect of changes in accounting principles | | 0 | 0 |
| 44. Capital Changes: | | | |
| 44.1 Paid in | | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend) | | 0 | 0 |
| 44.3 Transferred to surplus | | 0 | 0 |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | | 0 | 0 |
| 45.2 Transferred to capital (Stock Dividend) | 0 | 0 | 0 |
| 45.3 Transferred from capital | | 0 | 0 |
| 46. Dividends to stockholders | | 0 | (21,800,000) |
| 47. Aggregate write-ins for gains or (losses) in surplus | 0 | (5,281,693) | 9,932,578 |
| 48. Net change in capital and surplus (Lines 34 to 47) | (10,512,356) | (10,415,591) | (21,230,612) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 199,711,553 | 221,038,930 | 210,223,909 |
| DETAILS OF WRITE-INS | | | |
| 4701. Additional Pension Liability..... | | 0 | 9,932,578 |
| 4702. Impact of Transition to Pension Statutory Accounting Principle..... | | (5,281,693) | 0 |
| 4703. | | 0 | 0 |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 | 0 |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above) | 0 | (5,281,693) | 9,932,578 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance..... | 478,039,894 | 440,070,595 | 1,850,642,063 |
| 2. Net investment income | 832,421 | 1,053,323 | 4,186,442 |
| 3. Miscellaneous income | 18,294 | 1,038,612 | 1,174,197 |
| 4. Total (Lines 1 to 3) | 478,890,609 | 442,162,530 | 1,856,002,702 |
| 5. Benefit and loss related payments | 386,078,274 | 409,130,495 | 1,667,912,356 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 51,561,713 | 34,062,942 | 169,741,491 |
| 8. Dividends paid to policyholders | 0 | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)..... | 0 | 0 | 0 |
| 10. Total (Lines 5 through 9) | 437,639,987 | 443,193,437 | 1,837,653,848 |
| 11. Net cash from operations (Line 4 minus Line 10) | 41,250,622 | (1,030,908) | 18,348,854 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 165,887,545 | 11,936,644 | 64,570,567 |
| 12.2 Stocks | 17,006,395 | 11,110 | 21,837,623 |
| 12.3 Mortgage loans | 0 | 0 | 0 |
| 12.4 Real estate | 0 | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds | 4,911,776 | 458,013 | 2,268,660 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 187,805,716 | 12,405,767 | 88,676,851 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 178,213,411 | 12,745,948 | 69,356,543 |
| 13.2 Stocks | 14,231,070 | 565,787 | 2,155,174 |
| 13.3 Mortgage loans | 0 | 0 | 0 |
| 13.4 Real estate | 0 | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 | 30,798 |
| 13.6 Miscellaneous applications | 0 | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 192,444,481 | 13,311,735 | 71,542,516 |
| 14. Net increase (or decrease) in contract loans and premium notes | 0 | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (4,638,765) | (905,968) | 17,134,335 |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 0 | 0 | 0 |
| 16.3 Borrowed funds | (1,666,667) | (1,249,999) | (4,583,332) |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 | 21,800,000 |
| 16.6 Other cash provided (applied)..... | (5,990,760) | (12,402,080) | (41,208,451) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)..... | (7,657,427) | (13,652,079) | (67,591,783) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | 28,954,430 | (15,588,955) | (32,108,594) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 176,919,066 | 209,027,660 | 209,027,660 |
| 19.2 End of period (Line 18 plus Line 19.1) | 205,873,495 | 193,438,705 | 176,919,066 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Other |
|---|-------------|---------------------------------------|-------------|-----------------------------|---------------------|---------------------|--|------------------------------|----------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | |
| Total Members at end of: | | | | | | | | | | |
| 1. Prior Year | 329,298 | 1,267 | 265,644 | .0 | .0 | .0 | 19,418 | 42,969 | .0 | .0 |
| 2. First Quarter | 314,749 | 3,050 | 249,823 | .0 | .0 | .0 | 18,982 | 42,894 | .0 | .0 |
| 3. Second Quarter | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4. Third Quarter | .0 | | | | | | | | | |
| 5. Current Year | 0 | | | | | | | | | |
| 6. Current Year Member Months | 945,638 | 7,666 | 752,129 | | | | 57,001 | 128,842 | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | |
| 7. Physician | 326,201 | 2,971 | 245,168 | | | | 16,907 | 61,155 | | |
| 8. Non-Physician | 35,204 | 280 | 25,207 | | | | 1,677 | 8,040 | | |
| 9. Total | 361,405 | 3,251 | 270,375 | 0 | 0 | 0 | 18,584 | 69,195 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 38,068 | 175 | 18,274 | | | | 1,708 | 17,911 | | |
| 11. Number of Inpatient Admissions | 7,368 | 49 | 3,895 | | | | 340 | 3,084 | | |
| 12. Health Premiums Written (a)..... | 462,256,955 | 3,030,000 | 309,438,851 | | | | 29,608,095 | 120,180,009 | | |
| 13. Life Premiums Direct..... | .0 | | | | | | | | | |
| 14. Property/Casualty Premiums Written | .0 | | | | | | | | | |
| 15. Health Premiums Earned | 462,256,955 | 3,030,000 | 309,438,851 | | | | 29,608,095 | 120,180,009 | | |
| 16. Property/Casualty Premiums Earned | .0 | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 386,078,274 | 2,554,569 | 260,885,403 | | | | 27,604,600 | 95,033,702 | | |
| 18. Amount Incurred for Provision of Health Care Services | 404,230,483 | 2,566,280 | 262,081,435 | | | | 28,127,690 | 111,455,078 | | |

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 120,180,009

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year |
|---|---|------------------------------------|--|------------------------------------|---|--|
| | 1 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid Dec. 31 of Prior Year | On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | 67,898,220 | 195,541,752 | 35,072,734 | 74,281,626 | 102,970,954 | 107,673,873 |
| 2. Medicare Supplement | | | | | .0 | .0 |
| 3. Dental only | | | | | .0 | .0 |
| 4. Vision only | | | | | .0 | .0 |
| 5. Federal Employees Health Benefits Plan | 6,283,028 | 21,321,572 | 1,597,377 | 4,358,487 | 7,880,405 | 5,432,774 |
| 6. Title XVIII - Medicare | 13,693,257 | 81,340,445 | 3,073,539 | 33,894,276 | 16,766,796 | 20,546,439 |
| 7. Title XIX - Medicaid | | | | | .0 | .0 |
| 8. Other health | | | | | .0 | .0 |
| 9. Health subtotal (Lines 1 to 8)..... | 87,874,505 | 298,203,769 | 39,743,650 | 112,534,389 | 127,618,155 | 133,653,086 |
| 10. Health care receivables (a) | 472,744 | | | | 472,744 | .0 |
| 11. Other non-health | | | | | .0 | .0 |
| 12. Medical incentive pools and bonus amounts | | | 1,500,000 | | 1,500,000 | 1,500,000 |
| 13. Totals (Lines 9-10+11+12) | 87,401,761 | 298,203,769 | 41,243,650 | 112,534,389 | 128,645,411 | 135,153,086 |

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

**STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Practices - The accompanying financial statements of Health Alliance Plan of Michigan (the Corporation) have been prepared in accordance with the *NAIC Accounting Practices and Procedures Manual (NAPPM)* and the NAIC Annual Statement Instructions (NASI) to the extent that these accounting practices, procedures and reporting standards are not modified by accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (DIFS).

DIFS recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining the financial condition and results of operation of an insurance company. The *NAPPM* has been adopted as a component of prescribed or permitted practices by DIFS.

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

| <u>NET INCOME</u> | <u>State of Domicile</u> | <u>2014</u> | <u>2013</u> |
|---|------------------------------|----------------------|----------------------|
| (1) HAP state basis (Page 4, Line 32, Columns 2 & 3) | Michigan | (\$8,524,000) | \$17,880,000 |
| (2) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE | Michigan | | |
| (3) State Permitted Practices that increase/(decrease) NAIC SAP: NONE | Michigan | | |
| (4) NAIC SAP (1-2-3=4) | Michigan | <u>(\$8,524,000)</u> | <u>\$17,880,000</u> |
| <u>SURPLUS</u> | | | |
| (5) HAP state basis (Page 3, Line 33, Columns 3 & 4) | Michigan | \$199,712,000 | \$210,224,000 |
| (6) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE | Michigan | | |
| (7) State Permitted Practices that increase/(decrease) NAIC SAP: NONE | Michigan | | |
| (8) NAIC SAP (5-6-7=8) | Michigan | <u>\$199,712,000</u> | <u>\$210,224,000</u> |

B. Use of Estimates in the Preparation of the Financial Statements – No significant change.

C. Accounting Policy – No significant change.

3. BUSINESS COMBINATIONS AND GOODWILL

No significant change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not applicable.

3. BUSINESS COMBINATIONS AND GOODWILL

No significant change.

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.

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed and asset backed securities are obtained from broker dealer survey values.

(2) - (3) Securities with a recognized other-than-temporary-impairment (OTTI): HAP has not recognized any OTTI.

(4) Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:

a. The aggregate amount of unrealized losses:

1. Less than 12 months \$587,000.

2. 12 months or longer \$ 61,000.

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months \$21,704,000.

2. 12 months or longer \$ 2,375,000.

(5) In considering whether an investment is other-than-temporarily impaired, management considers its ability and intent to hold the investment, the severity of the decline in fair value and the duration of the impairment, among other factors. Management has determined that it has the ability and intent to hold indefinitely its investment in loan-backed securities and that the severity and duration of any impairments are insufficient to indicate an other-than-temporary impairment.

E. Repurchase Agreements and/or Securities Lending Transactions.

The Corporation has entered into repurchase agreements during the course of the year, but does not own any as of March 31, 2014.

For repurchase agreements, the Corporation's policies require collateral by cash or other eligible securities equal to at least 102% of the market value of the repurchase agreement. Eligible collateral includes: cash, U.S. Treasury securities, U.S. Government agency securities and high grade commercial paper.

The Corporation does not enter into securities lending transactions.

F. Real Estate - No significant change.

G. Investments in Low-Income Housing Tax Credits - Not applicable.

H. Restricted Assets - No significant change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable.

7. INVESTMENT INCOME

Not applicable.

8. DERIVATIVE INSTRUMENTS

A. Discussion of the market risk, credit risk and cash requirements of derivatives - No significant change.

B. Description of the Corporation's objectives for using derivatives - No significant change.

C. Description of the Corporation's accounting policies for derivatives - No significant change.

D. Net gain or loss in unrealized gains or losses excluded from the assessment of hedge effectiveness – Not applicable.

E. The net gain or loss recognized in unrealized gains or losses resulting from futures and swap contracts that no longer qualify for hedge accounting - Not applicable.

F. Derivatives accounted for as cash flow hedges of a forecasted transaction - Not applicable.

9. INCOME TAXES

Not applicable.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No significant change.

11. DEBT

No significant change.

**STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS**

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change except for footnote 12A (4).

A. Defined Benefit Plan

(4) Components of net periodic benefit cost

| | Pension Benefits | | Postretirement Benefits | | Postemployment & Compensated Absence Benefits | |
|---|-------------------------|----------------|--------------------------------|--------------|--|-------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| a. Service cost | \$4,396 | \$4,745 | \$45 | \$57 | | |
| b. Interest cost | 3,850 | 3,630 | 65 | 58 | | |
| c. Expected return on plan assets | (4,766) | (4,581) | | | | |
| d. Transition asset or obligation | 603 | 603 | (14) | (14) | N/A | N/A |
| e. Gains and losses | 1,197 | 2,949 | | 35 | | |
| f. Prior service cost or credit | (956) | (877) | 44 | 43 | | |
| g. Gain or loss recognized due to a settlement or curtailment | (32) | | | | | |
| h. Total net periodic benefit cost | <u>\$4,292</u> | <u>\$6,469</u> | <u>\$140</u> | <u>\$179</u> | | |

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. Capital Stock - Not applicable.
2. Preferred Stock - Not applicable.
3. Dividend Restrictions - No significant change.
4. Dividends Paid – Not applicable.
5. Portion of Company's profits that may be paid as ordinary dividends - No significant change.
6. Restrictions on unassigned funds (surplus) - Not applicable.
7. Advances to surplus not repaid - Not applicable.
8. Total amount of stock held by the Company for special purposes - Not applicable.
9. Changes in special surplus funds – In the year 2013 the Corporation was required by the NAIC to report an estimate for the ACA health insurance tax on a segregated line in special surplus funds with a corresponding reduction to unassigned surplus. There is a further requirement in the year 2014 to reclass this insurance tax from special surplus funds to unassigned surplus with a corresponding entry to a tax liability and expense.
10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses - No significant change.
11. Surplus Notes - Not applicable.
12. The impact of any restatement due to a quasi-reorganization - Not applicable.
13. The effective date of any quasi-reorganization - Not applicable.

14. CONTINGENCIES

- A. Contingent Commitments - Not applicable.
- B. Assessments - Not applicable.
- C. Gain Contingencies - Not applicable.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not applicable.

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS

E. All Other Contingencies

Risk Adjustment Data Validation Audits (“RADV audits”). CMS adjusts capitation payments to Medicare Advantage and Medicare Part D plans according to the predicted health status of each beneficiary, as supported by data provided by health care providers. The Company collects claim and encounter data from providers, who the Company generally relies on to appropriately code their claim submissions and document their medical records. CMS then determines the risk score and payment amount for each enrolled member based on the health care data submitted by the Company and member demographic information.

CMS performs RADV audits of selected Medicare Advantage health plans each year to validate the coding practices of and supporting documentation maintained by health care providers. These audits involve a review of medical records maintained by providers and may result in retrospective adjustments to payments made to health plans. To date, the Company has not been selected for audit by CMS. Payment years open for audit include 2011 and forward.

In December 2010, CMS published for public comment a new proposed RADV audit and payment adjustment methodology. The proposed methodology contains provisions allowing retroactive contract level payment adjustments for the year audited using an extrapolation of the “error rate” identified in audit samples. CMS also indicated that it anticipated the final methodology would be issued in the near future. Depending on the methodology utilized, potential payment adjustments could have a material adverse effect on the Company’s results of operations, financial position and cash flows.

15. LEASES

No significant change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No significant change.

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 UNINSURED PLANS

A. ASO Plans - Not applicable.

B. ASC Plans - Not applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract - No significant change.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATION

Not applicable.

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS

20. FAIR VALUE MEASUREMENT

A.

(1) Fair Value Measurements at Reporting Date

| Description | (Level 1) | (Level 2) | (Level 3) | Total |
|-------------------------------------|---------------|--------------|-----------|---------------|
| a. Assets at Fair Value | | | | |
| Bonds: | | | | |
| U.S. Governments | \$149,660,000 | | | \$149,660,000 |
| Industrial and Misc. | 60,079,000 | 2,417,000 | | 62,496,000 |
| Total Bonds | 209,739,000 | 2,417,000 | | 212,156,000 |
| Equity Securities: | | | | |
| Industrial and Misc. | | 56,632,000 | | 56,632,000 |
| Other Equity Securities | 1,476,000 | | | 1,476,000 |
| Total Common Stocks | 1,476,000 | 56,632,000 | | 58,108,000 |
| Derivative Assets: | | | | |
| Swaps | | 24,000 | | 24,000 |
| Futures | | 164,000 | | 164,000 |
| Total Derivative Assets | | 188,000 | | 188,000 |
| Total Assets at Fair Value | \$211,215,000 | \$59,237,000 | | \$270,452,000 |
| b. Liabilities at Fair Value | | | | |
| Swaps | | \$32,000 | | \$32,000 |
| Options | | 6,000 | | 6,000 |
| Total Liabilities at Fair Value | | \$38,000 | | \$38,000 |

(2) The Corporation has no fair value measurements categorized within Level 3 of the fair value hierarchy.

(3) The Corporation's policy for recognition of transfers between levels within the fair value hierarchy is to recognize the transfer on the actual date of the event or change in circumstances that caused the transfer. The Corporation had no transfers between levels.

(4) The fair value measurements categorized within Level 2 of the fair value hierarchy reported by the Corporation are obtained primarily from independent pricing services and broker dealer quotes. Mortgage backed securities are submitted to the NAIC's Securities Valuation Office for valuation.

(5) Derivative assets and liabilities:

| Description | Beginning Balance at 12/31/13 | Transfers | Total gains and (losses) included in Net Income | Total gains and (losses) included in Surplus | Purchase | Sale | Settlement | Ending Balance at 03/31/14 |
|------------------------|-------------------------------|-----------|---|--|----------|----------|------------|----------------------------|
| a. Assets: | | | | | | | | |
| Derivatives: | | | | | | | | |
| Futures & Swaps | 173,000 | | (2,000) | (56,000) | 123,000 | (50,000) | | 188,000 |
| Total Assets | 173,000 | 0 | (2,000) | (56,000) | 123,000 | (50,000) | 0 | 188,000 |
| b. Liabilities: | | | | | | | | |
| Derivatives: | | | | | | | | |
| Swaps | 5,000 | | (8,000) | 23,000 | 18,000 | | | 38,000 |
| Total Liabilities | 5,000 | 0 | (8,000) | 23,000 | 18,000 | | 0 | 38,000 |

The fair value measurements reported by the Corporation are obtained primarily from independent pricing services and broker dealer quotes.

The Corporation's policy for recognition of transfers between levels within the fair value hierarchy is to recognize the transfer on the actual date of the event or change in circumstances that caused the transfer.

There were no transfers between levels for derivative assets and liabilities in 2014.

B. Fair value information and information about other similar measurements disclosed under other accounting pronouncements combined with disclosures under SSAP No. 100, Fair Value Measurements - Not applicable.

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS

C. Aggregate fair values of financial instruments and applicable levels within the fair value hierarchy

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets/ Liabilities | (Level 1) | (Level 2) | (Level 3) | Not Practicable Carrying Value |
|------------------------------|----------------------|------------------------------|-------------|------------|-----------|--------------------------------|
| Bonds | 294,109,000 | 294,132,000 | 209,739,000 | 84,370,000 | | |
| Common Stock | 58,108,000 | 58,108,000 | 1,476,000 | 56,632,000 | | |
| Derivative Assets | 188,000 | 188,000 | | 188,000 | | |
| Derivative Liabilities | (38,000) | (38,000) | | (38,000) | | |

D. Financial instruments or classes of financial instruments for which fair value measurements are not determinable - Not applicable.

21. OTHER ITEMS

- A. Extraordinary Items - Not applicable.
- B. Troubled Debt Restructuring - Not applicable.
- C. Other Disclosures - No significant change.
- D. Uncollectible Premium Balances, Bills Receivable for Premiums, Amounts Due from Agents and Brokers, Uninsured Plans or Retrospectively Rated Contracts - No significant change.
- E. Business Interruption Insurance Recoveries - 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 – No significant change.

22. EVENTS SUBSEQUENT

Not applicable.

23. REINSURANCE

No significant change.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No significant change.

25. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Claims and claims adjustment expense reserves as of December 31, 2013 were \$135,269,000. As of March 31, 2014 \$88,988,000 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Claims and claims adjustment expense reserves remaining for prior years are now \$40,247,000. Changes in actuarial estimates of reserves attributable to insured events of prior years' reflect revisions in estimates of medical cost trends and changes in claims processing patterns.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

27. STRUCTURED SETTLEMENTS

Not applicable.

28. HEALTHCARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables - No significant change.
- B. Risk Sharing Receivables - Not applicable

**STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
NOTES TO FINANCIAL STATEMENTS**

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

Not applicable.

31. ANTICIPATED SALVAGE AND SUBROGATION

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes No
- 1.2 If yes, has the report been filed with the domiciliary state? Yes No
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change:
- 3.1 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 No
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No NA
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2012
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).02/10/2014
- 6.4 By what department or departments?
The Michigan Department of Insurance and Financial Services.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No NA
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No NA
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes No
- 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
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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 |
|---------------------|--------------------------------|----------|----------|-----------|----------|
| | | | | | |

GENERAL INTERROGATORIES

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$1,998,741

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [X] No []

11.2 If yes, give full and complete information relating thereto:
 As part of their risk management strategy the Company's investment managers utilize options as a means of managing risk in the Company's investment portfolio. The Company also enters into repurchase agreements as a means of investing short term cash.....

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

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

14.2 If yes, please complete the following:

| | 1 | 2 |
|---|---|--|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$126,088,826 | \$124,359,001 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)..... | \$126,088,826 | \$124,359,001 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
 - 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
 - 16.3 Total payable for securities lending reported on the liability page \$

17. 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 No

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------------|------------------------|
| Comerica Bank NA..... | Detroit Michigan..... |
| The Northern Trust Company..... | Chicago Illinois..... |

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|---------------------|------------------|------------------------------|
| Not applicable..... | | |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes No

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

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|---------------------|--------------------|---------------------|-------------|
| Not applicable..... | | | |

17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|--|-----------------------------|
| not applicable..... | Brian Gamble..... | Detroit Michigan..... |
| 104559..... | Pacific Investment Management Company..... | New York New York..... |
| 104863..... | Income Research & Management..... | Boston Massachusetts..... |
| 801-21011..... | J.P. Morgan Investment Management Inc..... | Jersey City New Jersey..... |

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes No

18.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
- | | |
|--|--------|
| 1.1 A&H loss percent..... | 88.3 % |
| 1.2 A&H cost containment percent | 0.8 % |
| 1.3 A&H expense percent excluding cost containment expenses..... | 13.6 % |
- 2.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ _____
- 2.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ _____

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 NAIC Company Code | 2 ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Domiciliary Jurisdiction | 6 Type of Reinsurance Ceded | 7 Type of Reinsurer | 8 Certified Reinsurer Rating (1 through 6) | 9 Effective Date of Certified Reinsurer Rating |
|---------------------------|----------------|------------------------|------------------------|----------------------------------|--------------------------------------|------------------------|---|---|
| NONE | | | | | | | | |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

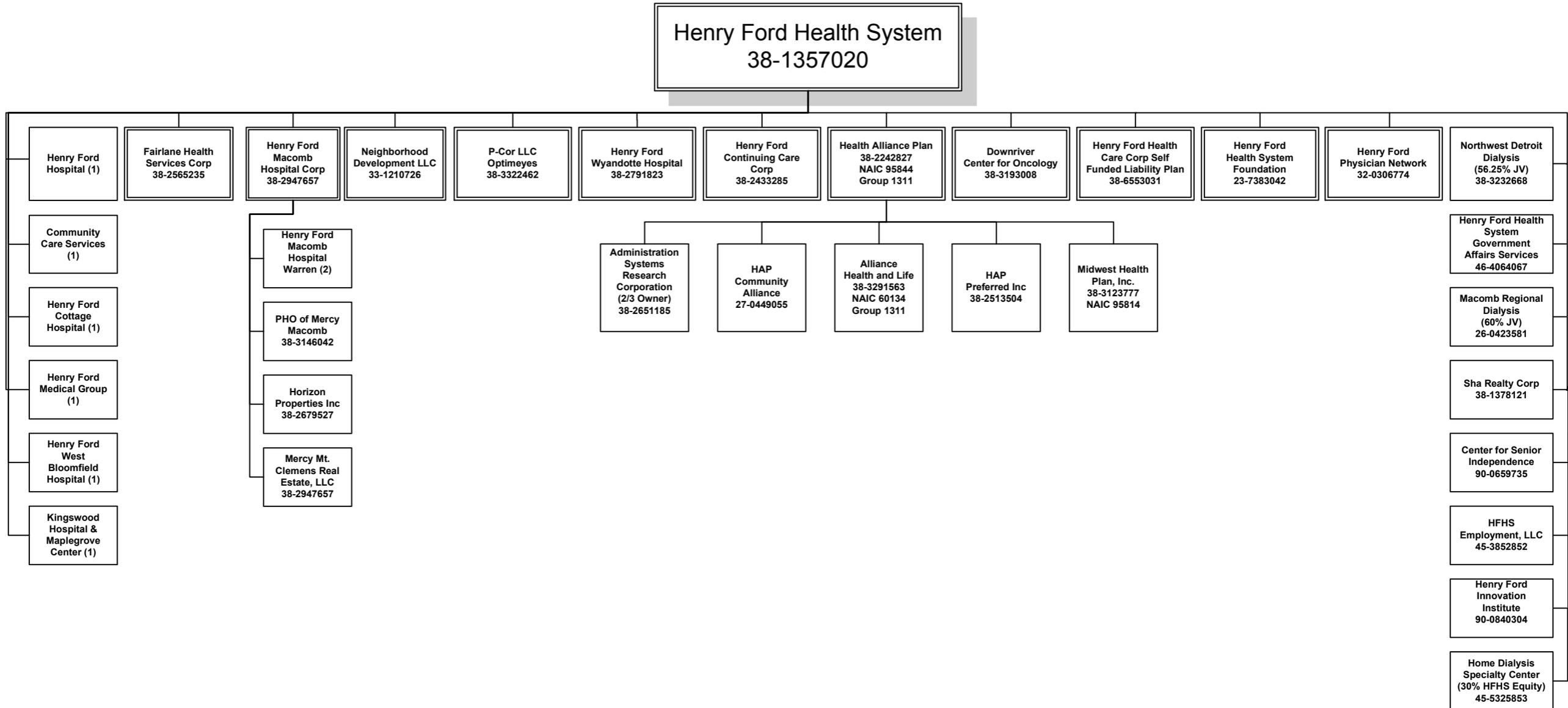
Current Year to Date - Allocated by States and Territories

| States, Etc. | 1 Active Status | Direct Business Only | | | | | | | 9 Deposit-Type Contracts | |
|---|--------------------|---------------------------------|---------------------------|-------------------------|---|---|---------------------------------|--------------------------------|-----------------------------|---|
| | | 2 Accident & Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 Federal Employees Health Benefits Program Premiums | 6 Life & Annuity Premiums & Other Considerations | 7 Property/Casualty Premiums | 8 Total Columns 2 Through 7 | | |
| 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. Dist. 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 | 310,216,095 | 120,180,009 | | 29,608,095 | | | 460,004,199 | |
| 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 | | 310,216,095 | 120,180,009 | 0 | 29,608,095 | 0 | 0 | 460,004,199 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | XXX | | 2,252,756 | | | | | | 2,252,756 | |
| 61. Total (Direct Business) | (a) 1 | | 312,468,851 | 120,180,009 | 0 | 29,608,095 | 0 | 0 | 462,256,955 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 58001 | XXX | | | | | | | | | |
| 58002 | XXX | | | | | | | | | |
| 58003 | XXX | | | | | | | | | |
| 58998 Summary of remaining write-ins for Line 58 from overflow page | XXX | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999 Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) | XXX | | 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.

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

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan
 SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
 PART 1 – ORGANIZATIONAL CHART



Legend:

(1) Represents a business unit under Henry Ford Health System's Tax ID #

(2) Represents a business unit under Henry Ford Macomb Hospital Corp.

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|---------------------------------|-------------------|-------------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|---|----|
| Group Code | Group Name | NAIC Company Code | Federal ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Name of Parent Subsidiaries or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/ Person(s) | * |
| 01311 | Henry Ford Health Systems Group | 95844 | 38-2242827 | | | | Health Alliance Plan of Michigan | MI | RE | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2513504 | | | | HAP Preferred Inc | | DS | Health Alliance Plan of Michigan | Ownership | 100.0 | Henry Ford Health System | 0 |
| 01311 | Henry Ford Health Systems Group | 60134 | 38-3291563 | | | | Alliance Health and Life Insurance Company | MI | DS | Health Alliance Plan of Michigan | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2651185 | | | | Administration System Research Corporation | | DS | Health Alliance Plan of Michigan | Ownership | 66.7 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 27-0449055 | | | | HAP Community Alliance | | DS | Health Alliance Plan of Michigan | Ownership | 100.0 | Henry Ford Health System | 0 |
| 01311 | Henry Ford Health Systems Group | 95814 | 38-3123777 | | | | Midwest Health Plan, Inc | MI | DS | Health Alliance Plan of Michigan | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-1357020 | | | | Henry Ford Health System | | UDP | | | 0.0 | | 0 |
| | Henry Ford Health Systems Group | | 38-2791823 | | | | Henry Ford Wyandotte | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2594841 | | | | First Optometry Vision Plans, Inc | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2947657 | | | | Henry Ford Macomb Hospital | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-3146042 | | | | PHO of Mercy Macomb | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2679527 | | | | Horizon Properties Inc | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2947657 | | | | Mercy Mt. Clemens Real Estate, LLC | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2565235 | | | | Fairlane Health Services Corp | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-1210726 | | | | Neighborhood Development LLC | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 45-3852852 | | | | Henry Ford Health System Employment, LLC | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 90-0840304 | | | | Henry Ford Innovation Institute | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-2433285 | | | | Henry Ford Continuing Care Corp | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-6553031 | | | | Henry Ford Health Care Corp Self Funded Liability Plan | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 23-7383042 | | | | Henry Ford Health System Foundation | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 32-0306774 | | | | Henry Ford Physician Network | | NIA | Henry Ford Health System | Ownership | 100.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 38-3232668 | | | | Northwest Detroit Dialysis | | NIA | Henry Ford Health System | Ownership | 56.3 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 45-5325853 | | | | Home Dialysis Specialty Center | | NIA | Henry Ford Health System | Ownership | 30.0 | Henry Ford Health System | 0 |
| | Henry Ford Health Systems Group | | 26-0423581 | | | | Macomb Regional Dialysis | | NIA | Henry Ford Health System | Ownership | 60.0 | Henry Ford Health System | 0 |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSE

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

.....SEE EXPLANATION.....

Explanation:

1. Health Alliance Plan offers Medicare Part D through a Medicare Advantage plan

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

MQ003 Additional Aggregate Lines for Page 03 Line 23.

*LIAB

| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
|---|--------------|----------------|------------|------------|
| 2304. Liability for CMS Coverage Gap Discount Program..... | 491,442 | | 491,442 | 1,143,067 |
| 2305 | | | 0 | 0 |
| 2397. Summary of remaining write-ins for Line 23 from Page 03 | 491,442 | 0 | 491,442 | 1,143,067 |

SCHEDULE A – VERIFICATION**Real Estate**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 7,126,719 | 3,086,498 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 1,282,014 | 4,977,506 |
| 2.2 Additional investment made after acquisition | | 0 |
| 3. Current year change in encumbrances | | 0 |
| 4. Total gain (loss) on disposals | | (2,204) |
| 5. Deduct amounts received on disposals | | 0 |
| 6. Total foreign exchange change in book/adjusted carrying value | | 0 |
| 7. Deduct current year's other-than-temporary impairment recognized | | 0 |
| 8. Deduct current year's depreciation | 215,103 | 935,081 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) | 8,193,631 | 7,126,719 |
| 10. Deduct total nonadmitted amounts | 7,519,186 | 6,445,216 |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 674,445 | 681,504 |

SCHEDULE B – VERIFICATION**Mortgage Loans**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | 0 |
| 2.2 Additional investment made after acquisition | | 0 |
| 3. Capitalized deferred interest and other | | 0 |
| 4. Accrual of discount | | 0 |
| 5. Unrealized valuation increase (decrease) | NONE | 0 |
| 6. Total gain (loss) on disposals | | 0 |
| 7. Deduct amounts received on disposals | | 0 |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees | | 0 |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest | | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized | | 0 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 0 | 0 |
| 12. Total valuation allowance | | 0 |
| 13. Subtotal (Line 11 plus Line 12) | 0 | 0 |
| 14. Deduct total nonadmitted amounts | 0 | 0 |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 0 | 0 |

SCHEDULE BA – VERIFICATION**Other Long-Term Invested Assets**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 19,607,498 | 632,400 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | 18,228,613 |
| 2.2 Additional investment made after acquisition | | 0 |
| 3. Capitalized deferred interest and other | | 0 |
| 4. Accrual of discount | | 0 |
| 5. Unrealized valuation increase (decrease) | 227,905 | 1,378,885 |
| 6. Total gain (loss) on disposals | | 0 |
| 7. Deduct amounts received on disposals | | 632,400 |
| 8. Deduct amortization of premium and depreciation | | 0 |
| 9. Total foreign exchange change in book/adjusted carrying value | | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized | | 0 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 19,835,403 | 19,607,498 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 19,835,403 | 19,607,498 |

SCHEDULE D – VERIFICATION**Bonds and Stocks**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 235,502,209 | 270,407,025 |
| 2. Cost of bonds and stocks acquired | 192,444,481 | 74,818,399 |
| 3. Accrual of discount | 27,165 | 62,313 |
| 4. Unrealized valuation increase (decrease) | (2,059,438) | 3,465,561 |
| 5. Total gain (loss) on disposals | 765,271 | 932,012 |
| 6. Deduct consideration for bonds and stocks disposed of | 182,893,940 | 113,386,803 |
| 7. Deduct amortization of premium | 138,022 | 796,298 |
| 8. Total foreign exchange change in book/adjusted carrying value | | 0 |
| 9. Deduct current year's other-than-temporary impairment recognized | | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 243,647,726 | 235,502,209 |
| 11. Deduct total nonadmitted amounts | 37,348,723 | 40,171,324 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 206,299,003 | 195,330,885 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 1B

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

| NAIC Designation | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-----------------------------------|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a)..... | 231,268,957 | 516,691,847 | 462,252,350 | 50,601 | 285,759,055 | 0 | 0 | 231,268,957 |
| 2. NAIC 2 (a)..... | 8,186,516 | 1,129,811 | 1,899,045 | (163,522) | 7,253,760 | 0 | 0 | 8,186,516 |
| 3. NAIC 3 (a)..... | 551,182 | 302,000 | 1,080 | (13,182) | 838,920 | 0 | 0 | 551,182 |
| 4. NAIC 4 (a)..... | 280,620 | | 5,150 | 4,108 | 279,578 | 0 | 0 | 280,620 |
| 5. NAIC 5 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 6. NAIC 6 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 7. Total Bonds | 240,287,275 | 518,123,658 | 464,157,625 | (121,995) | 294,131,313 | 0 | 0 | 240,287,275 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1..... | 0 | | | | 0 | 0 | 0 | 0 |
| 9. NAIC 2..... | 0 | | | | 0 | 0 | 0 | 0 |
| 10. NAIC 3..... | 0 | | | | 0 | 0 | 0 | 0 |
| 11. NAIC 4..... | 0 | | | | 0 | 0 | 0 | 0 |
| 12. NAIC 5..... | 0 | | | | 0 | 0 | 0 | 0 |
| 13. NAIC 6..... | 0 | | | | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds & Preferred Stock | 240,287,275 | 518,123,658 | 464,157,625 | (121,995) | 294,131,313 | 0 | 0 | 240,287,275 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

S102

SCHEDULE DA - PART 1

Short-Term Investments

| | 1 | 2 | 3 | 4 | 5 |
|---------|---------------------------------|-----------|-------------|------------------------------------|--|
| | Book/Adjusted Carrying Value | Par Value | Actual Cost | Interest Collected Year To Date | Paid for Accrued Interest Year To Date |
| 9199999 | 211,639,196 | XXX | 211,639,196 | 5,456 | 1,822 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 | 2 |
|--|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year..... | 169,630,884 | 223,129,673 |
| 2. Cost of short-term investments acquired | 340,110,248 | 1,664,686,808 |
| 3. Accrual of discount | 9,403 | 2,115 |
| 4. Unrealized valuation increase (decrease)..... | | 0 |
| 5. Total gain (loss) on disposals | (9,688) | (4,197) |
| 6. Deduct consideration received on disposals | 298,101,631 | 1,718,160,974 |
| 7. Deduct amortization of premium..... | 19 | 22,541 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | | 0 |
| 9. Deduct current year's other-than-temporary impairment recognized..... | | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 211,639,196 | 169,630,884 |
| 11. Deduct total nonadmitted amounts..... | | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 211,639,196 | 169,630,884 |

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

| | |
|--|----------|
| 1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year) | 58,531 |
| 2. Cost Paid/(Consideration Received) on additions | (10,111) |
| 3. Unrealized Valuation increase/(decrease) | (79,591) |
| 4. Total gain (loss) on termination recognized | 7,975 |
| 5. Considerations received/(paid) on terminations | (8,556) |
| 6. Amortization | |
| 7. Adjustment to the Book/Adjusted Carrying Value of hedged item | |
| 8. Total foreign exchange change in Book/Adjusted Carrying Value | |
| 9. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8) | (14,640) |
| 10. Deduct nonadmitted assets | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | (14,640) |

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

| | |
|---|----------------------------------|
| 1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year) | 19,160 |
| 2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change column) | 0 |
| 3.1 Add: | |
| Change in variation margin on open contracts – Highly Effective Hedges | |
| 3.11 Section 1, Column 15, current year to date minus | (1,907) |
| 3.12 Section 1, Column 15, prior year | (1,907) |
| Change in variation margin on open contracts – All Other | |
| 3.13 Section 1, Column 18, current year to date minus | 0 |
| 3.14 Section 1, Column 18, prior year | (16,297) 16,297 14,390 |
| 3.2 Add: | |
| Change in adjustment to basis of hedged item | |
| 3.21 Section 1, Column 17, current year to date minus | 0 |
| 3.22 Section 1, Column 17, prior year | 0 0 |
| Change in amount recognized | |
| 3.23 Section 1, Column 19, current year to date minus | (1,906) |
| 3.24 Section 1, Column 19, prior year | (1,906) (1,906) |
| 3.3 Subtotal (Line 3.1 minus Line 3.2) | 16,296 |
| 4.1 Cumulative variation margin on terminated contracts during the year | (8,435) |
| 4.2 Less: | |
| 4.21 Amount used to adjust basis of hedged item | |
| 4.22 Amount recognized | (28,274) (28,274) |
| 4.3 Subtotal (Line 4.1 minus Line 4.2) | 19,839 |
| 5. Dispositions gains (losses) on contracts terminated in prior year: | |
| 5.1 Total gain (loss) recognized for terminations in prior year | |
| 5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year | |
| 6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2) | 15,617 |
| 7. Deduct total nonadmitted amounts | |
| 8. Statement value at end of current period (Line 6 minus Line 7) | 15,617 |

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

| | Book/Adjusted Carrying Value Check |
|--|------------------------------------|
| 1. Part A, Section 1, Column 14..... | (14,640) |
| 2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote – Total Ending Cash Balance..... | 15,618 |
| 3. Total (Line 1 plus Line 2)..... | .978 |
| 4. Part D, Section 1, Column 5..... | 39,409 |
| 5. Part D, Section 1, Column 6..... | (38,431) |
| 6. Total (Line 3 minus Line 4 minus Line 5)..... | .0 |
| | Fair Value Check |
| 7. Part A, Section 1, Column 16..... | (14,640) |
| 8. Part B, Section 1, Column 13..... | 15,618 |
| 9. Total (Line 7 plus Line 8)..... | .978 |
| 10. Part D, Section 1 Column 8..... | 39,409 |
| 11. Part D, Section 1, Column 9..... | (38,431) |
| 12. Total (Line 9 minus Line 10 minus Line 11)..... | .0 |
| | Potential Exposure Check |
| 13. Part A, Section 1, Column 21..... | .0 |
| 14. Part B, Section 1, Column 20..... | 17,525 |
| 15. Part D, Section 1, Column 11..... | 17,525 |
| 16. Total (Line 13 plus Line 14 minus Line 15)..... | .0 |

SCHEDULE E - VERIFICATION

(Cash Equivalents)

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|----------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 400,000 | 0 |
| 2. Cost of cash equivalents acquired | | 283,600,000 |
| 3. Accrual of discount | | 0 |
| 4. Unrealized valuation increase (decrease) | | 0 |
| 5. Total gain (loss) on disposals..... | | 0 |
| 6. Deduct consideration received on disposals | 400,000 | 283,200,000 |
| 7. Deduct amortization of premium | | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | | 0 |
| 9. Deduct current year's other than temporary impairment recognized | | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 0 | 400,000 |
| 11. Deduct total nonadmitted amounts | | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 0 | 400,000 |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 Description of Property | Location | | 4 Date Acquired | 5 Name of Vendor | 6 Actual Cost at Time of Acquisition | 7 Amount of Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances | 9 Additional Investment Made After Acquisition |
|------------------------------------|------------|------------|--------------------|---------------------|---|-----------------------------|---|---|
| | 2 City | 3 State | | | | | | |
| Acquired by purchase Leaseholds | Southfield | Michigan | 03/31/2014 | Various | 1,282,014 | 0 | 1,282,014 | 0 |
| 0199999 - Acquired by purchase | | | | | 1,282,014 | 0 | 1,282,014 | 0 |
| 0399999 Totals | | | | | 1,282,014 | 0 | 1,282,014 | 0 |

SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

| 1 Description of Property | Location | | 4 Disposal Date | 5 Name of Purchaser | 6 Actual Cost | 7 Expended for Additions, Permanent Improvements and Changes in Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances Prior Year | Changes in Book/Adjusted Carrying Value Less Encumbrances | | | | | 14 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 15 Amounts Received During Year | 16 Foreign Exchange Gain (Loss) on Disposal | 17 Realized Gain(Loss) on Disposal | 18 Total Gain (Loss) on Disposal | 19 Gross Income Earned Less Interest Incurred on Encumbrances | 20 Taxes, Repairs and Expenses Incurred |
|------------------------------|-----------|------------|--------------------|------------------------|------------------|---|--|---|---|---|--|--|--|------------------------------------|--|---------------------------------------|-------------------------------------|--|--|
| | 2 City | 3 State | | | | | | 9 Current Year's Depreciation | 10 Current Year's Other Than Temporary Impairment Recognized | 11 Current Year's Change in Encumbrances | 12 Total Change in B./A. C.V. (11-9-10) | 13 Total Foreign Exchange Change in B./A. C. V. | | | | | | | |
| NONE | | | | | | | | | | | | | | | | | | | |
| 0399999 Totals | | | | | | | | | | | | | | | | | | | |

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Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|--|---------|---------------|-----------------------------|---------------------------|-------------|-------------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| Bonds - U.S. Governments | | | | | | | | | |
| 912828-A7-5 | UNITED STATES TREAS NTS. | | 01/16/2014 | DIRECT | | 495,000 | 500,000 | 352 | 1 |
| 912828-A9-1 | UNITED STATES TREAS NTS. | | 03/26/2014 | DIRECT | | 88,182,931 | 88,000,000 | 78,174 | 1 |
| 912828-B3-3 | UNITED STATES TREAS NTS. | | 03/31/2014 | DIRECT | | 10,780,602 | 10,800,000 | 14,942 | 1 |
| 912828-B6-6 | UNITED STATES TREAS NTS. | | 03/20/2014 | DIRECT | | 99,793 | 100,000 | 258 | 1 |
| 912828-RF-9 | UNITED STATES TREAS. | | 03/17/2014 | VARIOUS | | 971,595 | 960,000 | 196 | 1 |
| 912828-RX-0 | UNITED STATES TREAS. | | 03/31/2014 | DIRECT | | 65,355,936 | 65,100,000 | 75,787 | 1 |
| 912828-VG-2 | UNITED STATES TREAS NTS. | | 03/28/2014 | VARIOUS | | 930,902 | 930,000 | 1,100 | 1 |
| 912828-VL-1 | UNITED STATES TREAS NTS. | | 03/28/2014 | VARIOUS | | 1,205,970 | 1,202,000 | 860 | 1 |
| 912828-VU-1 | UNITED STATES TREAS NTS. | | 02/27/2014 | VARIOUS | | 1,269,349 | 1,266,000 | 24 | 1 |
| 912833-KL-3 | UNITED STATES TREAS. | | 02/28/2014 | BARCLAY FINANCE | | 391,488 | 400,000 | | 1 |
| 912833-KS-8 | UNITED STATES TREAS. | | 02/28/2014 | MONTGOMERY SECURITIES | | 310,075 | 330,000 | | 1 |
| 912833-LG-3 | UNITED STATES TREAS. | | 02/28/2014 | BARCLAY FINANCE | | 271,154 | 330,000 | | 1 |
| 059999 - Bonds - U.S. Governments | | | | | | 170,264,795 | 169,918,000 | 171,693 | XXX |
| Bonds - All Other Governments | | | | | | | | | |
| 910860-BD-9 | UNITED MEXICAN STS MEDIUM TERM NTS BOOK | F | 01/09/2014 | HSB CORP SEC | | 23,842 | 24,000 | | 2FE |
| 109999 - Bonds - All Other Governments | | | | | | 23,842 | 24,000 | 0 | XXX |
| Bonds - U.S. States, Territories and Possessions | | | | | | | | | |
| 89602N-U7-7 | TRIBOROUGH BRDG & TUNL AUTH N Y REVS | | 02/28/2014 | GOLDMAN SACHS | | 134,820 | 135,000 | 285 | 1FE |
| 179999 - Bonds - U.S. States, Territories and Possessions | | | | | | 134,820 | 135,000 | 285 | XXX |
| Bonds - U.S. Special Revenue | | | | | | | | | |
| 01F042-62-4 | FNMA | | 01/29/2014 | DIRECT | | 1,067,578 | 1,000,000 | | 1 |
| 01F042-63-2 | FNMA | | 02/14/2014 | DIRECT | | 2,133,281 | 2,000,000 | | 1 |
| 01F052-63-1 | FNMA TBA | | 03/10/2014 | VARIOUS | | 3,438 | | | 1 |
| 01F052-64-9 | FNMA | | 03/10/2014 | DEUTSCHEBA | | (1,102,813) | (1,000,000) | | 1 |
| 3136A9-P8-5 | FNMA | | 03/07/2014 | STERNEAG | | 65,895 | 68,641 | 52 | 1 |
| 3136AD-GY-9 | FNMA | | 03/10/2014 | STEPHENS | | 115,677 | 111,228 | 148 | 1 |
| 3137A7-FZ-8 | FEDERAL HOME LN MTG CORP | | 02/20/2014 | FIRSTSOUTH | | 44,431 | 44,655 | 8 | 1 |
| 3137AS-CR-3 | FEDERAL HOME LN MTG CORP | | 01/16/2014 | GX CLARKE | | 106,582 | 104,493 | 213 | 1 |
| 31393D-6J-5 | FNMA | | 03/25/2014 | VARIOUS | | 64,715 | 59,947 | 132 | 1 |
| 31396W-FQ-4 | FNMA | | 03/27/2014 | DONALDSON LIFKIN JENNERETTE | | 89,018 | 89,917 | 8 | 1 |
| 31396W-TU-0 | FNMA | | 03/12/2014 | FIRSTSOUTH | | 99,440 | 100,066 | 31 | 1 |
| 31396X-NT-7 | FNMA | | 03/17/2014 | FIRSTSOUTH | | 92,763 | 92,244 | 56 | 1 |
| 31397B-5P-2 | FEDERAL HOME LN MTG CORP | | 03/12/2014 | FIRSTSOUTH | | 58,298 | 58,628 | 2 | 1 |
| 319999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions | | | | | | 2,838,303 | 2,729,819 | 650 | XXX |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| 00206R-BR-2 | AT&T INC. | | 01/14/2014 | JPM CHASE | | 94,965 | 95,000 | 368 | 1FE |
| 060505-DP-6 | BANK AMER CORP | | 01/15/2014 | DIRECT | | 114,053 | 100,000 | 799 | 1FE |
| 06051G-FB-0 | BANK AMER CORP | | 01/15/2014 | MONTGOMERY SECURITIES | | 39,971 | 40,000 | | 1FE |
| 07387J-AE-6 | BEAR STEARNS COML MTG SECS TR 2006-PWR12 | | 03/19/2014 | VARIOUS | | 323,342 | 297,000 | 679 | 1FE |
| 14178U-AA-8 | CARFINANCE CAP AUTO TR 2014-1 | | 03/17/2014 | FIRST BOSTON | | 20,998 | 21,000 | | 1FE |
| 14912L-5Z-0 | CATERPILLAR FINL SVCS CORP MEDIUM TERM N | | 02/26/2014 | JPM CHASE | | 172,898 | 173,000 | | 1FE |
| 17275R-AP-7 | CISCO SYS INC. | | 02/24/2014 | BARCLAY FINANCE | | 1,996 | 2,000 | | 1FE |
| 17275R-AT-9 | CISCO SYS INC. | | 02/24/2014 | JPM CHASE | | 112,993 | 113,000 | | 1FE |
| 172967-EM-9 | CITIGROUP INC. | | 03/05/2014 | VARIOUS | | 129,547 | 112,000 | 1,809 | 1FE |
| 20030N-AU-5 | COMCAST CORP NEW | | 02/11/2014 | VARIOUS | | 57,457 | 49,000 | 747 | 1FE |
| 20047T-AA-7 | COMM 2014-TWC MTG TR | | 01/30/2014 | DB ALEXANDER BROWN | | 100,000 | 100,000 | | 1FE |
| 21686C-AD-2 | COOP CENTRALE | F | 03/05/2014 | BEAR STEARNS | | 109,824 | 103,000 | 492 | 1FE |
| 25152R-VS-9 | DEUTSCHE BK AG GLOBAL MEDIUM TERM NTS BO | F | 02/06/2014 | ALEX BROWN | | 24,988 | 25,000 | | 1FE |
| 268317-AG-9 | ELECTRICITE DE FRANCE | F | 01/13/2014 | SGCOWENAND | | 176,223 | 177,000 | | 1FE |
| 268317-AJ-3 | EDF S A | F | 01/13/2014 | FIRST BOSTON | | 11,862 | 12,000 | | 1FE |
| 29358Q-AB-5 | ENSCO PLC FORMERLY ENSCO INTL PLC TO 03 | F | 03/05/2014 | SUNTRUSTCA | | 18,850 | 18,000 | 284 | 2FE |
| 29379V-BB-8 | ENTERPRISE PRODS OPER LLC | | 02/05/2014 | SALOMAN BROTHERS | | 7,985 | 8,000 | | 2FE |
| 30165Q-AA-8 | EXETER AUTOMOBILE RECEIVABLES TR 2014-1 | | 01/29/2014 | ALEX BROWN | | 59,995 | 60,000 | | 1FE |
| 30219G-AD-0 | EXPRESS SCRIPTS HLDG CO | | 01/29/2014 | JPMORGRE | | 108,836 | 105,000 | 1,299 | 2FE |
| 302570-BC-9 | FPL GROUP CAPITAL INC. | | 03/17/2014 | DONALDSON LIFKIN JENNERETTE | | 197,914 | 177,000 | 3,678 | 2FE |
| 36962G-2G-8 | GENERAL ELEC CAP CO | | 03/05/2014 | BARCLAYS BANK | | 61,874 | 55,000 | 206 | 1FE |
| 38141E-A5-8 | GOLDMAN SACHS GROUP | | 02/13/2014 | MCDONALD | | 22,489 | 20,000 | 460 | 1FE |
| 404119-BM-0 | HCA INC. | | 03/04/2014 | DIRECT | | 302,000 | 300,000 | | 3FE |

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STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation or Market Indicator (a) |
|--|---|--------------|--------------------|---------------------|-----------------------------------|---------------------|--------------------|---|---|
| 404225-CB-8 | HLSS SERVICER ADVANCE RECEIVABLES TR | | 01/14/2014 | BARCLAYS BANK | | 139,000 | 139,000 | | 1FE |
| 404225-CF-9 | HLSS SERVICER ADVANCE RECEIVABLES TR | | 01/14/2014 | BARCLAY FINANCE | | 100,000 | 100,000 | | 1FE |
| 55608P-AE-4 | MACQUARIE BK LTD | F | 03/18/2014 | WACHOVIA | | 105,990 | 106,000 | | 1FE |
| 581557-BB-0 | MCKESSON CORP NEW | | 03/05/2014 | GOLDMAN SACHS | | 190,000 | 190,000 | | 2FE |
| 609207-AB-1 | MONDELEZ INTL INC | | 01/09/2014 | RBSSECU | | 29,968 | 30,000 | | 2FE |
| 61690G-AD-3 | MORGAN STANLEY BK AMER MERRILL LYNCH TR | | 01/30/2014 | MORGAN STANLEY | | 102,998 | 100,000 | 132 | 1FE |
| 627180-AA-3 | MURRAY STR INVT TR 627180AA3 | | 01/28/2014 | GOLDMAN SACHS | | 54,030 | 50,000 | 387 | 1FE |
| 64828U-AA-7 | NEW RESIDENTIAL ADVANCE RECEIVABLES TR | | 03/13/2014 | FIRST BOSTON | | 100,000 | 100,000 | | 1FE |
| 64952W-BR-3 | NEW YORK LIFE GLOBAL FDG MEDIUM TERM NTS | | 03/07/2014 | VARIOUS | | 243,679 | 244,000 | 60 | 1FE |
| 66989H-AG-3 | NOVARTIS CAP CORP | | 02/18/2014 | GOLDMAN SACHS | | 12,907 | 13,000 | | 1FE |
| 69362B-AZ-5 | PSEG PWR LLC | | 03/13/2014 | MCDONALD | | 20,189 | 20,000 | 177 | 2FE |
| 71647N-AG-4 | PETROBRAS GLOBAL FIN B V | F | 03/10/2014 | HSB CORP SEC | | 19,991 | 20,000 | | 1FE |
| 71647N-AM-1 | PETROBRAS GLOBAL FIN B V | F | 03/10/2014 | SALOMAN BROTHERS | | 17,959 | 18,000 | | 2FE |
| 744320-AY-1 | PRUDENTIAL FINL INC MEDIUM TERM NTS BOOK | | 03/06/2014 | VARIOUS | | 151,282 | 132,000 | 1,924 | 2FE |
| 744320-BC-8 | PRUDENTIAL FINL | | 02/25/2014 | BARCLAYS BANK | | 120,669 | 104,000 | 1,508 | 2FE |
| 85172K-AA-6 | SPRINGLEAF FDG TR 2014-A | | 03/19/2014 | FIRST BOSTON | | 99,984 | 100,000 | | 1FE |
| 857524-AC-6 | STATE TREAS REP POLAND | F | 01/16/2014 | SALOMAN BROTHERS | | 12,895 | 13,000 | | 1FE |
| 882508-AY-0 | TEXAS INSTRS INC | | 03/05/2014 | SALOMAN BROTHERS | | 19,859 | 20,000 | | 1FE |
| 90331H-MC-4 | U S BK NATL ASSN CINCINNATI OHIO MEDIUM | | 01/27/2014 | USBANCI | | 249,963 | 250,000 | | 1FE |
| 92343V-BP-8 | VERIZON COMMUNICATIONS INC | | 03/11/2014 | GOLDMAN SACHS | | 223,320 | 210,000 | | 2FE |
| 92343V-CC-6 | VERIZON COMMUNICATIONS INC | | 03/10/2014 | FIRST UCP | | 18,997 | 19,000 | | 2FE |
| 929766-7G-2 | WACHOVIA BK COML MTG TR | | 03/25/2014 | MORGAN STANLEY | | 168,843 | 160,403 | 630 | 1FE |
| 92978M-AE-6 | WACHOVIA BK COML MTG TR COML MTG PASS-TH | | 03/05/2014 | CANTOR FITZGERALD | | 421,694 | 384,560 | 536 | 1FE |
| 94981R-AA-4 | WELLS FARGO MTG BACKED SECURITIES 2005-AR | | 01/30/2014 | VARIOUS | | 56,370 | 55,537 | 12 | 1FE |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 4,951,647 | 4,740,500 | 16,187 | XXX |
| 8399997 - Subtotals - Bonds - Part 3 | | | | | | 178,213,407 | 177,547,319 | 188,815 | XXX |
| 8399999 - Subtotals - Bonds | | | | | | 178,213,407 | 177,547,319 | 188,815 | XXX |
| Common Stocks - Industrial and Miscellaneous | | | | | | | | | |
| 111994-90-1 | JP MORGAN CORE BOND FUND | | 03/31/2014 | DIRECT | 19,493.850 | 205,507 | | | L |
| 722005-40-2 | PIMCO FDS | | 03/20/2014 | CHICAGOCOR | 1,159.370 | 11,130 | | | L |
| 72201M-48-7 | PIMCO FDS | | 03/31/2014 | DIRECT | 1,250,176.710 | 14,014,433 | | | L |
| 9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | 14,231,070 | XXX | 0 | XXX |
| 9799997 - Subtotals - Common Stocks - Part 3 | | | | | | 14,231,070 | XXX | 0 | XXX |
| 9799999 - Subtotals - Common Stocks | | | | | | 14,231,070 | XXX | 0 | XXX |
| 9899999 - Subtotals - Preferred and Common Stocks | | | | | | 14,231,070 | XXX | 0 | XXX |
| 9999999 Totals | | | | | | 192,444,477 | XXX | 188,815 | XXX |

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

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STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|--------------------------|-------------|---------------|-------------------|---------------------------|---------------|-------------|-------------|---|---|--|---|--------------------------------------|--|--|--|----------------------------------|-------------------------------|--|----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | For e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | | |
| 36179M-E9-7 | GNMA | | 03/01/2014 | PAYDOWN | | 10,403 | 10,403 | 11,886 | 10,486 | | (83) | | (83) | | 10,403 | | | 0 | 120 | 12/20/2039 | 1 |
| 38375B-D7-4 | GNMA | | 03/20/2014 | PAYDOWN | | 1,597 | 1,597 | 1,586 | 1,609 | | (12) | | (12) | | 1,597 | | | 0 | 1 | 12/20/2062 | 1 |
| 38375B-NF-5 | GNMA | | 03/20/2014 | PAYDOWN | | 8,540 | 8,540 | 8,545 | 8,566 | | (27) | | (27) | | 8,540 | | | 0 | 13 | 10/20/2061 | 1 |
| 38375B-N0-1 | GNMA | | 03/20/2014 | PAYDOWN | | 18,144 | 18,144 | 18,218 | 18,253 | | (108) | | (108) | | 18,144 | | | 0 | 27 | 10/20/2061 | 1 |
| 38375B-VS-8 | GNMA | | 03/01/2014 | PAYDOWN | | 21,185 | 21,185 | 21,318 | 21,186 | | (1) | | (1) | | 21,185 | | | 0 | 37 | 07/20/2062 | 1 |
| GOVERNMENT NATIONAL | | | | | | | | | | | | | | | | | | | | | |
| 383750-D8-9 | MORTGAGE ASSOCIATION | | 03/01/2014 | PAYDOWN | | 8,023 | 8,023 | 8,853 | 8,037 | | (14) | | (14) | | 8,023 | | | 0 | 109 | 06/20/2038 | 1 |
| 912828-A7-5 | UNITED STATES TREAS NTS | | 01/22/2014 | DIR | | 495,371 | 500,000 | 495,000 | | 16 | | 16 | | 495,016 | | 356 | 356 | 477 | 12/30/2018 | 1 | |
| 912828-A9-1 | UNITED STATES TREAS NTS | | 03/26/2014 | DIR | | 84,372,250 | 84,200,000 | 84,388,065 | | (19) | | (19) | | 84,388,047 | | (15,797) | (15,797) | 72,149 | 01/15/2017 | 1 | |
| 912828-B3-3 | UNITED STATES TREAS NTS | | 03/31/2014 | DIR | | 10,480,688 | 10,500,000 | 10,483,861 | | 4 | | 4 | | 10,483,865 | | (3,177) | (3,177) | 14,296 | 01/31/2019 | 1 | |
| 912828-OX-1 | UNITED STATES TREAS | | 02/28/2014 | NOMURASF | | 502,078 | 490,000 | 501,264 | | (379) | | (379) | | 495,548 | | 6,530 | 6,530 | 4,304 | 07/31/2016 | 1 | |
| 912828-RE-2 | UNITED STATES TREAS | | 01/22/2014 | DIR | | 8,169,141 | 8,200,000 | 8,163,000 | | 441 | | 441 | | 8,165,486 | | 3,654 | 3,654 | 49,144 | 08/29/2018 | 1 | |
| 912828-RF-9 | UNITED STATES TREAS | | 03/18/2014 | VARIOUS | | 443,134 | 438,000 | 443,799 | | (294) | | (294) | | 442,425 | | 709 | 709 | 2,270 | 08/28/2016 | 1 | |
| 912828-RH-5 | UNITED STATES TREAS | | 01/22/2014 | DIR | | 1,879,293 | 1,900,000 | 1,909,055 | | (107) | | (107) | | 1,908,633 | | (29,340) | (29,340) | 8,254 | 09/30/2018 | 1 | |
| 912828-RM-4 | UNITED STATES TREAS | | 02/28/2014 | MORGSTN4 | | 556,102 | 550,000 | 553,372 | | (115) | | (115) | | 551,839 | | 4,263 | 4,263 | 1,869 | 10/31/2016 | 1 | |
| 912828-RX-0 | UNITED STATES TREAS | | 03/31/2014 | DIR | | 45,940,438 | 45,700,000 | 45,868,112 | | (3,723) | | (3,723) | | 45,864,389 | | 76,049 | 76,049 | 58,727 | 12/30/2016 | 1 | |
| 912828-SV-3 | UNITED STATES TREAS | | 02/28/2014 | DBALEXBR | | 285,105 | 300,000 | 301,160 | | (21) | | (21) | | 301,050 | | (15,945) | (15,945) | 1,566 | 05/15/2022 | 1 | |
| 912828-TP-5 | UNITED STATES TREAS | | 01/27/2014 | MORGSTN4 | | 59,976 | 60,000 | 59,927 | | 3 | | 3 | | 59,930 | | 46 | 46 | 56 | 09/15/2015 | 1 | |
| 912828-UA-6 | UNITED STATES TREAS NTS | | 02/28/2014 | MORGSTN4 | | 275,527 | 280,000 | 280,106 | | (4) | | (4) | | 280,080 | | (4,553) | (4,553) | 447 | 11/30/2017 | 1 | |
| 912828-VG-2 | UNITED STATES TREAS NTS | | 03/07/2014 | VARIOUS | | 472,354 | 472,000 | 470,145 | | 78 | | 78 | | 470,449 | | 1,904 | 1,904 | 440 | 06/15/2016 | 1 | |
| 912828-VL-1 | UNITED STATES TREAS NTS | | 03/05/2014 | JPMORCHA | | 421,610 | 420,000 | 421,586 | | (104) | | (104) | | 421,428 | | 183 | 183 | 1,667 | 07/15/2016 | 1 | |
| 912828-YU-1 | UNITED STATES TREAS NTS | | 03/25/2014 | VARIOUS | | 773,552 | 772,000 | 774,035 | | (61) | | (61) | | 757,949 | | 15,602 | 15,602 | 152 | 08/28/2015 | 1 | |
| 0599999 - Bonds - U.S. Governments | | | | | | 155,194,511 | 154,849,892 | 155,182,870 | 13,165,508 | 0 | (4,530) | 0 | (4,530) | 0 | 155,154,026 | 0 | 40,484 | 40,484 | 216,125 | XXX | XXX |
| Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions | | | | | | | | | | | | | | | | | | | | | |
| 01F042-62-4 | FNMA | | 01/29/2014 | DIR | | 2,135,156 | 2,000,000 | 2,130,391 | | 0 | | 0 | | 2,130,391 | | 4,766 | 4,766 | | 12/25/2040 | 1 | |
| 01F042-63-2 | FNMA | | 02/14/2014 | DIR | | 2,137,734 | 2,000,000 | 2,133,281 | | 0 | | 0 | | 2,133,281 | | 4,453 | 4,453 | | 03/25/2036 | 1 | |
| 01F052-63-1 | FNMA TBA | | 03/21/2014 | VARIOUS | | | | 3,438 | | 0 | | 0 | | 3,438 | | (3,438) | (3,438) | | 03/01/2033 | 1 | |
| 31282H-BJ-4 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 5,896 | 5,896 | 6,059 | | (15) | | (15) | | 5,896 | | | 0 | 59 | 01/01/2018 | 1 | |
| 3128AL-EE-4 | FEDERAL HOME LN MTG CORP | | 01/01/2014 | PAYDOWN | | 59,388 | 59,388 | 60,724 | | (1,268) | | (1,268) | | 59,388 | | | 0 | 272 | 05/01/2027 | 1 | |
| 3128JQ-HT-8 | FHLNC | | 03/01/2014 | PAYDOWN | | 715 | 715 | 733 | | (5) | | (5) | | 715 | | | 0 | 5 | 07/01/2040 | 1 | |
| 3128M1-M0-9 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 1,582 | 1,582 | 1,747 | | (4) | | (4) | | 1,582 | | | 0 | 17 | 07/01/2021 | 1 | |
| 3128M6-6A-1 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 11,519 | 11,519 | 12,790 | | (54) | | (54) | | 11,519 | | | 0 | 164 | 12/01/2038 | 1 | |
| 3128P7-D7-5 | FHLNC | | 03/01/2014 | PAYDOWN | | 2,162 | 2,162 | 2,352 | | (6) | | (6) | | 2,162 | | | 0 | 21 | 04/01/2027 | 1 | |
| 3128P7-M6-7 | FHLNC | | 03/01/2014 | PAYDOWN | | 3,350 | 3,350 | 3,566 | | (4) | | (4) | | 3,350 | | | 0 | 22 | 12/01/2029 | 1 | |
| 3128P7-NL-3 | FNMA | | 03/01/2014 | PAYDOWN | | 1,977 | 1,977 | 2,096 | | (2) | | (2) | | 1,977 | | | 0 | 13 | 04/01/2030 | 1 | |
| 3128PR-JW-0 | FHLNC | | 03/01/2014 | PAYDOWN | | 3,228 | 3,228 | 3,451 | | (5) | | (5) | | 3,228 | | | 0 | 24 | 04/01/2025 | 1 | |
| 31300L-Q7-3 | FHLNC POOL #848578 | | 03/01/2014 | PAYDOWN | | 1,653 | 1,653 | 1,748 | | (27) | | (27) | | 1,653 | | | 0 | 10 | 01/01/2037 | 1 | |
| 31335H-3E-1 | FHLNC | | 03/01/2014 | PAYDOWN | | 1,739 | 1,739 | 1,833 | | (2) | | (2) | | 1,739 | | | 0 | 15 | 02/01/2024 | 1 | |
| 313560-ES-8 | FNMA | | 03/18/2014 | DADAV INC | | 101,886 | 100,000 | 101,477 | | (69) | | (69) | | 100,856 | | 1,030 | 1,030 | 474 | 11/15/2016 | 1 | |
| 3136A2-FL-2 | FNMA | | 03/01/2014 | PAYDOWN | | 3,434 | 3,434 | 3,470 | | (2) | | (2) | | 3,434 | | | 0 | 17 | 06/25/2037 | 1 | |
| 3136AB-XK-1 | FNMA | | 03/01/2014 | PAYDOWN | | 8,186 | 8,186 | 8,655 | | (18) | | (18) | | 8,186 | | | 0 | 47 | 06/25/2022 | 1 | |
| 3136AB-PT-4 | FNMA | | 03/01/2014 | PAYDOWN | | 900 | 900 | 909 | | (7) | | (7) | | 900 | | | 0 | 21 | 11/25/2016 | 1 | |
| 31371N-P8-2 | FNMA POOL #257047 | | 03/01/2014 | PAYDOWN | | 2,503 | 2,503 | 2,728 | | (7) | | (7) | | 2,503 | | | 0 | 21 | 10/01/2027 | 1 | |
| 31371N-U4-5 | FNMA | | 03/01/2014 | PAYDOWN | | 2,242 | 2,242 | 2,359 | | (4) | | (4) | | 2,242 | | | 0 | 18 | 05/01/2028 | 1 | |
| 31371P-AJ-9 | FNMA | | 03/01/2014 | PAYDOWN | | 2,357 | 2,357 | 2,568 | | (5) | | (5) | | 2,357 | | | 0 | 25 | 11/01/2018 | 1 | |
| 3137A0-VG-7 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 1,005 | 1,005 | 1,023 | | (1) | | (1) | | 1,005 | | | 0 | 5 | 08/15/2020 | 1 | |
| 3137A5-EJ-9 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 1,691 | 1,691 | 1,727 | | (1) | | (1) | | 1,691 | | | 0 | 11 | 11/15/2023 | 1 | |
| 3137A7-FZ-8 | FEDERAL HOME LN MTG CORP | | 03/15/2014 | PAYDOWN | | 99 | 99 | 98 | | | | | | 99 | | | 0 | | 02/15/2041 | 1 | |
| 3137A7-XV-7 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 4,529 | 4,529 | 4,977 | | (9) | | (9) | | 4,529 | | | 0 | 38 | 08/15/2039 | 1 | |
| 3137AB-SU-1 | FHLNC | | 03/01/2014 | PAYDOWN | | 3,386 | 3,386 | 3,597 | | (4) | | (4) | | 3,386 | | | 0 | 25 | 10/15/2039 | 1 | |
| 3137AC-K9-9 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 7,798 | 7,798 | 8,063 | | (11) | | (11) | | 7,798 | | | 0 | 35 | 06/15/2026 | 1 | |
| 3137AJ-YX-6 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 4,011 | 4,011 | 4,157 | | (3) | | (3) | | 4,011 | | | 0 | 20 | 09/15/2029 | 1 | |
| 3137AM-TT-4 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 3,085 | 3,085 | 3,008 | | 1 | | 1 | | 3,085 | | | 0 | 12 | 01/15/2042 | 1 | |
| 3137AS-CR-3 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 2,016 | 2,016 | 2,057 | | (40) | | (40) | | 2,016 | | | 0 | 9 | 11/15/2040 | 1 | |
| 3137B2-NA-4 | FEDERAL HOME LN MTG CORP | | 03/01/2014 | PAYDOWN | | 5,701 | 5,701 | 6,006 | | (3) | | (3) | | 5,701 | | | 0 | 29 | 08/15/2039 | 1 | |
| 3138EG-EG-5 | FNMA | | 03/01/2014 | PAYDOWN | | 1,503 | 1,503 | 1,577 | | 2 | | 2 | | 1,503 | | | 0 | 6 | 09/01/2036 | 1 | |
| 3138EG-HF-4 | FNMA | | 03/01/2014 | PAYDOWN | | 2,692 | 2,692 | 2,941 | | (6) | | (6) | | 2,692 | | | 0 | 23 | 09/01/2023 | 1 | |
| 3138NX-HU-4 | FNMA | | 03/01/2014 | PAYDOWN | | 612 | 612 | 628 | | 0 | | 0 | | 612 | | | 0 | 4 | 02/01/2043 | 1 | |
| 3138WP-SN-0 | FNMA | | 03/01/2014 | PAYDOWN | | 391 | 391 | 416 | | 0 | | 0 | | 391 | | | 0 | 2 | 12/01/2042 | 1 | |
| 313921-C5-5 | FNMA | | 03/01/2014 | PAYDOWN | | 3,034 | 3,034 | 3,246 | | (9) | | (9) | | 3,034 | | | 0 | 26 | 11/25/2017 | 1 | |
| 313921-Y8-5 | FNMA REMIC 2001-60 | </ | | | | | | | | | | | | | | | | | | | |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 | |
|--|----------------------------------|---------|---------------|-------------------|---------------------------|---------------|-----------|-------------|---|--|---|---|--------------------------------------|--|---|--|----------------------------------|-------------------------------|--|----------------------------------|-----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Indicator (a) | |
| 31393K-TW-5 | FHLMC | | 03/01/2014 | PAYDOWN | | 1,132 | 1,132 | 1,220 | 1,134 | | (2) | | (2) | | 1,132 | | | .0 | .11 | .02/15/2033 | 1 | |
| 31393N-K2-4 | FHLMC | | 03/01/2014 | PAYDOWN | | 7,587 | 7,587 | 8,166 | 7,622 | | (35) | | (35) | | 7,587 | | | .0 | .63 | .03/15/2018 | 1 | |
| 31393T-D5-2 | FNMA | | 03/01/2014 | PAYDOWN | | 1,766 | 1,766 | 1,807 | 1,767 | | (1) | | (1) | | 1,766 | | | .0 | .10 | .08/25/2033 | 1 | |
| 31393U-L6-6 | FNMA | | 03/01/2014 | PAYDOWN | | 1,526 | 1,526 | 1,589 | 1,528 | | (2) | | (2) | | 1,526 | | | .0 | .11 | .08/25/2033 | 1 | |
| 31394A-EC-6 | FNMA | | 03/01/2014 | PAYDOWN | | 5,445 | 5,445 | 5,819 | 5,455 | | (11) | | (11) | | 5,445 | | | .0 | .39 | .07/25/2033 | 1 | |
| 31394B-5A-8 | FNMA | | 03/01/2014 | PAYDOWN | | 3,468 | 3,468 | 3,669 | 3,473 | | (4) | | (4) | | 3,468 | | | .0 | .28 | .01/25/2035 | 1 | |
| 31394C-2T-8 | FNMA | | 03/01/2014 | PAYDOWN | | 3,245 | 3,245 | 3,490 | 3,257 | | (12) | | (12) | | 3,245 | | | .0 | .27 | .01/25/2034 | 1 | |
| 31394C-YD-1 | FNMA | | 03/01/2014 | PAYDOWN | | 10,398 | 10,398 | 11,074 | 10,432 | | (33) | | (33) | | 10,398 | | | .0 | .81 | .10/25/2033 | 1 | |
| 31394D-A4-2 | FNMA REMIC 2005-48 | | 03/01/2014 | PAYDOWN | | 4,443 | 4,443 | 4,781 | 4,454 | | (11) | | (11) | | 4,443 | | | .0 | .38 | .02/25/2035 | 1 | |
| 31394D-ED-8 | FNMA SER 2005-22 | | 03/01/2014 | PAYDOWN | | 4,987 | 4,987 | 5,274 | 5,003 | | (16) | | (16) | | 4,987 | | | .0 | .39 | .10/25/2033 | 1 | |
| 31394D-JH-4 | FNMA | | 03/01/2014 | PAYDOWN | | 3,450 | 3,450 | 3,655 | 3,465 | | (16) | | (16) | | 3,450 | | | .0 | .29 | .08/25/2033 | 1 | |
| 31394D-PA-2 | FNMA | | 03/01/2014 | PAYDOWN | | 15,922 | 15,922 | 17,256 | 16,093 | | (171) | | (171) | | 15,922 | | | .0 | .126 | .07/25/2033 | 1 | |
| 31394E-FT-0 | FNMA | | 03/01/2014 | PAYDOWN | | 4,121 | 4,121 | 4,487 | 4,131 | | (10) | | (10) | | 4,121 | | | .0 | .38 | .07/25/2035 | 1 | |
| 31394F-J5-5 | FNMA | | 03/01/2014 | PAYDOWN | | 6,650 | 6,650 | 7,186 | 6,671 | | (21) | | (21) | | 6,650 | | | .0 | .63 | .02/25/2035 | 1 | |
| 31394F-N9-2 | FNMA REMIC 2005-84 | | 03/01/2014 | PAYDOWN | | 6,556 | 6,556 | 7,146 | 6,573 | | (17) | | (17) | | 6,556 | | | .0 | .62 | .10/25/2035 | 1 | |
| 31394H-JF-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 5,215 | 5,215 | 5,613 | 5,229 | | (13) | | (13) | | 5,215 | | | .0 | .42 | .10/15/2032 | 1 | |
| 31394L-4E-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,745 | 6,745 | 7,175 | 6,764 | | (19) | | (19) | | 6,745 | | | .0 | .52 | .01/15/2033 | 1 | |
| 31394P-SZ-7 | FHLMC | | 03/01/2014 | PAYDOWN | | 4,375 | 4,375 | 4,683 | 4,387 | | (13) | | (13) | | 4,375 | | | .0 | .33 | .02/15/2019 | 1 | |
| 31394R-JX-8 | FHLMC | | 03/01/2014 | PAYDOWN | | 7,463 | 7,463 | 7,958 | 7,485 | | (22) | | (22) | | 7,463 | | | .0 | .62 | .11/15/2032 | 1 | |
| 31394T-WT-8 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,955 | 6,955 | 7,407 | 6,994 | | (40) | | (40) | | 6,955 | | | .0 | .54 | .10/15/2032 | 1 | |
| 31395E-OS-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 4,833 | 4,833 | 5,144 | 4,857 | | (24) | | (24) | | 4,833 | | | .0 | .36 | .02/15/2033 | 1 | |
| 31395F-NK-6 | FHLMC | | 03/01/2014 | PAYDOWN | | 2,447 | 2,447 | 2,575 | 2,451 | | (4) | | (4) | | 2,447 | | | .0 | .17 | .09/15/2024 | 1 | |
| 31395H-DV-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 5,800 | 5,800 | 6,206 | 5,843 | | (43) | | (43) | | 5,800 | | | .0 | .46 | .01/15/2033 | 1 | |
| 31395K-T2-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 2,809 | 2,809 | 3,001 | 2,824 | | (25) | | (25) | | 2,809 | | | .0 | .23 | .03/15/2033 | 1 | |
| 31395M-BG-3 | FHLMC | | 03/01/2014 | PAYDOWN | | 5,530 | 5,530 | 5,948 | 5,731 | | (191) | | (191) | | 5,530 | | | .0 | .43 | .05/15/2033 | 1 | |
| 31395M-DT-3 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,675 | 6,675 | 7,065 | 6,711 | | (36) | | (36) | | 6,675 | | | .0 | .52 | .11/15/2033 | 1 | |
| 31395M-GA-1 | FHLMC | | 03/01/2014 | PAYDOWN | | 5,432 | 5,432 | 5,769 | 5,462 | | (30) | | (30) | | 5,432 | | | .0 | .49 | .08/15/2033 | 1 | |
| 31395M-SH-3 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,616 | 6,616 | 7,180 | 6,631 | | (16) | | (16) | | 6,616 | | | .0 | .60 | .02/15/2035 | 1 | |
| 31395P-BR-2 | FHLMC | | 02/01/2014 | PAYDOWN | | 1,803 | 1,803 | 1,910 | 1,899 | | (96) | | (96) | | 1,803 | | | .0 | .10 | .07/15/2033 | 1 | |
| 31395U-MU-2 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,257 | 6,257 | 6,749 | 6,274 | | (18) | | (18) | | 6,257 | | | .0 | .51 | .05/15/2020 | 1 | |
| 31395U-XT-3 | FHLMC | | 03/01/2014 | PAYDOWN | | 6,290 | 6,290 | 6,656 | 6,326 | | (39) | | (39) | | 6,290 | | | .0 | .50 | .05/15/2034 | 1 | |
| 31395X-ZU-2 | FHLMC | | 03/01/2014 | PAYDOWN | | 3,436 | 3,436 | 3,621 | 3,441 | | (4) | | (4) | | 3,436 | | | .0 | .25 | .12/15/2034 | 1 | |
| 31396Q-FC-8 | FNMA | | 03/01/2014 | PAYDOWN | | 2,930 | 2,930 | 3,074 | 2,934 | | (4) | | (4) | | 2,930 | | | .0 | .23 | .07/25/2039 | 1 | |
| 31396Q-MN-6 | FNMA | | 03/01/2014 | PAYDOWN | | 4,006 | 4,006 | 4,361 | 4,018 | | (13) | | (13) | | 4,006 | | | .0 | .38 | .05/25/2037 | 1 | |
| 31396Q-TN-9 | FNMA | | 03/01/2014 | PAYDOWN | | 4,251 | 4,251 | 4,724 | 4,266 | | (15) | | (15) | | 4,251 | | | .0 | .43 | .05/25/2039 | 1 | |
| 31396W-TU-0 | FNMA | | 03/25/2014 | PAYDOWN | | 3,752 | 3,752 | 3,728 | 3,723 | | (5) | | (5) | | 3,752 | | | .0 | .2 | .07/25/2037 | 1 | |
| 31396X-NT-7 | FNMA | | 03/25/2014 | PAYDOWN | | 868 | 868 | 873 | 871 | | (5) | | (5) | | 868 | | | .0 | .1 | .06/25/2037 | 1 | |
| 31396Y-H2-1 | FNMA | | 03/01/2014 | PAYDOWN | | 1,868 | 1,868 | 1,951 | 1,871 | | (3) | | (3) | | 1,868 | | | .0 | .13 | .09/25/2035 | 1 | |
| 31397N-L4-5 | FNMA | | 03/01/2014 | PAYDOWN | | 1,487 | 1,487 | 1,642 | 1,489 | | (3) | | (3) | | 1,487 | | | .0 | .18 | .06/25/2039 | 1 | |
| 31397U-XA-2 | FNMA REMIC | | 03/01/2014 | PAYDOWN | | 4,775 | 4,775 | 5,042 | 4,783 | | (8) | | (8) | | 4,775 | | | .0 | .32 | .07/25/2026 | 1 | |
| 31398K-ZB-9 | FHLMC | | 03/01/2014 | PAYDOWN | | 2,619 | 2,619 | 2,739 | 2,625 | | (6) | | (6) | | 2,619 | | | .0 | .18 | .11/15/2038 | 1 | |
| 31398R-RT-4 | FNMA REMIC | | 03/01/2014 | PAYDOWN | | 10,180 | 10,180 | 10,867 | 10,211 | | (31) | | (31) | | 10,180 | | | .0 | .80 | .09/25/2039 | 1 | |
| 31398R-UH-6 | FNMA | | 03/01/2014 | PAYDOWN | | 4,295 | 4,295 | 4,488 | 4,299 | | (4) | | (4) | | 4,295 | | | .0 | .30 | .06/25/2040 | 1 | |
| 31402N-YN-2 | FNMA | | 03/01/2014 | PAYDOWN | | 789 | 789 | 864 | 789 | | (1) | | (1) | | 789 | | | .0 | .6 | .10/01/2033 | 1 | |
| 31403C-4P-3 | FNMA | | 03/01/2014 | PAYDOWN | | 3,276 | 3,276 | 3,624 | 3,283 | | (8) | | (8) | | 3,276 | | | .0 | .33 | .05/01/2035 | 1 | |
| 31403D-DB-2 | FNMA | | 03/01/2014 | PAYDOWN | | 2,555 | 2,555 | 2,842 | 2,562 | | (7) | | (7) | | 2,555 | | | .0 | .25 | .06/01/2035 | 1 | |
| 31403D-DL-0 | FNMA POOL #745407 | | 03/01/2014 | PAYDOWN | | 5,447 | 5,447 | 5,944 | 5,458 | | (11) | | (11) | | 5,447 | | | .0 | .52 | .04/01/2024 | 1 | |
| 31407Q-F4-3 | FNMA POOL #837287 | | 03/01/2014 | PAYDOWN | | 4,016 | 4,016 | 4,191 | 3,935 | | 82 | | 82 | | 4,016 | | | .0 | .11 | .08/01/2035 | 1 | |
| 31410K-KX-1 | FNMA | | 03/01/2014 | PAYDOWN | | 109,328 | 109,328 | 118,707 | 109,550 | | (222) | | (222) | | 109,328 | | | .0 | 1.002 | .06/01/2038 | 1 | |
| 31416B-T2-4 | FNMA | | 03/01/2014 | PAYDOWN | | 1,693 | 1,693 | 1,764 | 1,727 | | (35) | | (35) | | 1,693 | | | .0 | .5 | .07/01/2035 | 1 | |
| 31416C-FK-7 | FNMA | | 03/01/2014 | PAYDOWN | | 1,805 | 1,805 | 1,959 | 1,808 | | (3) | | (3) | | 1,805 | | | .0 | .16 | .05/01/2026 | 1 | |
| 31417T-RT-7 | FNMA | | 03/01/2014 | PAYDOWN | | 11,195 | 11,195 | 11,612 | 11,187 | | (8) | | (8) | | 11,195 | | | .0 | .65 | .01/01/2040 | 1 | |
| 31417Y-HV-2 | FNMA | | 03/01/2014 | PAYDOWN | | 4,482 | 4,482 | 4,866 | 4,487 | | (5) | | (5) | | 4,482 | | | .0 | .32 | .11/01/2029 | 1 | |
| 31417Y-MC-8 | FNMA | | 03/01/2014 | PAYDOWN | | 9,542 | 9,542 | 10,416 | 9,562 | | (20) | | (20) | | 9,542 | | | .0 | .68 | .03/01/2030 | 1 | |
| 31418A-HB-7 | FNMA | | 03/01/2014 | PAYDOWN | | 3,162 | 3,162 | 3,351 | 3,163 | | (1) | | (1) | | 3,162 | | | .0 | .22 | .07/01/2042 | 1 | |
| 31418A-M9-6 | FNMA | | 03/01/2014 | PAYDOWN | | 1,672 | 1,672 | 1,647 | 1,672 | | .0 | | .0 | | 1,672 | | | .0 | .9 | .12/01/2042 | 1 | |
| 31418A-TV-0 | FNMA | | 03/01/2014 | PAYDOWN | | 4,237 | 4,237 | 4,288 | 4,237 | | .0 | | .0 | | 4,237 | | | .0 | .26 | .06/01/2043 | 1 | |
| 31418W-OY-7 | FNMA | | 03/01/2014 | PAYDOWN | | 4,640 | 4,640 | 5,084 | 4,656 | | (16) | | (16) | | 4,640 | | | .0 | .46 | .04/01/2023 | 1 | |
| 31418Y-BA-3 | FNMA | | 03/01/2014 | PAYDOWN | | 2,845 | 2,845 | 3,083 | 2,849 | | (4) | | (4) | | 2,845 | | | .0 | .24 | .07/01/2025 | 1 | |
| 645913-AS-3 | NEW JERSEY ECONOMIC DEV AUTH REV | | 02/15/2014 | MATURED | | 256,000 | 256,000 | 240,947 | 255,219 | | 781 | | 781 | | 256,000 | | | .0 | | .02/15/2014 | 1FE | |
| 83162C-PG-2 | SMALL BUSINESS ADMIN | | 01/02/2014 | DIR | | 25,903 | 25,903 | 27,594 | 27,308 | | | | 0 | | 27,307 | | (1,405) | (1,405) | .650 | .01/01/2025 | 1 | |
| 3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions | | | | | | 5,203,002 | 4,928,226 | 5,219,509 | 1,989,199 | (31) | (2,093) | 0 | (2,124) | 0 | 5,197,781 | 0 | 5,221 | 5,221 | 5,313 | XXX | XXX | |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | | |

EO5.1

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|----------------------|---|---------|---------------|-------------------|---------------------------|---------------|-----------|-------------|---|--|---|---|--------------------------------------|--|---|--|----------------------------------|-------------------------------|--|----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 001055-AH-6 | AFLAC INC. | | 01/15/2014 | USBANCI | | 20,797 | 20,000 | 20,917 | 20,754 | | (13) | | (13) | | 20,741 | | 56 | 56 | 230 | 02/15/2017 | 1FE |
| 001055-AL-6 | AFLAC INC. | | 01/17/2014 | VARIOUS | | 16,738 | 17,000 | 17,000 | 17,000 | | | | 0 | | 17,000 | | (262) | (262) | 64 | 06/15/2023 | 1FE |
| 02005J-AC-3 | ALLY AUTO RECV | | 03/15/2014 | PAYDOWN | | 11,618 | 11,618 | 11,616 | 11,617 | | | | 0 | | 11,618 | | | 18 | 08/17/2015 | 1FE | |
| 02528W-AA-6 | AMERICAN CR ACCEP RECEIVABLES TR 2013-2 | | 03/15/2014 | PAYDOWN | | 9,881 | 9,881 | 9,881 | 9,881 | | | | 0 | | 9,881 | | | 0 | 23 | 02/15/2017 | 1FE |
| 02665W-AB-7 | AMERICAN HONDA FINANCE AMERICREDIT AUTOMOBILE | | 03/17/2014 | BARCLAY | | 186,227 | 185,000 | 184,356 | 184,402 | | 46 | | 46 | | 184,449 | | 1,778 | 1,778 | 925 | 10/07/2016 | 1FE |
| 03065C-AB-5 | RECEIVABLES TR 20 | | 03/08/2014 | PAYDOWN | | 2,361 | 2,361 | 2,361 | 2,361 | | | | 0 | | 2,361 | | | 0 | 4 | 11/08/2016 | 1FE |
| 059165-DX-5 | BALTIMORE GAS & ELECTRIC | | 02/27/2014 | DAINRAUS | | 21,176 | 20,000 | 22,426 | 22,379 | | (15) | | (15) | | 22,364 | | (1,188) | (1,188) | 228 | 06/15/2033 | 2FE |
| 05949A-HA-1 | BANC AMER MTG SECS INC | | 03/01/2014 | PAYDOWN | | 1,008 | 1,008 | 935 | 1,008 | | | | 0 | | 1,008 | | | 0 | 4 | 06/25/2034 | 2FE |
| 059500-AD-0 | BANC AMERICA CMO | | 03/01/2014 | PAYDOWN | | 720 | 720 | 811 | 721 | | | | 0 | | 720 | | | 5 | 07/10/2044 | 1FM | |
| 05950X-AB-2 | BANC AMERICA | | 03/01/2014 | PAYDOWN | | 7,518 | 7,518 | 7,792 | 7,519 | | (2) | | (2) | | 7,518 | | | 0 | 60 | 09/10/2047 | 1FM |
| 07383F-X5-2 | BEAR STEARNS COML MTG SECS INC | | 03/01/2014 | PAYDOWN | | 14,882 | 14,882 | 15,887 | 14,906 | | (25) | | (25) | | 14,882 | | | 0 | 131 | 11/11/2041 | 1FE |
| 07384M-YS-5 | BEAR STEARNS ARM TR | | 03/01/2014 | PAYDOWN | | 184 | 184 | 174 | 184 | | | | 0 | | 184 | | | 0 | 1 | 10/25/2033 | 2FE |
| 07386H-JU-6 | BEAR STEARNS ALT-A TR | | 03/26/2014 | PAYDOWN | | 4,857 | 4,857 | 4,711 | 4,861 | | (4) | | (4) | | 4,857 | | | 0 | 7 | 07/25/2034 | 1FM |
| 097014-AN-4 | BOEING CAP CORP | | 03/17/2014 | KGSALPHA | | 178,690 | 173,000 | 172,943 | 172,943 | | 5 | | 5 | | 172,948 | | 5,742 | 5,742 | 2,196 | 08/15/2016 | 1FE |
| 125720-AD-7 | CME GROUP INC | | 02/15/2014 | MATURED | | 50,000 | 50,000 | 55,656 | 50,252 | | (252) | | (252) | | 50,000 | | | 0 | 1,438 | 02/15/2014 | 1FE |
| 126171-AF-4 | CMO COMM 2005-C6 | | 03/01/2014 | VARIOUS | | 23,435 | 22,323 | 23,835 | 23,773 | | (6) | | (6) | | 23,766 | | (331) | (331) | 166 | 06/10/2044 | 2FM |
| 12622X-AC-4 | CNH EQUIP TRUST | | 03/15/2014 | PAYDOWN | | 16,755 | 16,755 | 16,752 | 16,753 | | 2 | | 2 | | 16,755 | | | 0 | 28 | 06/15/2018 | 1FE |
| 12623C-AC-9 | CNH EQUIP TRUST | | 03/15/2014 | PAYDOWN | | 6,109 | 6,109 | 6,108 | 6,109 | | | | 0 | | 6,109 | | | 0 | 8 | 08/15/2016 | 1FE |
| 12623M-AC-7 | CNH EQUIP TR | | 03/15/2014 | PAYDOWN | | 21,445 | 21,445 | 21,443 | 21,445 | | | | 0 | | 21,445 | | | 0 | 26 | 05/15/2017 | 1FE |
| 126408-GF-4 | CSX CORP | | 02/15/2014 | MATURED | | 200,000 | 200,000 | 217,182 | 200,579 | | (579) | | (579) | | 200,000 | | | 0 | 2 | 02/15/2014 | 2FE |
| 136375-BS-0 | CANADIAN NATL RY CO | A | 01/15/2014 | MATURED | | 25,000 | 25,000 | 27,448 | 25,040 | | (44) | | (44) | | 25,000 | | (2,448) | (2,448) | 619 | 01/15/2014 | 1FE |
| 14313H-AD-7 | CARMAX AUTO OWNER | | 03/15/2014 | PAYDOWN | | 340 | 340 | 341 | 341 | | (1) | | (1) | | 340 | | | 0 | 2 | 09/15/2016 | 1FE |
| 14986D-AE-0 | CD3 MTG | | 03/01/2014 | PAYDOWN | | 16,468 | 16,468 | 17,178 | 16,550 | | (81) | | (81) | | 16,468 | | | 0 | 113 | 10/15/2048 | 1FM |
| 17275R-AG-7 | CISCO SYS | | 02/25/2014 | MERRILL | | 159,959 | 157,000 | 161,184 | 157,862 | | (154) | | (154) | | 157,708 | | 2,251 | 2,251 | 1,265 | 11/17/2014 | 1FE |
| 172967-EY-3 | CITIGROUP | | 02/18/2014 | GOLDMAN | | 42,156 | 41,000 | 43,831 | 41,702 | | (157) | | (157) | | 41,545 | | 611 | 611 | 1,372 | 08/12/2014 | 1FE |
| 17307G-EB-0 | CITIGROUP MTG LN TR | | 03/01/2014 | PAYDOWN | | 541 | 541 | 515 | 551 | | (10) | | (10) | | 541 | | | 0 | 2 | 03/25/2034 | 1FM |
| 17307G-MC-9 | CITIGROUP MTG LN TR | | 03/25/2014 | PAYDOWN | | 58 | 58 | 49 | 58 | | | | 0 | | 58 | | | 0 | 1 | 12/25/2034 | 1FE |
| 20030N-AB-7 | COMCAST CORP | | 02/07/2014 | DAINRAUS | | 53,817 | 51,000 | 57,560 | 54,052 | | (334) | | (334) | | 53,719 | | | 98 | 1,906 | 01/15/2015 | 1FE |
| 20030N-AE-1 | COMCAST CORP NEW | | 01/15/2014 | MATURED | | 25,000 | 25,000 | 27,262 | 25,040 | | (44) | | (44) | | 25,000 | | (2,262) | (2,262) | 663 | 01/15/2014 | 1FE |
| 202795-HW-3 | COMWLTH EDISON | | 01/15/2014 | MATURED | | 25,000 | 25,000 | 25,260 | 25,004 | | (4) | | (4) | | 25,000 | | (260) | (260) | 203 | 01/15/2014 | 1FE |
| 209111-EE-9 | CONSOLIDATED EDISON | | 02/01/2014 | MATURED | | 25,000 | 25,000 | 26,958 | 25,080 | | (80) | | (80) | | 25,000 | | | 0 | 588 | 02/01/2014 | 1FE |
| 21686C-AD-2 | COOP CENTRALE | F | 01/16/2014 | BARCLAY | | 52,069 | 49,000 | 48,957 | 48,972 | | 1 | | 1 | | 48,973 | | 3,096 | 3,096 | 14 | 01/19/2017 | 1FE |
| 22541S-HT-8 | CREDIT SUISSE | | 02/01/2014 | PAYDOWN | | 24,091 | 24,091 | 25,879 | 25,826 | | (1,735) | | (1,735) | | 24,091 | | | 0 | 195 | 05/15/2036 | 1FM |
| 23306D-AA-2 | DBRR 2013-EZ3 TR | | 03/15/2014 | PAYDOWN | | 4,352 | 4,352 | 4,347 | 4,352 | | | | 0 | | 4,352 | | | 0 | 8 | 12/18/2049 | 1FE |
| 263534-CG-2 | DU PONT EI DE | | 03/25/2014 | MATURED | | 50,000 | 50,000 | 50,988 | 50,101 | | (102) | | (102) | | 50,000 | | (988) | (988) | 438 | 03/25/2014 | 1FE |
| 264399-EQ-5 | DUKE ENERGY CORP | | 02/01/2014 | MATURED | | 55,000 | 55,000 | 61,332 | 55,183 | | (183) | | (183) | | 55,000 | | | 0 | 1,733 | 02/01/2014 | 2FE |
| 26439R-AQ-9 | DUKE CAP CORP | | 03/01/2014 | MATURED | | 200,000 | 200,000 | 220,988 | 201,084 | | (1,198) | | (1,198) | | 200,000 | | (20,988) | (20,988) | 5,500 | 03/01/2014 | 2FE |
| 26875P-AJ-0 | EOG RES INC | | 02/03/2014 | MATURED | | 200,000 | 200,000 | 200,000 | 200,000 | | | | 0 | | 200,000 | | | 0 | 507 | 02/03/2014 | 1FE |
| 301650-AA-8 | EXETER AUTOMOBILE RECEIVABLES TR 2014-1 | | 03/15/2014 | PAYDOWN | | 2,180 | 2,180 | 2,180 | 2,180 | | | | 0 | | 2,180 | | | 0 | 3 | 05/15/2018 | 1FE |
| 302154-AT-6 | EXPORT IMPORT BK KO | F | 01/21/2014 | MATURED | | 200,000 | 200,000 | 236,554 | 200,644 | | (762) | | (762) | | 200,000 | | (36,554) | (36,554) | 8,125 | 01/21/2014 | 1FE |
| 302196-AB-4 | EXPRESS SCRIPTS HLDG CO | | 01/29/2014 | JPMORGR | | 108,623 | 107,000 | 109,558 | 108,408 | | (111) | | (111) | | 108,297 | | 326 | 326 | 1,067 | 02/12/2015 | 2FE |
| 34529M-AD-4 | FORD CR AUTO | | 03/15/2014 | PAYDOWN | | 18,372 | 18,372 | 18,439 | 18,380 | | (8) | | (8) | | 18,372 | | | 0 | 48 | 09/15/2015 | 1FE |
| 34529W-AC-4 | FORD CR AUTO | | 03/15/2014 | PAYDOWN | | 16,800 | 16,800 | 16,796 | 16,799 | | | | 0 | | 16,800 | | | 0 | 20 | 12/15/2016 | 1FE |
| 35177P-AS-6 | FRANCE TELECOM | F | 03/12/2014 | CALLED | | 40,514 | 40,000 | 42,791 | 40,518 | | (198) | | (198) | | 40,321 | | 193 | 193 | 1,186 | 07/08/2014 | 2FE |
| 36228C-VU-4 | GS MTG SECS CORP II | | 03/01/2014 | PAYDOWN | | 9,069 | 9,069 | 9,595 | 9,071 | | (2) | | (2) | | 9,069 | | | 0 | 43 | 07/10/2039 | 1FE |
| 362320-AZ-6 | GTE CORP | | 03/19/2014 | CORPACTION | | 41,890 | 35,000 | 41,479 | 41,003 | | (287) | | (287) | | 40,716 | | 1,174 | 1,174 | 1,024 | 04/15/2018 | 2FE |
| 43813E-AC-0 | HONDA AUTO | | 03/15/2014 | PAYDOWN | | 6,918 | 6,918 | 6,917 | 6,918 | | | | 0 | | 6,918 | | | 0 | 9 | 02/15/2016 | 1FE |
| 44328M-AB-0 | HSBC BK PLC | | 03/12/2014 | HSBCSEC | | 103,815 | 100,000 | 105,695 | 103,030 | | (398) | | (398) | | 102,632 | | 1,183 | 1,183 | 719 | 06/28/2015 | 1FE |
| 44614A-AC-7 | HUNTINGTON AUTO | | 03/15/2014 | PAYDOWN | | 16,583 | 16,583 | 16,580 | 16,583 | | | | 0 | | 16,583 | | | 0 | 22 | 09/15/2016 | 1FE |
| 45660L-AN-9 | INDYMAC MBS INC | | 03/01/2014 | PAYDOWN | | 1,080 | 1,080 | 968 | 1,080 | | | | 0 | | 1,080 | | | 0 | 3 | 12/25/2034 | 3FE |
| 46625M-3N-7 | JP MORGAN CHASE | | 03/01/2014 | PAYDOWN | | 104,610 | 104,610 | 111,398 | 105,903 | | (1,292) | | (1,292) | | 104,610 | | | 0 | 789 | 05/15/2041 | 1FM |
| 466309-AE-3 | J P MORGAN ALTERNATIVE LN TR SER 2008 R3 | | 03/01/2014 | PAYDOWN | | 4,878 | 4,878 | 4,250 | 4,874 | | 4 | | 4 | | 4,878 | | | 0 | 33 | 05/25/2037 | 1FM |
| 477867-AC-9 | JOHN DEERE OWNER TR | | 03/15/2014 | PAYDOWN | | 2,067 | 2,067 | 2,067 | 2,067 | | | | 0 | | 2,067 | | | 0 | 4 | 01/15/2016 | 1FE |
| 494368-AQ-6 | KIMBERLY CLARK | | 02/15/2014 | MATURED | | 40,000 | 40,000 | 46,122 | 40,281 | | (281) | | (281) | | 40,000 | | | 0 | 1,375 | 02/15/2014 | 1FE |
| 50180C-AB-6 | LB-UBS COML MTG TR 2006-C7 | | 01/11/2014 | PAYDOWN | | | | | | | | | 0 | | | | | 0 | | 11/15/2038 | 1FM |
| 52108H-ZY-3 | LB-UBS CMO | | 02/11/2014 | PAYDOWN | | 25,826 | 25,826 | 27,190 | 27,106 | | (1,2 | | | | | | | | | | |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|--|--|---------|---------------|-------------------|---------------------------|---------------|-------------|-------------|---|--|---|---|--------------------------------------|--|---|--|----------------------------------|-------------------------------|--|----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 587728-AC-0 | MERCEDES BENZ AUTO RECV | | 03/15/2014 | PAYDOWN | | 5,524 | 5,524 | 5,524 | 5,524 | | | | 0 | | 5,524 | | | 0 | 7 | 03/15/2015 | 1FE |
| 587728-AD-8 | MERCEDES BENZ | | 03/15/2014 | PAYDOWN | | 2,230 | 2,230 | 2,243 | 2,231 | | (1) | | (1) | | 2,230 | | | 0 | 7 | 12/15/2017 | 1FE |
| 589929-2M-9 | MERRILL LYNCH MTG INVS INC FOR FUTURE IS | | 03/25/2014 | PAYDOWN | | 8,778 | 8,778 | 8,503 | 8,775 | | 3 | | 3 | | 8,778 | | | 0 | 11 | 10/25/2028 | 1FM |
| 59020U-BU-8 | MERRILL LYNCH MTG INVS INC | | 03/25/2014 | PAYDOWN | | 8,310 | 8,310 | 7,936 | 8,303 | | 7 | | 7 | | 8,310 | | | 0 | 9 | 05/25/2029 | 1FM |
| 61532X-AC-0 | MONUMENTAL GLOBAL | | 01/15/2014 | MATURED | | 90,000 | 90,000 | 96,379 | 90,091 | | (97) | | (97) | | 90,000 | (6,379) | | (6,379) | 2,363 | 01/15/2014 | 1FE |
| 62888U-AA-8 | NCUA GTD NTS TR | | 03/06/2014 | PAYDOWN | | 10,081 | 10,081 | 10,081 | 10,081 | | | | 0 | | 10,081 | | | 0 | 9 | 11/06/2017 | 1FE |
| 62888V-AB-4 | NCUA GTD | | 03/04/2014 | PAYDOWN | | 10,148 | 10,148 | 10,148 | 10,149 | | (1) | | (1) | | 10,148 | | | 0 | 31 | 10/07/2020 | 1FE |
| 62888W-AB-2 | NCUA GTD NTS TR 2010-R3-NEXTERA ENERGY CAP HLDGS | | 03/06/2014 | PAYDOWN | | 3,894 | 3,894 | 3,894 | 3,896 | | (1) | | (1) | | 3,894 | | | 0 | 5 | 12/08/2020 | 1FE |
| 65339K-AH-3 | INC | | 01/16/2014 | MIZUHOFX | | 52,424 | 52,000 | 52,190 | 52,153 | | (5) | | (5) | | 52,148 | | 276 | 276 | 273 | 09/01/2015 | 2FE |
| 65557C-AG-8 | NORDEA BANK | F | 01/14/2014 | MATURED | | 300,000 | 300,000 | 300,000 | 300,000 | | | | 0 | | 300,000 | | | 0 | 867 | 01/14/2014 | 1FE |
| 69362B-AX-0 | PSE&G POWER LLC | | 03/13/2014 | MCDONALD | | 20,846 | 20,000 | 19,949 | 19,971 | | 3 | | 3 | | 19,974 | | 872 | 872 | 280 | 09/15/2016 | 2FE |
| 69373U-AA-5 | PACCAR INC MEDIUM TE | | 02/15/2014 | MATURED | | 300,000 | 300,000 | 344,577 | 301,539 | | (1,539) | | (1,539) | | 300,000 | | | 0 | 10,313 | 02/15/2014 | 1FE |
| 744320-BL-8 | PRUDENTIAL FINL | | 03/06/2014 | VARIOUS | | 257,259 | 250,000 | 265,770 | 257,095 | | (1,228) | | (1,228) | | 255,867 | | 1,392 | 1,392 | 6,235 | 01/14/2015 | 2FE |
| 758202-AK-1 | REED ELSEVIER CAP INC | | 02/26/2014 | DIR | | 53,753 | 56,000 | 101,578 | 99,105 | | (1,004) | | (1,004) | | 98,102 | | (44,349) | (44,349) | 6,671 | 10/15/2022 | 2FE |
| 775310-AD-0 | ROGERS WIRELESS | A | 02/27/2014 | CORPACTION | | 280,700 | 280,000 | 323,252 | 282,209 | | (2,064) | | (2,064) | | 280,146 | | 554 | 554 | 8,727 | 03/01/2014 | 2FE |
| 78387G-AP-8 | SBC COMMUNICATIONS | | 01/14/2014 | MERRILL | | 97,923 | 95,000 | 104,947 | 97,218 | | (139) | | (139) | | 97,080 | | 844 | 844 | 1,642 | 09/15/2014 | 1FE |
| 801060-AA-2 | SANOFI | F | 01/14/2014 | MCDONALD | | 81,501 | 81,000 | 80,900 | 80,974 | | 2 | | 2 | | 80,976 | | 525 | 525 | 289 | 09/30/2014 | 1FE |
| 80282D-AC-6 | SANTANDER DRIVE | | 03/14/2014 | PAYDOWN | | 9,093 | 9,093 | 9,170 | 9,105 | | (11) | | (11) | | 9,093 | | | 0 | 28 | 11/17/2014 | 1FE |
| 80282F-AG-2 | SANTANDER DRIVE AUTO | | 03/15/2014 | PAYDOWN | | 7,854 | 7,854 | 8,058 | 7,866 | | (12) | | (12) | | 7,854 | | | 0 | 45 | 06/15/2017 | 1FE |
| 80282W-AC-4 | SANTANDER DR AUTO | | 03/15/2014 | PAYDOWN | | 2,326 | 2,326 | 2,326 | 2,326 | | | | 0 | | 2,326 | | | 0 | 4 | 04/15/2016 | 1FE |
| 816851-AQ-2 | SEMPRA ENERGY | | 03/15/2014 | MATURED | | 55,000 | 55,000 | 55,093 | 55,006 | | (6) | | (6) | | 55,000 | (93) | | (93) | 550 | 03/15/2014 | 2FE |
| 81744F-FJ-1 | SEQUOIA MTG TR 2004-1 STRUCTURED ASSET MTG | | 03/20/2014 | PAYDOWN | | 733 | 733 | 694 | 734 | | (1) | | (1) | | 733 | | | 0 | 1 | 12/20/2034 | 1FM |
| 86359L-AA-7 | INVT5 II INC | | 03/19/2014 | PAYDOWN | | 5,454 | 5,454 | 5,235 | 5,457 | | (4) | | (4) | | 5,454 | | | 0 | 9 | 01/19/2034 | 1FM |
| 87246A-AC-2 | TIAA SEASONED CMO | | 03/10/2014 | PAYDOWN | | 5,951 | 5,951 | 6,525 | 5,998 | | (48) | | (48) | | 5,951 | | | 0 | 74 | 08/15/2039 | 1FM |
| 89233P-4B-9 | TOYOTA MTR CR CORP M | | 01/14/2014 | MERRILL | | 207,790 | 200,000 | 199,752 | 199,920 | | 2 | | 2 | | 199,922 | | 7,868 | 7,868 | 533 | 06/17/2015 | 1FE |
| 90261X-GW-6 | UBS STAMFORD | F | 01/28/2014 | MATURED | | 59,000 | 59,000 | 59,000 | 59,000 | | | | 0 | | 59,000 | | | 0 | 187 | 01/28/2014 | 1FE |
| 90331H-MC-4 | U S BK NATL ASSN | | 02/27/2014 | DONALUFK | | 251,530 | 250,000 | 249,963 | | | | | 0 | | 249,963 | | 1,568 | 1,568 | 252 | 01/30/2017 | 1FE |
| 907818-DC-9 | CINCINNATI OHIO MEDIUM UNION PAC | | 02/15/2014 | MATURED | | 45,000 | 45,000 | 48,997 | 45,167 | | (167) | | (167) | | 45,000 | | | 0 | 1,153 | 02/15/2014 | 1FE |
| 92343V-AC-8 | VERIZON COMM | | 03/11/2014 | WACHOVIA | | 224,133 | 205,000 | 229,905 | 215,908 | | (1,011) | | (1,011) | | 214,897 | | 9,235 | 9,235 | 6,605 | 02/15/2016 | 2FE |
| 92922F-4M-7 | WAMU MTG PASS-THROUGH CTFS | | 03/25/2014 | PAYDOWN | | 6,163 | 6,163 | 5,732 | 6,171 | | (8) | | (8) | | 6,163 | | | 0 | 4 | 10/25/2045 | 1FM |
| 929766-QV-8 | WACHOVIA CMO | | 03/01/2014 | PAYDOWN | | 9,095 | 9,095 | 9,760 | 9,204 | | (109) | | (109) | | 9,095 | | | 0 | 80 | 01/15/2041 | 1FM |
| 94981R-AA-4 | WELLS FARGO MTG BACKED SECURITIES 2005-AR | | 03/01/2014 | PAYDOWN | | 686 | 686 | 696 | | | (10) | | (10) | | 686 | | | 0 | 2 | 03/25/2035 | 1FE |
| 94987L-AA-1 | WELLS FARGO MTG LN 2012-RR1 TR | | 03/01/2014 | PAYDOWN | | 4,449 | 4,449 | 4,472 | 4,450 | | (1) | | (1) | | 4,449 | | | 0 | 19 | 08/27/2037 | 1FE |
| L9057W-AG-6 | TRN-BP FINANCE | F | 03/10/2014 | DIR | | 259,531 | 250,000 | 266,225 | 254,607 | | (837) | | (837) | | 253,770 | | 5,761 | 5,761 | 9,592 | 02/02/2015 | 2FE |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 5,490,038 | 5,409,065 | 5,788,722 | 5,257,180 | (63) | (7,525) | 0 | (7,588) | 0 | 5,502,301 | (91,165) | (12,262) | (103,427) | 91,439 | XXX | XXX |
| 8399997 - Subtotals - Bonds - Part 4 | | | | | | 165,887,551 | 165,187,183 | 166,191,101 | 20,411,887 | (94) | (14,148) | 0 | (14,242) | 0 | 165,854,108 | (91,165) | 33,443 | (57,722) | 312,877 | XXX | XXX |
| 8399999 - Subtotals - Bonds | | | | | | 165,887,551 | 165,187,183 | 166,191,101 | 20,411,887 | (94) | (14,148) | 0 | (14,242) | 0 | 165,854,108 | (91,165) | 33,443 | (57,722) | 312,877 | XXX | XXX |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | |
| 111994-90-1 | JP MORGAN CORE BOND FUND | | 02/26/2014 | DIR | 1,607,414.870 | 17,006,395 | XXX | 16,183,405 | 16,749,263 | (565,858) | 0 | 0 | (565,858) | 0 | 16,183,405 | 0 | 822,990 | 822,990 | 44,871 | XXX | XXX |
| 9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | 17,006,395 | XXX | 16,183,405 | 16,749,263 | (565,858) | 0 | 0 | (565,858) | 0 | 16,183,405 | 0 | 822,990 | 822,990 | 44,871 | XXX | XXX |
| 9799997 - Subtotals - Common Stocks - Part 4 | | | | | | 17,006,395 | XXX | 16,183,405 | 16,749,263 | (565,858) | 0 | 0 | (565,858) | 0 | 16,183,405 | 0 | 822,990 | 822,990 | 44,871 | XXX | XXX |
| 9799999 - Subtotals - Common Stocks | | | | | | 17,006,395 | XXX | 16,183,405 | 16,749,263 | (565,858) | 0 | 0 | (565,858) | 0 | 16,183,405 | 0 | 822,990 | 822,990 | 44,871 | XXX | XXX |
| 9899999 - Subtotals - Preferred and Common Stocks | | | | | | 17,006,395 | XXX | 16,183,405 | 16,749,263 | (565,858) | 0 | 0 | (565,858) | 0 | 16,183,405 | 0 | 822,990 | 822,990 | 44,871 | XXX | XXX |
| 9999999 Totals | | | | | | 182,893,946 | XXX | 182,374,506 | 37,161,150 | (565,952) | (14,148) | 0 | (580,100) | 0 | 182,037,513 | (91,165) | 856,433 | 765,288 | 357,748 | XXX | XXX |

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

E05.3

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

| (a) | Code | Description of Hedged Risk(s) |
|-------|------|-------------------------------|
| A0001 | | Interest rate risk..... |

| (b) | Code | Financial or Economic Impact of the Hedge at the End of the Reporting Period |
|-----|------|--|
| | | |

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE DB - PART B - SECTION 1

Future Contracts Open as of the Current Statement Date

| 1 Ticker Symbol | 2 Number of Contracts | 3 Notional Amount | 4 Description | 5 Description of Hedged Items(s) Hedged, Used for Income Generation or Replicated | 6 Schedule/ Exhibit Identifier | 7 Type(s) of Risk(s) (a) | 8 Date of Maturity or Expiration | 9 Exchange | 10 Trade Date | 11 Transaction Price | 12 Reporting Date Price | 13 Fair Value | 14 Book/ Adjusted Carrying Value | Highly Effective Hedges | | | 18 Cumulative Variation Margin for All Other Hedges | 19 Change in Variation Margin Gain (Loss) Recognized in Current Year | 20 Potential Exposure | 21 Hedge Effectiveness at Inception and at Quarter-end (b) | 22 Value of One (1) Point | |
|--|--------------------------|----------------------|--------------------------|--|-----------------------------------|-----------------------------|-------------------------------------|---------------|------------------|-------------------------|----------------------------|------------------|-------------------------------------|-----------------------------------|---------------------------------|--|--|---|--------------------------|---|------------------------------|-----|
| | | | | | | | | | | | | | | 15 Cumulative Variation Margin | 16 Deferred Variation Margin | 17 Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item | | | | | | |
| Short Futures - Income Generation | | | | | | | | | | | | | | | | | | | | | | |
| TYH4 | (7) | (700,000) | FUT JUN 14 10 YR T-NOTES | N/A | N/A | Interest | .06/19/2014 | CBOT | .02/24/2014 | 124.0625 | 123.5000 | 14,263 | 14,263 | 3,938 | | | 3,938 | 10,325 | N/A | 1,000 | | |
| CBPH4 | (2) | (200,000) | FUT JUN 14 CBT 30YR DSF | N/A | N/A | Interest | .06/19/2014 | CBOT | .03/11/2014 | 103.3125 | 103.3125 | 1,355 | 1,356 | (5,845) | | | (5,844) | 7,200 | N/A | 1,000 | | |
| 1369999 - Short Futures - Income Generation | | | | | | | | | | | | | 15,618 | 15,619 | (1,907) | 0 | 0 | 0 | (1,906) | 17,525 | XXX | XXX |
| 1389999 - Short Futures - Subtotal - Short Futures | | | | | | | | | | | | | 15,618 | 15,619 | (1,907) | 0 | 0 | 0 | (1,906) | 17,525 | XXX | XXX |
| 1429999 - Subtotal - Income Generation | | | | | | | | | | | | | 15,618 | 15,619 | (1,907) | 0 | 0 | 0 | (1,906) | 17,525 | XXX | XXX |
| 1449999 - Totals | | | | | | | | | | | | | 15,618 | 15,619 | (1,907) | 0 | 0 | 0 | (1,906) | 17,525 | XXX | XXX |

E07

| Broker Name | Beginning Cash Balance | Cumulative Cash Change | Ending Cash Balance |
|-------------------------|------------------------|------------------------|---------------------|
| 000001 CBOT | 17,525 | | 17,525 |
| Total Net Cash Deposits | 17,525 | 0 | 17,525 |

| (a) | Code | Description of Hedged Risk(s) |
|-------|------|-------------------------------|
| A0001 | | Interest rate risk |

| (b) | Code | Financial or Economic Impact of the Hedge at the End of the Reporting Period |
|-----|------|--|
| | | |

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SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|---|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|--------------------|-------------------------------------|
| Collateral Pledged by Reporting Entity | | | | | | | | |
| CREDIT SUISSE FIRST - | Cash Collateral | .000000-00-0 | Cash | 84,000 | 84,000 | 84,000 | | I |
| CITIGROUP GLOBAL - | Cash Collateral | .000000-00-0 | Cash | 66,000 | 66,000 | 66,000 | | I |
| BARCLAYS CCP - | Cash Collateral | .000000-00-0 | Cash | 21,688 | 21,688 | 21,688 | | IV |
| UBS CCP - | Cash Collateral | .000000-00-0 | Cash | 2,795 | 2,795 | 2,795 | | IV |
| GOLDMAN SACHS - | Cash Collateral | .000000-00-0 | Cash | 5 | 5 | 5 | | IV |
| CREDIT SUISSE CCP - | Cash Collateral | .000000-00-0 | Cash | 8,709 | 8,709 | 8,709 | | IV |
| 0199999 Total | | | | 183,197 | 183,197 | 183,197 | XXX | XXX |

Collateral Pledged to Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|---|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|--------------------|-------------------------------------|
| Collateral Pledged to Reporting Entity | | | | | | | | |
| MORGAN STANLEY - | Cash Collateral | .000000-00-0 | Cash | 16,916 | 16,916 | XXX | | IV |
| DEUTSCHE BANK - | Cash Collateral | .000000-00-0 | Cash | 10 | 10 | XXX | | IV |
| CITIGROUP CCP - | Cash Collateral | .000000-00-0 | Cash | 2,786 | 2,786 | XXX | | IV |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| 0299999 Total | | | | 19,712 | 19,712 | XXX | XXX | XXX |

E09

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF MARCH 31, 2014 OF THE Health Alliance Plan of Michigan

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due & Accrued | 8 Amount Received During Year |
|--------------------------------|-----------|-----------------------|--------------------------|-----------------------|--------------------------------------|--|-------------------------------------|
| NONE | | | | | | | |
| 8699999 Total Cash Equivalents | | | | | 0 | 0 | 0 |