1 1 5 3 7 2 0 1 4 2 0 1 0 0 1 0 3

HEALTH QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2014
OF THE CONDITION AND AFFAIRS OF THE

PHP FamilyCare

NAIC Group Code 3408 (Current) 3408 (Prior) NAIC Company Code 11537 Employer's ID Number 36-4497604

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized 05/23/2002 Commenced Business 01/01/2003

Statutory Home Office 1400 East Michigan Avenue (Street and Number), Lansing , MI, US 48912 (City or Town, State, Country and Zip Code)

Main Administrative Office 1400 East Michigan Avenue (Street and Number)
Lansing , MI, US 48912 (City or Town, State, Country and Zip Code), 517-364-8400 (Area Code) (Telephone Number)

Mail Address 1400 East Michigan Avenue (Street and Number or P.O. Box), Lansing , MI, US 48912 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1400 East Michigan Avenue (Street and Number)
Lansing , MI, US 48912 (City or Town, State, Country and Zip Code), 517-364-8400 (Area Code) (Telephone Number)

Internet Website Address www.phpmm.org

Statutory Statement Contact Kevin Essenmacher (Name), 517-364-8400 (Area Code) (Telephone Number)
kevin.essenmacher@phpmm.org (E-mail Address), 517-364-8407 (FAX Number)

OFFICERS

President & Secretary Dennis Reese
Chairperson James Butler III
Controller Kevin Essenmacher

OTHER

DIRECTORS OR TRUSTEES

Dennis Reese
James Butler III
Gwen Hall

State of Michigan
County of Ingham SS:

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

Dennis Reese	James Butler III	Kevin Essenmacher
President & Secretary	Chairperson	Controller

Subscribed and sworn to before me this
_____ day of _____

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

ASSETS

		Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1.	Bonds	0	0	0	0
2.	Stocks:				
	2.1 Preferred stocks	0	0	0	0
	2.2 Common stocks	5,660,437	0	5,660,437	5,435,010
3.	Mortgage loans on real estate:				
	3.1 First liens	0	0	0	0
	3.2 Other than first liens	0	0	0	0
4.	Real estate:				
	4.1 Properties occupied by the company (less $ 0 encumbrances)	0	0	0	0
	4.2 Properties held for the production of income (less $ 0 encumbrances)	0	0	0	0
	4.3 Properties held for sale (less $ 0 encumbrances)	0	0	0	0
5.	Cash ($ (1,086,629)), cash equivalents ($ 0) and short-term investments ($ 12,397,888)	11,311,259	0	11,311,259	10,008,232
6.	Contract loans (including $ 0 premium notes)	0	0	0	0
7.	Derivatives	0	0	0	0
8.	Other invested assets	0	0	0	0
9.	Receivables for securities	0	0	0	121,871
10.	Securities lending reinvested collateral assets	0	0	0	0
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	16,971,696	0	16,971,696	15,565,113
13.	Title plants less $ 0 charged off (for Title insurers only)	0	0	0	0
14.	Investment income due and accrued	98	0	98	103
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	85,189	0	85,189	124,234
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ 0 earned but unbilled premiums)	0	0	0	0
	15.3 Accrued retrospective premiums	0	0	0	0
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	57,247	0	57,247	3,087
	16.2 Funds held by or deposited with reinsured companies	0	0	0	0
	16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17.	Amounts receivable relating to uninsured plans	0	0	0	0
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2	Net deferred tax asset	0	0	0	0
19.	Guaranty funds receivable or on deposit	0	0	0	0
20.	Electronic data processing equipment and software	0	0	0	0
21.	Furniture and equipment, including health care delivery assets ($ 0)	0	0	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23.	Receivables from parent, subsidiaries and affiliates	203,168	0	203,168	641,120
24.	Health care ($ 1,280,373) and other amounts receivable	1,580,653	156,280	1,424,373	481,272
25.	Aggregate write-ins for other than invested assets	0	0	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	18,898,052	156,280	18,741,772	16,814,929
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	18,898,052	156,280	18,741,772	16,814,929
	DETAILS OF WRITE-INS				
1101.		0	0	0	0
1102.		0	0	0	0
1103.		0	0	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)	0	0	0	0
2501.		0	0	0	0
2502.		0	0	0	0
2503.		0	0	0	0
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)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $ 0 reinsurance ceded)	6,456,893	0	6,456,893	5,742,420
2.	Accrued medical incentive pool and bonus amounts	493,682	0	493,682	493,954
3.	Unpaid claims adjustment expenses	111,566	0	111,566	108,130
4.	Aggregate health policy reserves, including the liability of $ 0 for medical loss ratio rebate per the Public Health Service Act	0	0	0	0
5.	Aggregate life policy reserves	0	0	0	0
6.	Property/casualty unearned premium reserve	0	0	0	0
7.	Aggregate health claim reserves	0	0	0	0
8.	Premiums received in advance	0	0	0	0
9.	General expenses due or accrued	2,931,004	0	2,931,004	2,257,446
10.1	Current federal and foreign income tax payable and interest thereon (including $ 0 on realized gains (losses))	0	0	0	0
10.2	Net deferred tax liability	0	0	0	0
11.	Ceded reinsurance premiums payable	0	0	0	0
12.	Amounts withheld or retained for the account of others	0	0	0	0
13.	Remittances and items not allocated	0	0	0	0
14.	Borrowed money (including $ 0 current) and interest thereon $ 0 (including $ 0 current)	0	0	0	0
15.	Amounts due to parent, subsidiaries and affiliates	533,135	0	533,135	363,128
16.	Derivatives	0	0	0	0
17.	Payable for securities	0	0	0	121,871
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties (with $ 0 authorized reinsurers, $ 0 unauthorized reinsurers and $ 0 certified reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized and certified ($ 0) companies	0	0	0	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22.	Liability for amounts held under uninsured plans	0	0	0	0
23.	Aggregate write-ins for other liabilities (including $ 0 current)	0	0	0	0
24.	Total liabilities (Lines 1 to 23)	10,526,280	0	10,526,280	9,086,949
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	3,325,171
26.	Common capital stock	XXX	XXX	0	0
27.	Preferred capital stock	XXX	XXX	0	0
28.	Gross paid in and contributed surplus	XXX	XXX	0	0
29.	Surplus notes	XXX	XXX	0	0
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	8,215,492	4,402,809
32.	Less treasury stock, at cost:				
	32.1 0 shares common (value included in Line 26 $ 0)	XXX	XXX	0	0
	32.2 0 shares preferred (value included in Line 27 $ 0)	XXX	XXX	0	0
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	8,215,492	7,727,980
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	18,741,772	16,814,929
	DETAILS OF WRITE-INS				
2301.		0	0	0	0
2302.		0	0	0	0
2303.		0	0	0	0
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	0	0	0
2501.	2014 AFFORDABLE CARE ACT FEE	XXX	XXX	0	3,325,171
2502.		XXX	XXX	0	0
2503.		XXX	XXX	0	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	3,325,171
3001.		XXX	XXX	0	0
3002.		XXX	XXX	0	0
3003.		XXX	XXX	0	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 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	170,688	157,099	208,688
2.	Net premium income (including $ 0 non-health premium income)	XXX	48,312,106	40,442,345	54,326,662
3.	Change in unearned premium reserves and reserve for rate credits	XXX	0	0	0
4.	Fee-for-service (net of $ 0 medical expenses)	XXX	0	0	0
5.	Risk revenue	XXX	0	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	0	0
8.	Total revenues (Lines 2 to 7)	XXX	48,312,106	40,442,345	54,326,662
	Hospital and Medical:				
9.	Hospital/medical benefits	0	26,500,929	24,627,882	32,941,084
10.	Other professional services	0	2,977,883	2,530,604	3,557,849
11.	Outside referrals	0	0	0	0
12.	Emergency room and out-of-area	0	4,782,870	3,532,030	4,957,426
13.	Prescription drugs	0	7,033,584	5,489,792	7,357,197
14.	Aggregate write-ins for other hospital and medical	0	1	138,470	609,453
15.	Incentive pool, withhold adjustments and bonus amounts	0	503,178	413,037	527,371
16.	Subtotal (Lines 9 to 15)	0	41,798,444	36,731,815	49,950,380
	Less:				
17.	Net reinsurance recoveries	0	76,412	69,498	239,769
18.	Total hospital and medical (Lines 16 minus 17)	0	41,722,033	36,662,317	49,710,611
19.	Non-health claims (net)	0	0	0	0
20.	Claims adjustment expenses, including $ 959,607 cost containment expenses	0	1,398,845	701,186	940,938
21.	General administrative expenses	0	4,940,445	2,471,532	3,308,370
22.	Increase in reserves for life and accident and health contracts (including $ 0 increase in reserves for life only)	0	0	0	0
23.	Total underwriting deductions (Lines 18 through 22)	0	48,061,322	39,835,035	53,959,919
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	250,783	607,310	366,743
25.	Net investment income earned	0	38,145	36,879	260,890
26.	Net realized capital gains (losses) less capital gains tax of $ 0	0	1,750	137,594	170,597
27.	Net investment gains (losses) (Lines 25 plus 26)	0	39,894	174,473	431,487
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $ 0) (amount charged off $ 0)]	0	0	0	0
29.	Aggregate write-ins for other income or expenses	0	0	0	0
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	290,678	781,783	798,230
31.	Federal and foreign income taxes incurred	XXX	0	0	0
32.	Net income (loss) (Lines 30 minus 31)	XXX	290,678	781,783	798,230
	DETAILS OF WRITE-INS				
0601.		XXX	0	0	0
0602.		XXX	0	0	0
0603.		XXX	0	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.		XXX	0	0	0
0702.		XXX	0	0	0
0703.		XXX	0	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	0	0
1401.	Other Medical	0	1	138,470	609,453
1402.		0	0	0	0
1403		0	0	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	1	138,470	609,453
2901.		0	0	0	0
2902.		0	0	0	0
2903		0	0	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	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
	CAPITAL AND SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	7,727,980	6,257,548	6,257,548
34.	Net income or (loss) from Line 32	290,678	402,925	798,230
35.	Change in valuation basis of aggregate policy and claim reserves	0	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ 0	177,961	294,200	299,696
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38.	Change in net deferred income tax	0	0	0
39.	Change in nonadmitted assets	18,874	352,326	372,506
40	Change in unauthorized and certified reinsurance	0	0	0
41.	Change in treasury stock	0	0	0
42.	Change in surplus notes	0	0	0
43.	Cumulative effect of changes in accounting principles	0	0	0
44.	Capital Changes:			
	44.1 Paid in	0	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0	0
	44.3 Transferred to surplus	0	0	0
45.	Surplus adjustments:			
	45.1 Paid in	0	0	0
	45.2 Transferred to capital (Stock Dividend)	0	0	0
	45.3 Transferred from capital	0	0	0
46.	Dividends to stockholders	0	0	0
47.	Aggregate write-ins for gains or (losses) in surplus	0	0	0
48.	Net change in capital & surplus (Lines 34 to 47)	487,512	1,049,451	1,470,432
49.	Capital and surplus end of reporting period (Line 33 plus 48)	8,215,492	7,306,999	7,727,980
	DETAILS OF WRITE-INS			
4701.	Additional capital provided by parent company	0	0	0
4702.		0	0	0
4703.		0	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	0	0

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	48,351,151	40,617,130	54,411,064
2.	Net investment income	38,149	36,886	96,784
3.	Miscellaneous income	15,031	30,868	(8,163)
4.	Total (Lines 1 to 3)	48,404,332	40,684,884	54,499,685
5.	Benefit and loss related payments	42,001,250	36,317,223	46,530,420
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	5,662,296	3,312,853	4,355,530
8.	Dividends paid to policyholders	0	0	0
9.	Federal and foreign income taxes paid (recovered) net of $ 0 tax on capital gains (losses)	0	0	0
10.	Total (Lines 5 through 9)	47,663,546	39,630,076	50,885,950
11.	Net cash from operations (Line 4 minus Line 10)	740,785	1,054,808	3,613,735
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	8,554	0	0
	12.2 Stocks	0	803,098	930,242
	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	121,871	0	164,086
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	130,425	803,098	1,094,328
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	54,270	0	0
	13.2 Stocks	0	345,002	699,438
	13.3 Mortgage loans	0	0	0
	13.4 Real estate	0	0	0
	13.5 Other invested assets	0	0	0
	13.6 Miscellaneous applications	121,871	0	3
	13.7 Total investments acquired (Lines 13.1 to 13.6)	176,141	345,002	699,441
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)	(45,716)	458,096	394,887
	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	0	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
	16.5 Dividends to stockholders	0	0	0
	16.6 Other cash provided (applied)	607,958	(1,161,429)	(1,294,167)
17.	Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	607,958	(1,161,429)	(1,294,167)
	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)	1,303,027	351,475	2,714,455
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	10,008,232	7,293,777	7,293,777
	19.2 End of period (Line 18 plus Line 19.1)	11,311,259	7,645,252	10,008,232

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	17,585	700	0	0	0	0	0	0	16,885	0
2. First Quarter	18,160	740	0	0	0	0	0	0	17,420	0
3. Second Quarter	20,425	655	0	0	0	0	0	0	19,770	0
4. Third Quarter	20,205	861	0	0	0	0	0	0	19,344	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	170,688	6,589	0	0	0	0	0	0	164,099	0
Total Member Ambulatory Encounters for Period:										
7 Physician	72,635	1,742	0	0	0	0	0	0	70,893	0
8. Non-Physician	43,295	677	0	0	0	0	0	0	42,618	0
9. Total	115,930	2,419	0	0	0	0	0	0	113,511	0
10. Hospital Patient Days Incurred	7,897	28	0	0	0	0	0	0	7,869	0
11. Number of Inpatient Admissions	1,838	9	0	0	0	0	0	0	1,829	0
12. Health Premiums Written (a)	48,477,457	1,166,410	0	0	0	0	0	0	47,311,047	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	48,477,457	1,166,410	0	0	0	0	0	0	47,311,047	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	42,123,983	243,566	0	0	0	0	0	0	41,880,417	0
18. Amount Incurred for Provision of Health Care Services	41,798,444	255,792	0	0	0	0	0	0	41,542,652	0

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $ 0

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE PHP FamilyCare

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)	0	0	0	0	0	0
0199999. Individually listed claims unpaid	0	0	0	0	0	0
0299999 Aggregate accounts not individually listed-uncovered	0	0	0	0	0	0
0399999 Aggregate accounts not individually listed-covered	339,134	235,911	0	0	0	575,045
0499999 Subtotals	339,134	235,911	0	0	0	575,045
0599999 Unreported claims and other claim reserves						5,881,848
0699999 Total amounts withheld						0
0799999 Total claims unpaid						6,456,893
0899999 Accrued medical incentive pool and bonus amounts						493,682

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	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	23,482	220,084	124	50,370	23,606	38,268
2. Medicare Supplement	0	0	0	0	0	5,704,152
3. Dental Only	0	0	0	0	0	0
4. Vision Only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	0	0	0	0	0	0
6. Title XVIII - Medicare	0	0	0	0	0	0
7 Title XIX - Medicaid	3,522,742	37,988,482	35,766	6,370,633	3,558,507	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	3,546,224	38,208,566	35,889	6,421,003	3,582,113	5,742,420
10. Healthcare receivables (a)	176,894	0	8,158	1,428,495	185,052	497,396
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	369,193	0	5,642	488,040	374,835	493,953
13. Totals (Lines 9-10+11+12)	3,738,523	38,208,566	33,373	5,480,548	3,771,896	5,738,977

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

1. SIGNIFICANT ACCOUNTING POLICIES

   The financial statements of PHP FamilyCare are presented on the basis of 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 and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual,* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Michigan.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

   Not applicable

3. BUSINESS COMBINATIONS AND GOODWILL

   Not applicable

4. DISCONTINUED OPERATIONS

   Not applicable

5. INVESTMENTS

   No significant change

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

   Not applicable

7. INVESTMENT INCOME

   All investment income due or accrued has been included in the filing.

8. DERIVATIVE INSTRUMENTS

   Not applicable

9. INCOME TAXES

   PHP FamilyCare is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

    No significant change

11. DEBT

    Not applicable

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

    Not applicable

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

    No significant change

14. CONTINGENCIES

    No significant change

15. LEASES

Not Applicable

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

Not applicable

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Not applicable

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable

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

Not applicable

20. FAIR VALUE MEASUREMENTS

A.

1. Assets Measured at Fair Value on a Recurring Basis:

1	2	3	4	5
Description for Each Class of Asset or Liability	**Level 1**	**Level 2**	**Level 3**	**Total**
a. Assets at Fair Value				
Mutual Funds	$ 5,660,437			$ 5,660,437
Short-Term Investments	12,397,888	-	-	12,397,888
Total Assets at Fair Value	$ 18,058,326	$ -	$ -	$ 18,058,326

There are no assets or liabilities recorded at fair value on a non-recurring basis as of September 30, 2014 and December 31, 2013.

The Company has categorized its assets and liabilities into the three-level fair value hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets and liabilities owned by the Company that are included within the three-level fair value hierarchy presented in the table above:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and liabilities: This category is generally quotes for debt or equity securities actively traded in exchange or over-the-counter markets.

Level 2 – Significant other observable inputs: The Company has no Level 2 assets or liabilities.

Level 3 – Significant unobservable inputs: The Company has no Level 3 assets or liabilities.

2. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

The Company has no assets or liabilities measured at fair value in the Level 3 category

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company has no assets or liabilities measured at fair value in the Level 3 category.

5. Derivative Fair Value

Not applicable

B. Other Fair Value Disclosures

Not applicable

C. Reasons Not Practical to Estimate Fair Values

Not applicable

21. OTHER ITEMS

Not applicable

22. EVENTS SUBSEQUENT

Effective October 1, 2014, PHP FamilyCare's name was changed to Sparrow PHP.

23. REINSURANCE

No significant change

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

Not applicable

25. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Reserves as of December 31, 2013 were $5.27million. As of September 30, 2014, $4.0 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately $36,000 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been favorable prior-year development of approximately $1.7 million since December 31, 2013 to September 30, 2014. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates increase or decrease, as additional information becomes known regarding individual claims.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

27. STRUCTURED SETTLEMENTS

Not applicable

28. HEALTH CARE RECEIVABLES

No significant change

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 [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

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

2.2 If yes, date of change:

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 [X] 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 [X]

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 [X]

4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [X] N/A [ ]
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. 12/31/2011

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. 12/31/2011

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). 03/29/2013

6.4 By what department or departments?
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 [X] No [ ] N/A [ ]

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

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

7.2 If yes, give full information:

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

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

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

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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: $ 0

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 [ ] No [X]

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

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$ 0	$ 0
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 0	$ 0
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on Real Estate	$ 0	$ 0
14.26 All Other	$ 0	$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 0	$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

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

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

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. $ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0

16.3 Total payable for securities lending reported on the liability page. $ 0

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 [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
BNY MELLON	ONE MELLON CENTER, PITTSBURGH, PA 15258-0001

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

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

17.4 If yes, give full information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
N/A	SEI	1 FREEDOM DRIVE, OAKS, PA 19456

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent ..... 88.3 %

1.2 A&H cost containment percent ..... 2.0 %

1.3 A&H expense percent excluding cost containment expenses ..... 11.1 %

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 ..... $ 0

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 ..... $ 0

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
10227	13-4924125	01/01/2014	MUNICH REINSURANCE AMERICA, INC.	DE	SS/A/I	Authorized		

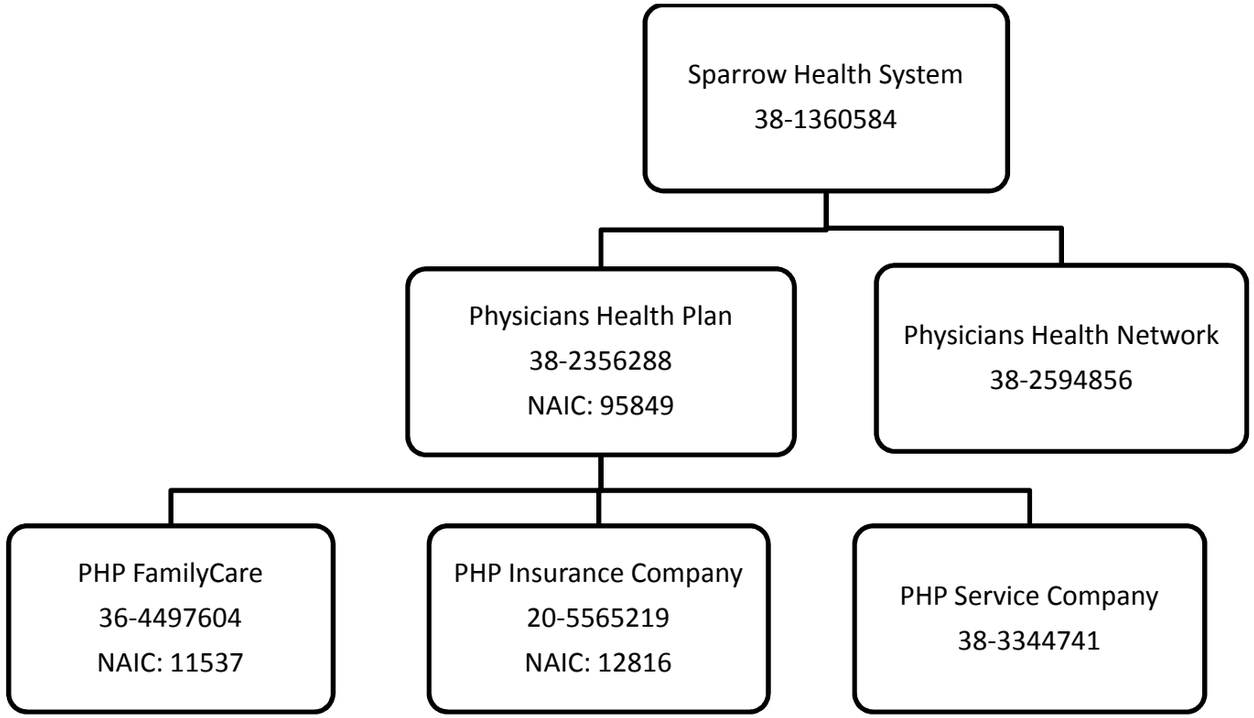
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N	0	0	0	0	0	0	0	0
2. Alaska AK	N	0	0	0	0	0	0	0	0
3. Arizona AZ	N	0	0	0	0	0	0	0	0
4. Arkansas AR	N	0	0	0	0	0	0	0	0
5. California CA	N	0	0	0	0	0	0	0	0
6. Colorado CO	N	0	0	0	0	0	0	0	0
7. Connecticut CT	N	0	0	0	0	0	0	0	0
8. Delaware DE	N	0	0	0	0	0	0	0	0
9. District of Columbia DC	N	0	0	0	0	0	0	0	0
10. Florida FL	N	0	0	0	0	0	0	0	0
11. Georgia GA	N	0	0	0	0	0	0	0	0
12. Hawaii HI	N	0	0	0	0	0	0	0	0
13. Idaho ID	N	0	0	0	0	0	0	0	0
14. Illinois IL	N	0	0	0	0	0	0	0	0
15. Indiana IN	N	0	0	0	0	0	0	0	0
16. Iowa IA	N	0	0	0	0	0	0	0	0
17. Kansas KS	N	0	0	0	0	0	0	0	0
18. Kentucky KY	N	0	0	0	0	0	0	0	0
19. Louisiana LA	N	0	0	0	0	0	0	0	0
20. Maine ME	N	0	0	0	0	0	0	0	0
21. Maryland MD	N	0	0	0	0	0	0	0	0
22. Massachusetts MA	N	0	0	0	0	0	0	0	0
23. Michigan MI	L	1,166,410	0	47,311,047	0	0	0	48,477,457	0
24. Minnesota MN	N	0	0	0	0	0	0	0	0
25. Mississippi MS	N	0	0	0	0	0	0	0	0
26. Missouri MO	N	0	0	0	0	0	0	0	0
27. Montana MT	N	0	0	0	0	0	0	0	0
28. Nebraska NE	N	0	0	0	0	0	0	0	0
29. Nevada NV	N	0	0	0	0	0	0	0	0
30. New Hampshire NH	N	0	0	0	0	0	0	0	0
31. New Jersey NJ	N	0	0	0	0	0	0	0	0
32. New Mexico NM	N	0	0	0	0	0	0	0	0
33. New York NY	N	0	0	0	0	0	0	0	0
34. North Carolina NC	N	0	0	0	0	0	0	0	0
35. North Dakota ND	N	0	0	0	0	0	0	0	0
36. Ohio OH	N	0	0	0	0	0	0	0	0
37. Oklahoma OK	N	0	0	0	0	0	0	0	0
38. Oregon OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania PA	N	0	0	0	0	0	0	0	0
40. Rhode Island RI	N	0	0	0	0	0	0	0	0
41. South Carolina SC	N	0	0	0	0	0	0	0	0
42. South Dakota SD	N	0	0	0	0	0	0	0	0
43. Tennessee TN	N	0	0	0	0	0	0	0	0
44. Texas TX	N	0	0	0	0	0	0	0	0
45. Utah UT	N	0	0	0	0	0	0	0	0
46. Vermont VT	N	0	0	0	0	0	0	0	0
47. Virginia VA	N	0	0	0	0	0	0	0	0
48. Washington WA	N	0	0	0	0	0	0	0	0
49. West Virginia WV	N	0	0	0	0	0	0	0	0
50. Wisconsin WI	N	0	0	0	0	0	0	0	0
51. Wyoming WY	N	0	0	0	0	0	0	0	0
52. American Samoa AS	N	0	0	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Aliens OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	1,166,410	0	47,311,047	0	0	0	48,477,457	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Totals (Direct Business)	(a) 1	1,166,410	0	47,311,047	0	0	0	48,477,457	0
DETAILS OF WRITE-INS									
58001.	XXX	0	0	0	0	0	0	0	0
58002.	XXX	0	0	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0	0	0
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.


Sparrow Health System
38-1360584
Physicians Health Plan
38-2356288
NAIC: 95849
Physicians Health Network
38-2594856
PHP FamilyCare
36-4497604
NAIC: 11537
PHP Insurance Company
20-5565219
NAIC: 12816
PHP Service Company
38-3344741

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries Or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
			38-1490180				CARSON CITY HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Influence	0.000	SPARROW HEALTH SYSTEM	
			38-3218134				SPARROW IONIA HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-6100687				SPARROW FOUNDATION	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-2594856				PHYSICIANS HEALTH NETWORK	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-2543305				SPARROW COMMUNITY CARE	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			14-1885340				SPARROW SPECIALTY HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-1358172				SPARROW CLINTON HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-1360584				EW SPARROW HOSPITAL ASSOCIATION	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-2595963				SPARROW DEVELOPMENT, INC	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
			38-3075242				SPARROW CLINICAL RESEARCH NSTITUTE	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
3408	PHYSICIANS HEALTH PLAN	95849	38-2356288				PHYSICIANS HEALTH PLAN	MI	IA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	
3408	PHYSICIANS HEALTH PLAN	11537	36-4497604				PHP FAMILYCARE	MI	IA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	
3408	PHYSICIANS HEALTH PLAN	12816	20-5565219				PHP INSURANCE COMPANY	MI	IA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	
	PHYSICIANS HEALTH PLAN		38-3344741				PHP SERVICE COMPANY	MI	NIA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	
	PHYSICIANS HEALTH PLAN		38-3361367				PHP SHARED SERVICES, LLC	MI	NIA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	

NONE

Asterisk	Explanation

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?	YES

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

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		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

NONE

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		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

NONE

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		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

NONE

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	5,435,010	5,195,518
2.	Cost of bonds and stocks acquired	54,270	699,438
3.	Accrual of discount	0	0
4.	Unrealized valuation increase (decrease)	177,961	299,699
5.	Total gain (loss) on disposals	1,750	170,597
6.	Deduct consideration for bonds and stocks disposed of	8,554	930,242
7.	Deduct amortization of premium	0	0
8.	Total foreign exchange change in book/adjusted carrying value	0	0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	5,660,437	5,435,010
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	5,660,437	5,435,010

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)	12,723,403	16,939,513	17,265,028	0	12,271,595	12,723,403	12,397,888	10,961,243
2. NAIC 2 (a)	0	0	0	0	0	0	0	0
3. NAIC 3 (a)	0	0	0	0	0	0	0	0
4. NAIC 4 (a)	0	0	0	0	0	0	0	0
5. NAIC 5 (a)	0	0	0	0	0	0	0	0
6. NAIC 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	12,723,403	16,939,513	17,265,028	0	12,271,595	12,723,403	12,397,888	10,961,243
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	12,723,403	16,939,513	17,265,028	0	12,271,595	12,723,403	12,397,888	10,961,243

(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 $ 0 ; NAIC 2 $ 0 ; NAIC 3 $ 0 ; NAIC 4 $ 0 ; NAIC 5 $ 0 ; NAIC 6 $ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year-to-Date	5 Paid for Accrued Interest Year-to-Date
9199999 Totals	12,397,888	XXX	12,397,888	862	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	10,961,243	8,179,002
2. Cost of short-term investments acquired	46,124,551	57,566,028
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	44,687,906	54,783,787
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	12,397,888	10,961,243
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	12,397,888	10,961,243

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

N O N E

Schedule E - Verification - Cash Equivalents

N O N E

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

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)
8399997. Total - Bonds - Part 3						0	0	0	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						0	0	0	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
783980-20-4	SEI INSTITUTIONAL INVESTMENT TRUST - COR		09/30/2014	NON-BROKER TRADE, BO	1,479.790	15,582		0	L
783980-81-6	SEI INSTITUTIONAL INVESTMENT TRUST - SMA		07/02/2014	NON-BROKER TRADE, BO	18.230	301		0	L
783980-82-4	SEI INSTITUTIONAL INVESTMENT TRUST - LAR		07/02/2014	NON-BROKER TRADE, BO	411.060	6,265		0	L
9299999. Subtotal - Common Stocks - Mutual Funds						22,148	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						22,148	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						22,148	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						22,148	XXX	0	XXX
9999999 - Totals						22,148	XXX	0	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 0

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 Ident-ification	Description	For-eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization)/ Accretion	Current Year's Other Than Temporary Impairment Recog-nized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	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 DuringYear	Stated Con-tractual Maturity Date	NAIC Desig-nation or Market In-dicator (a)
8399997. Total - Bonds - Part 4						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds						0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
783980-20-4	SEI INSTITUTIONAL INVESTMENT TRUST - COR		08/26/2014	NON-BROKER TRADE, BO	112.000	1,186		1,106	1,148	(42)	0	0	(42)	0	1,106	0	80	80	249		L
783980-77-4	SEI INSTITUTIONAL INVESTMENT TRUST - WOR		08/26/2014	NON-BROKER TRADE, BO	54.000	712		503	677	(175)	0	0	(175)	0	503	0	209	209	0		L
783980-81-6	SEI INSTITUTIONAL INVESTMENT TRUST - SMA		08/26/2014	NON-BROKER TRADE, BO	11.000	178		130	170	(40)	0	0	(40)	0	130	0	48	48	1		L
783980-82-4	SEI INSTITUTIONAL INVESTMENT TRUST - LAR		08/26/2014	NON-BROKER TRADE, BO	58.000	889		582	816	(234)	0	0	(234)	0	582	0	307	307	4		L
9299999. Subtotal - Common Stocks - Mutual Funds						2,965	XXX	2,321	2,811	(491)	0	0	(491)	0	2,321	0	644	644	254	XXX	XXX
9799997. Total - Common Stocks - Part 4						2,965	XXX	2,321	2,811	(491)	0	0	(491)	0	2,321	0	644	644	254	XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						2,965	XXX	2,321	2,811	(491)	0	0	(491)	0	2,321	0	644	644	254	XXX	XXX
9899999. Total - Preferred and Common Stocks						2,965	XXX	2,321	2,811	(491)	0	0	(491)	0	2,321	0	644	644	254	XXX	XXX
9999999 - Totals						2,965	XXX	2,321	2,811	(491)	0	0	(491)	0	2,321	0	644	644	254	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 0

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
COMERICA BANK LANSING, MICHIGAN		0.000	0	0	(868,733)	(1,110,642)	(1,086,629)	XXX
0199998. Deposits in 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX	0	0	0	0	0	XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	(868,733)	(1,110,642)	(1,086,629)	XXX
0299998. Deposits in 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	(868,733)	(1,110,642)	(1,086,629)	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	0	0	0	XXX
0599999. Total - Cash	XXX	XXX	0	0	(868,733)	(1,110,642)	(1,086,629)	XXX

Schedule E - Part 2 - Cash Equivalents - Investments Owned End of Current Quarter

N O N E

Medicare Part D Coverage Supplement

N O N E