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HEALTH QUARTERLY STATEMENT

As of March 31, 2012

of the Condition and Affairs of the

Blue Care Network of Michigan

NAIC Group Code.....572, 572 (Current Period) (Prior Period) NAIC Company Code..... 95610 Employer's ID Number..... 38-2359234

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

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

Incorporated/Organized..... May 6, 1981 Commenced Business..... May 13, 1981

Statutory Home Office	20500 Civic Center Drive….. Southfield ..... MI ..... 48076 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	20500 Civic Center Drive….. Southfield ..... MI ..... 48076 *(Street and Number) (City or Town, State and Zip Code)*	248-799-6400 *(Area Code) (Telephone Number)*
Mail Address	20500 Civic Center Drive MC C455….. Southfield ..... MI ..... 48076 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	20500 Civic Center Drive….. Southfield ..... MI ..... 48076 *(Street and Number) (City or Town, State and Zip Code)*	248-455-3428 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.mibcn.com	
Statutory Statement Contact	Joseph John Andraska *(Name)*	248-455-3428 *(Area Code) (Telephone Number) (Extension)*
	JAndraska@bcbsm.com *(E-Mail Address)*	877-350-3408 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Kevin James Klobucar	President & Chief Executive Officer	2. Julie Concetta Swantek	Secretary
3. Susan Anne Kluge	Chief Financial Officer & Treasurer	4. Marc Darryl Keshishian MD	Chief Medical Officer

OTHER

DIRECTORS OR TRUSTEES

Kedrick David Adkins	Julie Anne Angott	Mark Robert Bartlett	William Harrison Black
James Robert Dietz	Shauna Ryder Diggs MD	Sarah Winston Doyle	Janet Louise Harden
DeMerritte Bonta Hiscoe MD	Valeriah Ann Holmon	Teola Pearl Hunter	Gerald Kariem
Robert Paul Kelch MD	Kevin James Klobucar	Melvin Lyle Larsen	Barry Eugene Newcomb
Gregory Alan Sudderth	Diana Lynn Watson		

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

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

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

Subscribed and sworn to before me

This _____ day of _____

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	500,332,289		500,332,289	489,423,325
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	15,259,126		15,259,126	15,243,629
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....2,052,469), cash equivalents ($.....0) and short-term investments ($.....695,108,623)	697,161,092		697,161,092	570,864,141
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets	106,899,817		106,899,817	106,164,483
9. Receivables for securities	10,062,843		10,062,843	1,141,362
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,329,715,167	0	1,329,715,167	1,182,836,940
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	14,023,720		14,023,720	13,695,755
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	38,462,147	123,789	38,338,358	36,218,153
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans	478,340		478,340	1,442,047
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset			0	
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	12,832,089	12,743,473	88,616	11,928
21. Furniture and equipment, including health care delivery assets ($.....0)	285,133	285,133	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	41,431,948		41,431,948	41,553,046
24. Health care ($.....18,637,228) and other amounts receivable	18,712,665	75,437	18,637,228	14,449,230
25. Aggregate write-ins for other than invested assets	4,907,017	3,608,744	1,298,273	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	1,460,848,226	16,836,576	1,444,011,650	1,290,207,099
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	1,460,848,226	16,836,576	1,444,011,650	1,290,207,099

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid expenses	3,600,249	3,600,249	0	
2502. Other Accounts Receivable	1,306,768	8,495	1,298,273	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	4,907,017	3,608,744	1,298,273	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $.....16,398,101 reinsurance ceded)	289,145,071	12,938,588	302,083,659	259,068,230
2. Accrued medical incentive pool and bonus amounts	81,500,582		81,500,582	72,326,542
3. Unpaid claims adjustment expenses	8,994,905		8,994,905	8,036,861
4. Aggregate health policy reserves, including the liability of $.....0 for medical loss ratio rebate per the Public Health Service Act	5,823,043		5,823,043	5,750,700
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserve			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance	92,293,212		92,293,212	42,533,384
9. General expenses due or accrued	23,258,264		23,258,264	23,561,387
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	142,826		142,826	5,326
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable	2,884,851		2,884,851	3,013,229
12. Amounts withheld or retained for the account of others	4,984,010		4,984,010	803,766
13. Remittances and items not allocated	659,376		659,376	
14. Borrowed money (including $.....50,000,000 current) and interest thereon $.....12,250 (including $.....12,250 current)	50,012,250		50,012,250	50,012,931
15. Amounts due to parent, subsidiaries and affiliates	109,146,563		109,146,563	95,640,760
16. Derivatives			0	
17. Payable for securities	29,919,468		29,919,468	18,000,420
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)			0	
20. Reinsurance in unauthorized companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans	1,797,448		1,797,448	2,206,535
23. Aggregate write-ins for other liabilities (including $.....0 current)	520,062	0	520,062	668,475
24. Total liabilities (Lines 1 to 23)	701,081,931	12,938,588	714,020,519	581,628,546
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	10,000	10,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	15,643,045	15,643,045
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	714,338,086	692,925,508
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	729,991,131	708,578,553
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,444,011,650	1,290,207,099

DETAILS OF WRITE-INS

2301. Escheats	520,062		520,062	668,475
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	520,062	0	520,062	668,475
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.				
3002.				
3003.				
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months	XXX	1,625,711	1,643,102	6,692,695
2. Net premium income (including $.....0 non-health premium income)	XXX	654,674,564	631,337,733	2,570,403,056
3. Change in unearned premium reserves and reserve for rate credits	XXX	(72,343)	(167,541)	(661,681)
4. Fee-for-service (net of $.....0 medical expenses)	XXX			
5. Risk revenue	XXX	755,351	968,518	3,467,404
6. Aggregate write-ins for other health care related revenues	XXX	4,814	9,252	37,218
7. Aggregate write-ins for other non-health revenues	XXX	4,316,004	0	0
8. Total revenues (Lines 2 to 7)	XXX	659,678,390	632,147,962	2,573,245,997
Hospital and Medical:				
9. Hospital/medical benefits	7,536,575	407,392,085	394,011,520	1,548,317,469
10. Other professional services	259,086	16,346,754	16,650,833	66,835,495
11. Outside referrals	19,015,846	19,015,846	21,055,072	80,301,197
12. Emergency room and out-of-area	1,147,676	37,201,583	34,510,705	144,864,869
13. Prescription drugs		89,392,777	83,277,565	326,673,435
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		17,041,897	16,311,852	53,617,323
16. Subtotal (Lines 9 to 15)	27,959,183	586,390,942	565,817,547	2,220,609,788
Less:				
17. Net reinsurance recoveries		9,057,155	8,969,178	31,217,625
18. Total hospital and medical (Lines 16 minus 17)	27,959,183	577,333,787	556,848,369	2,189,392,163
19. Non-health claims (net)				
20. Claims adjustment expenses, including $.....11,476,448 cost containment expenses		26,613,853	23,792,627	102,265,297
21. General administrative expenses		44,431,925	36,285,089	140,079,837
22. Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)				2,270,000
23. Total underwriting deductions (Lines 18 through 22)	27,959,183	648,379,565	616,926,085	2,434,007,297
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	11,298,825	15,221,877	139,238,700
25. Net investment income earned		4,889,920	4,368,365	19,642,861
26. Net realized capital gains (losses) less capital gains tax of $.....0		4,281,469	3,799,284	5,228,669
27. Net investment gains or (losses) (Lines 25 plus 26)	0	9,171,389	8,167,649	24,871,530
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....2,172) (amount charged off $.....90,315)]		(88,143)	(52,976)	(194,749)
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	20,382,071	23,336,550	163,915,481
31. Federal and foreign income taxes incurred	XXX	147,500	62,804	449,059
32. Net income (loss) (Lines 30 minus 31)	XXX	20,234,571	23,273,746	163,466,422

DETAILS OF WRITE-INS

0601. Miscellaneous Revenue	XXX	4,814	9,252	37,218
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	4,814	9,252	37,218
0701. Michigan Health Insurance Claims Assessment Collected	XXX	4,316,004		
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	4,316,004	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year	708,578,553	530,560,230	530,560,230
34. Net income or (loss) from Line 32	20,234,571	23,273,746	163,466,422
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of $.....0	747,322	1,539,193	16,499,661
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	430,685	(566,763)	(1,947,760)
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	21,412,578	24,246,176	178,018,323
49. Capital and surplus end of reporting period (Line 33 plus 48)	729,991,131	554,806,406	708,578,553

DETAILS OF WRITE-INS

4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 thru 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	702,690,941	640,762,555	2,556,712,223
2. Net investment income	5,780,382	4,330,161	23,440,840
3. Miscellaneous income	5,076,169	977,770	3,504,622
4. Total (Lines 1 through 3)	713,547,492	646,070,486	2,583,657,685
5. Benefit and loss related payments	525,144,318	525,706,967	2,181,463,665
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	70,072,793	61,120,230	239,768,068
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	10,000	(21,196)	378,000
10. Total (Lines 5 through 9)	595,227,111	586,806,001	2,421,609,733
11. Net cash from operations (Line 4 minus Line 10)	118,320,381	59,264,485	162,047,952
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	207,433,573	164,333,586	684,033,536
12.2 Stocks	87,898	37,185	549,102
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	11,535		(486,013)
12.7 Miscellaneous proceeds	11,919,048	28,361,437	18,000,420
12.8 Total investment proceeds (Lines 12.1 to 12.7)	219,452,054	192,732,208	702,097,045
13. Cost of investments acquired (long-term only):			
13.1 Bonds	215,293,639	197,620,458	881,824,951
13.2 Stocks	89,474	6,368	2,808,944
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	8,921,481	15,653,906	1,141,362
13.7 Total investments acquired (Lines 13.1 to 13.6)	224,304,594	213,280,732	885,775,257
14. Net increase (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(4,852,540)	(20,548,524)	(183,678,212)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			50,000,000
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	12,829,110	2,952,224	(32,994,550)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	12,829,110	2,952,224	17,005,450
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	126,296,951	41,668,185	(4,624,810)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	570,864,141	575,488,951	575,488,951
19.2 End of period (Line 18 plus Line 19.1)	697,161,092	617,157,136	570,864,141

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

20.0001			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	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	569,229	3,125	491,047	8,387			22,371	44,299		
2. First Quarter	544,310	3,113	467,578	8,578			19,112	45,929		
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	1,625,711	9,315	1,396,736	25,493			57,384	136,783		
Total Member Ambulatory Encounters for Period:										
7. Physician	901,975	8,933	692,285	25,145			33,743	141,869		
8. Non-Physician	213,163	2,092	155,939	12,635			9,294	33,203		
9. Total	1,115,138	11,025	848,224	37,780	0	0	43,037	175,072	0	0
10. Hospital Patient Days Incurred	44,352	419	26,582	1,640			1,040	14,671		
11. Number of Inpatient Admissions	11,686	108	8,019	371			318	2,870		
12. Health Premiums Written (a)	663,398,796	3,298,356	496,669,902	5,031,686			21,872,606	136,526,246		
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	663,326,453	3,289,546	496,696,799	4,829,944			21,984,071	136,526,093		
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	535,424,755	4,619,166	398,139,795	3,864,325			17,799,672	111,001,797		
18. Amount Incurred for Provision of Health Care Services	586,390,942	4,008,473	433,173,731	4,941,187			19,489,755	124,777,796		

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees $.....136,526,246.

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)						
0399999. Aggregate Accounts Not Individually Listed-Covered	43,903,764	887,126	170,346	161,965		45,123,201
0499999. Subtotals	43,903,764	887,126	170,346	161,965	0	45,123,201
0599999. Unreported Claims and Other Claim Reserves						263,511,712
0699999. Total Amounts Withheld						9,846,847
0799999. Total Claims Unpaid						318,481,760
0899999. Accrued Medical Incentive Pool and Bonus Amounts						81,500,582

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 December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	140,625,908	250,030,154	54,242,388	169,021,409	194,868,296	194,412,855
2. Medicare Supplement	1,782,541	2,081,784	486,872	2,969,891	2,269,413	2,379,901
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan	6,071,231	11,209,296	2,188,098	8,407,756	8,259,329	9,263,693
6. Title XVIII - Medicare	36,342,854	73,326,280	14,988,690	49,778,555	51,331,544	53,011,781
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	184,822,534	336,647,514	71,906,048	230,177,611	256,728,582	259,068,230
10. Healthcare receivables (a)	10,014,360	8,698,305			10,014,360	14,519,078
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	7,442,292	425,565	64,868,100	16,632,482	72,310,392	72,326,542
13. Totals (Lines 9-10+11+12)	182,250,466	328,374,774	136,774,148	246,810,093	319,024,614	316,875,694

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The Michigan Office of Financial and Insurance Regulation (OFIR) recognizes only statutory accounting practices (SAP) required by the State of Michigan for determining and reporting the financial condition and results of operations of an insurance company. OFIR has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* and the related *NAIC Annual Statement Instructions* (NAIC SAP) for determining and reporting the financial condition and results of operations of an insurance company. OFIR requires the use of NAIC SAP to the extent that practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or the OFIR *Forms and Instructions for Required Filings in Michigan* defined as prescribed or permitted practices. As of March 31, 2012, Blue Care of Network of Michigan prepared its financial statements in accordance with NAIC SAP and had no prescribed or permitted practices that differed from NAIC SAP.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

D. Loan-Backed Securities –

(1) Prepayment assumptions are obtained from broker dealer survey values or internal estimates.

(2) Quarterly Recognized Other-Than-Temporary Impairment of Loan-Backed Securities – NOT APPLICABLE

(3) Other-Than-Temporary Impairment of Loan-Backed Securities Recognized – NOT APPLICABLE

(4) The impaired securities (fair value is less than amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a: The aggregate amount of unrealized losses:
1. Less than 12 months $2,501,043
2. 12 months or longer

b. The aggregate related fair values of securities with unrealized losses:
1. Less than 12 months $115,303,141
2. 12 months or longer

(5) BCN determined that the underlying securities noted in (4) b. above were not subjected to credit losses. BCN does not have the intent to sell nor is it likely that BCN will be required to sell the securities before recovery of the entire amortized cost basis. These investments are not considered to be other-than-temporarily impaired.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant change.

Note 11 - Debt

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

No significant change. No wash sales.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No significant change.

Note 20 - Fair Value

A. BCN and its investment managers determine fair values by applying the following guidelines. If available, BCN uses market prices in active markets for identical assets or liabilities and classifies these assets as Level 1. BCN estimates fair value based on quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets and/or inputs derived from observable market data and classifies these assets as Level 2. In situations where there is little or no market activity for the same or similar financial instruments, BCN estimates fair value using its own assumptions about future cash flows and appropriately risk-adjusted discount rates and classifies these assets as Level 3.

(1) Fair Value Measurements at Reporting Date

BCN's financial instruments measured and reported at fair value in the quarterly statement as of March 31, 2012, according to the valuation techniques BCN used to determine fair value, are summarized below:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
3/31/ 2011				
Common stocks – unaffiliated	$ 3,492,487	$ -	$ -	$ 3,492,487
Total	$ 3,492,487	$ -	$ -	$ 3,492,487

Some of BCN's assets and all liabilities are not measured at fair value but are recorded at amortized cost, using the adjusted audited GAAP equity method, using the audited statutory equity method, or at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets include: bonds, short-term investments, and other invested assets.

NOTES TO FINANCIAL STATEMENTS

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – NOT APPLICABLE

(3) Transfers Between Levels – NOT APPLICABLE

(4) Fair Value Measurements Categorized within Level 2 and Level 3 of the Fair Value Hierarchy – NOT APPLICABLE

(5) Derivative Assets and Liabilities – NOT APPLICABLE

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

Liabilities for unpaid claims and claims adjustment expenses as of December 31, 2011 were $267,105,091. As of March 31, 2012, $188,383,403 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Liabilities for unpaid claims and claims adjustment expenses remaining for prior years are now estimated to be $73,153,650 as a result of re-estimation of unpaid claims on Comprehensive and Medicare lines of business. Therefore, at this time there has been approximately a $1.2 million favorable prior year development included in our 2012 financial results. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

Not applicable.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - Anticipated Salvage and Subrogation

No significant change.

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. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.

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 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 [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. 12/31/2010.....

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. 12/31/2007.....

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). 6/30/2009.....

6.4 By what department or departments?
Department of Licensing and Regulatory Affairs - Office of Financial and Insurance Regulation

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 [ ] N/A [X]

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 the 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

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 [X] No [ ]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
The code of ethics policy was revised for definitions and clarity related to conflicts of interest, code of conduct, and fraud, waste and abuse. Also a policy statement was added that the company will comply with Health Care Reform regulations as they become effective.

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

PART 1 - 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: $.....34,726,489

PART 1 - 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 [X] No [ ]

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	$ 11,783,121	$ 11,766,639
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on Real Estate	$ 0	$ 0
14.26 All Other	$ 106,164,483	$ 106,899,817
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 117,947,604	$ 118,666,456
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.

16. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian Address
State Street Bank and Trust Company	801 Pennsylvania, Kansas City, MO 64105
Fidelity Investments Institutional Operations Co.	100 Magellan Way KW2B Covington, KY 41015
Federal Home Loan Bank of Indianapolis	8250 Woodfield Crossing Blvd. Indianapolis, IN 46240

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

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

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

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

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

16.5 Identify all investment advisors, 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
	Blue Cross Blue Shield of Michigan	600 E. Lafayette Blvd. Detroit, MI 48226

PART 1 - INVESTMENT

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent		89.9 %
1.2 A&H cost containment percent		1.8 %
1.3 A&H expense percent excluding cost containment expenses		9.1 %
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 amount of 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 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (YES or NO)

NONE

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
State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	L	503,809,783	136,526,246		21,872,606			662,208,635	
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 CN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	503,809,783	136,526,246	0	21,872,606	0	0	662,208,635	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	1,190,161						1,190,161	
61. Total (Direct Business)	(a) 1	504,999,944	136,526,246	0	21,872,606	0	0	663,398,796	0

DETAILS OF WRITE-INS

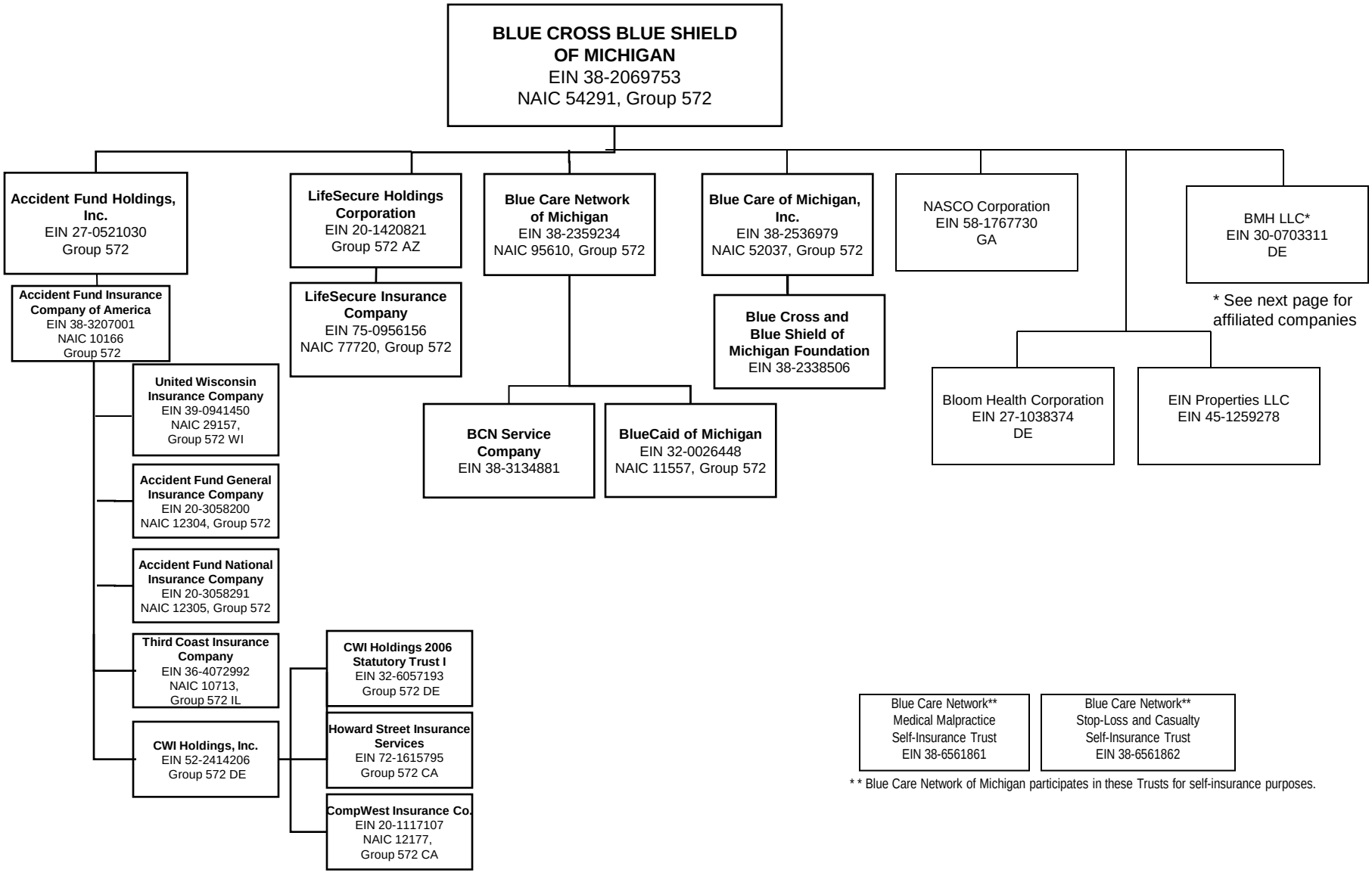
5801.							0	
5802.							0	
5803.							0	
5898. Summary of remaining write-ins for line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

(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.

SUBSIDIARY & AFFILIATE ORGANIZATION CHART



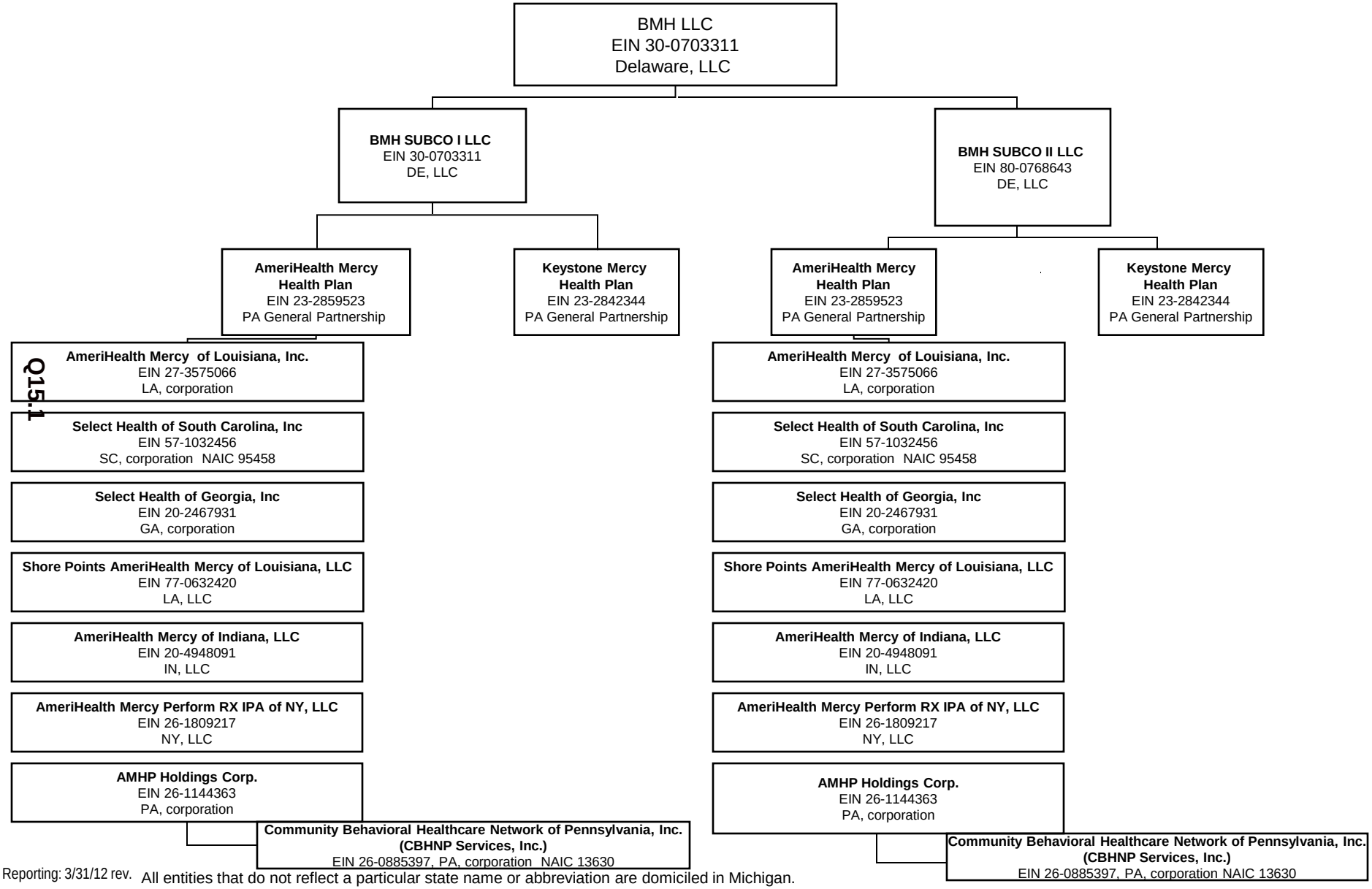
* * Blue Care Network of Michigan participates in these Trusts for self-insurance purposes.

Q15

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

Statement as of March 31, 2012 of the **Blue Care Network of Michigan**

SUBSIDIARY & AFFILIATE ORGANIZATION CHART



Q15.1

Reporting: 3/31/12 rev.

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

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 *
Members														
0572	Blue Cross Blue Shield of Michigan	54291	38-2069753				Blue Cross Blue Shield of Michigan	MI	UDP	State of Michigan	Legal			
0572	Blue Cross Blue Shield of Michigan		27-0521030				Accident Fund Holdings, Inc.	MI	NIA	Blue Cross Blue Shield of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	10166	38-3207001				Accident Fund Insurance Company of America	MI	IA	Accident Fund Holdings, Inc.	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	29157	39-0941450				United Wisconsin Insurance Company	WI	IA	Accident Fund Insurance Company of America	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	12304	20-3058200				Accident Fund General Insurance Company	MI	IA	Accident Fund Insurance Company of America	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	12305	20-3058291				Accident Fund National Insurance Company	MI	IA	Accident Fund Insurance Company of America	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	10713	36-4072992				Third Coast Insurance Company	IL	IA	Accident Fund Insurance Company of America	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan		52-2414206				CWI Holdings, Inc.	DE	IA	Accident Fund Insurance Company of America	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan		32-6057193				CWI Holdings 2006 Statutory Trust I	DE	IA	CWI Holdings, Inc.	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan		72-1615795				Howard Street Insurance Services	CA	IA	CWI Holdings, Inc.	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	12177	20-1117107				CompWest Insurance Co.	CA	IA	CWI Holdings, Inc.	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan		20-1420821				LifeSecure Holdings Corporation	AZ	NIA	Blue Cross Blue Shield of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	77720	75-0956156				LifeSecure Insurance Company	MI	IA	LifeSecure Holdings Corporation	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	95610	38-2359234				Blue Care Network of Michigan	MI		Blue Cross Blue Shield of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	11557	32-0026448				BlueCaid of Michigan	MI	DS	Blue Care Network of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
			38-3134881				BCN Service Company	MI	DS	Blue Care Network of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
0572	Blue Cross Blue Shield of Michigan	52037	38-2536979				Blue Care of Michigan, Inc.	MI	IA	Blue Cross Blue Shield of Michigan	Ownership	100.00	Blue Cross Blue Shield of Michigan	
			38-2338506				Blue Cross and Blue Shield of Michigan Foundation	MI	NIA	Blue Care of Michigan, Inc.	Ownership	100.00	Blue Cross Blue Shield of Michigan	
			58-1767730				NASCO Corporation	GA	NIA	Blue Cross Blue Shield of Michigan	Ownership	16.70	Blue Cross Blue Shield of Michigan	
			27-1038374				Bloom Health Corporation	DE	NIA	Blue Cross Blue Shield of Michigan	Ownership	28.70	Blue Cross Blue Shield of Michigan	
			45-1259278				EIN Properties LLC	MI	NIA	Blue Cross Blue Shield of Michigan	Ownership	40.00	Blue Cross Blue Shield of Michigan	
			30-0703311				BMH LLC	DE	NIA	Blue Cross Blue Shield of Michigan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			38-6561861				Blue Care Network Medical Malpractice Self-Insurance Trust	MI	OTH	Blue Care Network of Michigan	Ownership	97.20	Blue Cross Blue Shield of Michigan	*
			38-6561862				Blue Care Network Stop-Loss and Casualty Self-Insurance Trust	MI	OTH	Blue Care Network of Michigan	Ownership	99.30	Blue Cross Blue Shield of Michigan	*
			30-0703311				BMH SUBCO I LLC	DE	NIA	BMH LLC	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			80-0768643				BMH SUBCO II LLC	DE	NIA	BMH LLC	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			23-2859523				AmeriHealth Mercy Health Plan	PA	NIA	BMH SUBCO I LLC	Ownership	19.40	Blue Cross Blue Shield of Michigan	
			23-2859523				AmeriHealth Mercy Health Plan	PA	NIA	BMH SUBCO II LLC	Ownership	19.40	Blue Cross Blue Shield of Michigan	
			27-3575066				AmeriHealth Mercy of Louisiana, Inc.	LA	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
		95458	57-1032456				Select Health of South Carolina, Inc.	SC	IA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			20-2467931				Select Health of Georgia, Inc.	GA	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			77-0632420				Shore Points AmeriHealth Mercy of Louisiana, LLC	LA	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	

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 *
			20-4948091				AmeriHealth Mercy of Indiana, LLC	IN	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			26-1809217				AmeriHealth Mercy Perform RX IPA of NY, LLC	NY	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			26-1144363				AMHP Holdings Corp.	PA	NIA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
		13630	26-0885397				Community Behavioral Healthcare Network of Pennsylvania, Inc.	PA	IA	AmeriHealth Mercy Health Plan	Ownership	38.70	Blue Cross Blue Shield of Michigan	
			23-2842344				Keystone Mercy Health Plan	PA	NIA	BMH SUBCO I LLC	Ownership	19.40	Blue Cross Blue Shield of Michigan	
			23-2842344				Keystone Mercy Health Plan	PA	NIA	BMH SUBCO II LLC	Ownership	19.40	Blue Cross Blue Shield of Michigan	

Asterisk	Explanation
*	Grantor trust used for Stop-loss reinsurance
*	Grantor trust used for Malpractice insurance

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?	NO

Explanation:

1.

Bar Code:

Overflow Page for Write-Ins

NONE

SCHEDULE A - VERIFICATION

Real Estate

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	
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)	0	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts		
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	106,164,483	91,262,260
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)	735,334	14,902,223
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)	106,899,817	106,164,483
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	106,899,817	106,164,483

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	504,666,954	302,376,136
2. Cost of bonds and stocks acquired	215,383,115	884,633,895
3. Accrual of discount	31,871	95,677
4. Unrealized valuation increase (decrease)	11,988	1,597,438
5. Total gain (loss) on disposals	4,269,935	5,714,683
6. Deduct consideration for bonds and stocks disposed of	207,521,469	684,582,638
7. Deduct amortization of premium	1,250,979	5,168,237
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	515,591,415	504,666,954
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	515,591,415	504,666,954

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	525,057,195	532,844,830	445,626,227	(1,764,267)	610,511,531			525,057,195
2. Class 2 (a)	537,632,149	173,150,841	119,972,784	(5,880,825)	584,929,381			537,632,149
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	1,062,689,344	705,995,671	565,599,011	(7,645,092)	1,195,440,912	0	0	1,062,689,344
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	1,062,689,344	705,995,671	565,599,011	(7,645,092)	1,195,440,912	0	0	1,062,689,344

(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	695,108,623	XXX	706,023,308	8,575,931	1,693,240

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	564,421,208	554,040,273
2. Cost of short-term investments acquired	488,408,300	1,276,840,524
3. Accrual of discount	6,561	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	11,535	(486,013)
6. Deduct consideration received on disposals	351,347,355	1,237,435,654
7. Deduct amortization of premium	6,391,626	28,537,922
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	695,108,623	564,421,208
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	695,108,623	564,421,208

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

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	8,844,811	24,747,998
2. Cost of cash equivalents acquired	9,999,250	231,668,329
3. Accrual of discount	750	27,861
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	18,825,000	247,564,000
7. Deduct amortization of premium	19,811	35,377
8. Total foreign exchange change in book/ adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	8,844,811
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	0	8,844,811

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

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)
Bonds - U.S. Government									
912810 QT 8	U.S. TREASURY GOVERNMENT		02/09/2012	JEFFRIES		4,927,148	5,000,000	37,345	1
912828 RR 3	U.S. TREASURY GOVERNMENT		01/05/2012	JEFFRIES		8,004,375	8,000,000	24,615	1
912828 SD 3	U.S. TREASURY GOVERNMENT		02/07/2012	MERRILL LYNCH CAPITAL MARKETS		13,899,375	14,000,000	4,808	1
0599999.	Total - Bonds - U.S. Government					26,830,898	27,000,000	66,768	XXX
Bonds - U.S. Special Revenue and Special Assessment									
3128PX T7 1	FGJ17774		02/20/2012	CREDIT SUISSE CORP		74,346,185	71,821,220	89,777	1FE
3128PY CT 9	FEDERAL HOME LOAN MORTGAGE CO FHLMC		03/08/2012	JPM		11,464,248	11,033,261	12,872	1FE
31292L FA 8	FEDERAL HOME LOAN MORTGAGE CO FHLMC		03/22/2012	CREDIT SUISSE CORP		10,183,906	9,956,767	10,648	1FE
31294M MS 7	FEDERAL HOME LOAN MORTGAGE CO FHLMC		03/12/2012	CREDIT SUISSE CORP		10,406,250	10,000,000	11,667	1FE
31417A VW 6	FNMAB4228		02/29/2012	VARIOUS		30,799,879	29,934,583	34,924	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments					137,200,468	132,745,831	159,888	XXX
Bonds - Industrial and Miscellaneous									
03938L AW 4	ARCELORMITTAL CORPORATE		02/23/2012	JPM		1,993,820	2,000,000		2FE
053807 AQ 6	AVNET INC CORPORATE		02/29/2012	WILLIAM BLAIR INC		3,310,350	3,000,000	39,167	2FE
055921 AB 6	BMC SOFTWARE, INC. CORPORATE		02/10/2012	MERRILL LYNCH CAPITAL MARKETS		1,011,950	1,000,000	236	2FE
059512 AE 3	BACM 2007 - 3 A4		03/06/2012	BANK OF AMERICA		4,132,365	3,675,000	4,546	1SM
12513Y AF 7	CITIGROUP DEUTSCHE BANK 2007-CD4		03/01/2012	CITIGROUP		7,728,711	7,000,000	5,174	1SM
12626P AL 7	CRH AMERICA, INC. CORPORATE		03/08/2012	JEFFRIES		2,091,093	1,983,000	18,370	2FE
20173W AE 8	COMMMERICAL MORTGAGE LOAN TRUST		02/23/2012	CREDIT SUISSE CORP		5,672,070	5,000,000	22,529	1FE
25746U BE 8	DOMINION RESOURCES, INC.		03/28/2012	SUSQUEHANNA		1,227,400	1,000,000	19,022	2FE
362320 AZ 6	GTE CORP		03/27/2012	FTN FINANCIAL		4,346,442	3,537,000	110,885	1FE
61751N AF 9	MORGAN STANLEY MBS		01/04/2012	CREDIT SUISSE CORP		4,408,125	4,000,000	4,842	1SM
61755Y AF 1	MORGAN STANLEY COMM MBS		03/16/2012	SMITH BARNEY		7,604,297	6,750,000	22,056	1SM
718546 AA 2	PHILLIPS PETROLEUM CO CORPORATE		03/08/2012	SUSQUEHANNA		2,020,140	2,000,000		2FE
88732J AP 3	TIME WARNER CABLE		02/21/2012	SUSQUEHANNA		4,623,710	3,500,000	8,507	2FE
925524 AU 4	CBS CORPORATION CORPORATE		03/27/2012	SUSQUEHANNA		1,091,800	1,000,000	17,344	2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					51,262,273	45,445,000	272,678	XXX
8399997.	Total - Bonds - Part 3					215,293,639	205,190,831	499,334	XXX
8399999.	Total - Bonds					215,293,639	205,190,831	499,334	XXX
Common Stocks - Mutual Funds									
316146 10 9	FID INV GR BOND		03/30/2012	FIDELITY	861.388	6,659	XXX		L
315792 24 2	FIDELITY FREEDOM K 2015		03/30/2012	FIDELITY	117.019	1,492	XXX		L
9299999.	Total - Common Stocks - Mutual Funds					8,151	XXX	0	XXX
Common Stocks - Money Market Mutual Funds									
316191 60 0	FID RETIRE MMKT		03/30/2012	FIDELITY	81,323.460	81,323	XXX		L
9399999.	Total - Common Stocks - Money Market Mutual Funds					81,323	XXX	0	XXX
9799997.	Total - Common Stocks - Part 3					89,474	XXX	0	XXX

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)
9799999.	Total - Common Stocks					89,474	XXX	0	XXX
9899999.	Total - Preferred and Common Stocks					89,474	XXX	0	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					215,383,113	XXX	499,334	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 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)
Bonds - U.S. Government																					
912810 QT 8	U.S. TREASURY GOVERNMENT		02/09/2012	JEFFRIES		4,939,258	5,000,000	4,927,148					0		4,927,148		12,109	12,109	37,345	11/15/2041	1
912828 ND 8	US TREASURY		01/05/2012	J.P.MORGAN		7,997,500	7,000,000	7,108,945	7,093,770		(242)		(242)		7,093,528		903,972	903,972	37,692	05/15/2020	1
912828 QN 3	U.S. TREASURY		02/07/2012	JEFFRIES		14,440,156	13,000,000	13,179,258	13,171,893		(1,759)		(1,759)		13,170,133		1,270,023	1,270,023	97,098	05/15/2021	1
0599999.	Total - Bonds - U.S. Government					27,376,914	25,000,000	25,215,351	20,265,663	0	(2,001)	0	(2,001)	0	25,190,809	0	2,186,104	2,186,104	172,135	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3128PR 6Q 7	FHLMC FGJ12679		01/11/2012	VARIOUS		14,104,839	13,397,571	14,097,804	14,097,185		(18,784)		(18,784)		14,078,402		26,437	26,437	69,370	04/01/2025	1FE
3128PU J2 9	FGJ14781		03/12/2012	VARIOUS		9,353,862	8,945,560	9,328,542	9,326,449		(27,034)		(27,034)		9,299,414		54,447	54,447	88,418	01/01/2026	1FE
3128PW B2 3	FHLMC FGJ16357		03/01/2012	MBS PAYDOWN		207,087	207,087	216,729	207,296		(210)		(210)		207,087			0	1,258	07/01/2026	1FE
3128PW EU 8	FHLMC POOL		02/27/2012	VARIOUS		34,803,842	33,352,775	34,811,959	34,789,108		(82,620)		(82,620)		34,706,487		97,355	97,355	238,189	07/01/2026	1FE
3128PX T7 1	FGJ17774		03/01/2012	VARIOUS		37,504,222	36,059,818	37,327,546			(128)		(128)		37,319,030		185,192	185,192	46,036	01/01/2027	1FE
3132GL FF 6	FHLMC FGQ04966		03/22/2012	VARIOUS		10,212,671	9,992,973	10,194,394	10,193,888		(4,858)		(4,858)		10,189,031		23,641	23,641	97,815	07/01/2041	1FE
31417A VW 6	FNMAB4228		03/01/2012	VARIOUS		15,439,975	15,007,011	15,440,808			(262)		(262)		15,439,714		262	262	17,559	11/01/2041	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					121,626,498	116,962,795	121,417,782	68,613,926	0	(133,896)	0	(133,896)	0	121,239,165	0	387,334	387,334	558,645	XXX	XXX
Bonds - Industrial and Miscellaneous																					
059512 AE 3	BACM 2007 - 3 A4		03/16/2012	BANK OF AMERICA		4,073,508	3,675,000	4,132,365					0		4,132,365		(58,857)	(58,857)	11,501	05/01/2017	1SM
12513Y AF 7	CITIGROUP DEUTSCHE BANK 2007-CD4		03/06/2012	CITIGROUP GLOBAL		7,729,805	7,000,000	7,728,711			(1,333)		(1,333)		7,727,378		2,427	2,427	8,279	01/01/2017	1SM
205363 AK 0	COMPUTER SCIENCES		01/05/2012	JEFFRIES		2,640,794	2,635,000	2,798,317	2,753,020		(2,013)		(2,013)		2,751,007		(110,213)	(110,213)	45,684	03/15/2013	2FE
36962G ZY 3	GENERAL ELECTRIC CAPITAL CORP		02/16/2012	STATE STREET BANK		3,947,844	3,783,000	4,039,450	3,955,640		(20,692)		(20,692)		3,934,948		12,896	12,896	120,841	01/15/2013	1FE
46630J AC 3	JPMCC 2007-LDPX A3		03/01/2012	JPM		11,184,766	10,000,000	10,158,594	10,151,662		(5,963)		(5,963)		10,145,699		1,039,067	1,039,067	97,827	12/01/2016	1SM
46631Q AD 4	JPMCC 2007-CB20 A4		01/04/2012	JPM		4,537,409	4,068,000	4,483,222	4,445,224		(1,883)		(1,883)		4,443,341		94,068	94,068	24,879	08/01/2017	1SM
472319 AK 8	JEFFERIES GROUP INC		01/09/2012	CREDIT SUISSE CORP		673,125	750,000	678,803	680,227		275		275		680,502		(7,377)	(7,377)	9,503	04/13/2018	2FE
581557 AX 3	MCKESSON CORP		03/08/2012	VARIOUS		5,806,175	4,500,000	5,363,775	5,227,057		(15,605)		(15,605)		5,211,452		594,723	594,723	188,750	02/15/2019	1FE
61751N AF 9	MORGAN STANLEY MBS		02/23/2012	DEUTSCHE BANK SECURITIES		4,490,625	4,000,000	4,408,125			(11,451)		(11,451)		4,396,674		93,951	93,951	34,498	01/01/2017	1SM
816851 AF 6	SEMPRA ENERGY		03/23/2012	STATE STREET		7,308,000	7,000,000	7,537,810	7,367,077		(76,859)		(76,859)		7,290,219		17,781	17,781	270,667	02/01/2013	2FE
949746 NY 3	WELLS FARGO & CO		02/16/2012	STATE STREET BANK		6,038,110	5,839,000	6,140,516	6,045,802		(23,792)		(23,792)		6,022,010		16,100	16,100	139,082	01/31/2013	1FE
3899999.	Total - Bonds - Industrial & Miscellaneous					58,430,161	53,250,000	57,469,688	40,625,709	0	(159,316)	0	(159,316)	0	56,735,595	0	1,694,566	1,694,566	951,511	XXX	XXX
8399997.	Total - Bonds - Part 4					207,433,573	195,212,795	204,102,821	129,505,298	0	(295,213)	0	(295,213)	0	203,165,569	0	4,268,004	4,268,004	1,682,291	XXX	XXX
8399999.	Total - Bonds					207,433,573	195,212,795	204,102,821	129,505,298	0	(295,213)	0	(295,213)	0	203,165,569	0	4,268,004	4,268,004	1,682,291	XXX	XXX
Common Stocks - Mutual Funds																					
880196 20 9	TEMPLETON FOREIGN		03/30/2012	FIDELITY	1,940.727	12,330	XXX	11,871	11,353				0		11,871		459	459		XXX	L
018918 23 5	ALLNZ NFJ DIV VAL AD		03/30/2012	FIDELITY	5,830.129	71,159	XXX	70,249	67,046				0		70,249		909	909		XXX	L
780905 84 0	ROYCE PENNSYLVANIA		03/30/2012	FIDELITY	85.466	982	XXX	706	920				0		706		276	276		XXX	L
416528 10 7	HARTFORD CAP APP IA		03/30/2012	FIDELITY	12.494	500	XXX	552	465				0		552		(52)	(52)		XXX	L
92646A 82 3	VICTORY SPL VAL I		03/30/2012	FIDELITY	51.895	808	XXX	686	758				0		686		122	122		XXX	L
701769 10 1	PARNASSUS EQUITY		03/30/2012	FIDELITY	49.429	1,342	XXX	1,235	1,302				0		1,235		107	107		XXX	L

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)
315911 20 6	SPARTAN 500 INDEX		03/30/2012	FIDELITY	16.692	777	XXX	666	743				0		666		111	111		XXX	L
9299999.	Total - Common Stocks - Mutual Funds					87,898	XXX	85,965	82,588	0	0	0	0	0	85,965	0	1,932	1,932	0	XXX	XXX
9799997	Total - Common Stocks - Part 4					87,898	XXX	85,965	82,588	0	0	0	0	0	85,965	0	1,932	1,932	0	XXX	XXX
9799999.	Total - Common Stocks					87,898	XXX	85,965	82,588	0	0	0	0	0	85,965	0	1,932	1,932	0	XXX	XXX
9899999.	Total - Preferred and Common Stocks					87,898	XXX	85,965	82,588	0	0	0	0	0	85,965	0	1,932	1,932	0	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					207,521,471	XXX	204,188,786	129,587,886	0	(295,213)	0	(295,213)	0	203,251,534	0	4,269,936	4,269,936	1,682,291	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

NONE

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Change in Variation Margin				19	20
														15	16	17	18		
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Hedged Item(s)	Schedule/ Exhibit Identifier	Type(s) of Risk	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative	Gain (Loss) Recognized in Current Year	Gain (Loss) Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (a)

NONE

QE07

Broker Name	Net Cash Deposits

NONE

NONE

SCHEDULE DB - PART D

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1	2	3	4	Book Adjusted Carrying Value			Fair Value			11	12
				5	6	7	8	9	10		
Description Counterparty or Exchange Traded	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Contracts With Book Adjusted Carrying Value > 0	Contracts With Book Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts With Fair Value > 0	Contracts With Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure

NONE

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation /Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Dates

General Interrogatories:

1. The activity for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
2. Average balance for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
   NAIC 1: $.....0 NAIC 2: $.....0 NAIC 3: $.....0 NAIC 4: $.....0 NAIC 5: $.....0 NAIC 6: $.....0

NONE

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation /Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Dates

General Interrogatory:

1. The activity for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
2. Average balance for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
3. Grand Total Schedule DL Part 1 and Part 2: Fair Value $.....0 Book/Adjusted Carrying Value $.....0

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter 6 First Month	7 Second Month	8 Third Month	9 *
Open Depositories									
JP Morgan Chase Bank, N.A.	2500 Westfield Dr., Elgin, IL 60123					14,129,107	6,678,617	10,561,626	XXX
JP Morgan Chase Bank, N.A.	2500 Westfield Dr., Elgin, IL 60123					239,003	305,386	367,177	XXX
JP Morgan Chase Bank, N.A.	2500 Westfield Dr., Elgin, IL 60123					(16,438,731)	(17,617,275)	(5,850,758)	XXX
JP Morgan Chase Bank, N.A.	2500 Westfield Dr., Elgin, IL 60123					(1,601,464)	(5,831,235)	(2,737,047)	XXX
Bank of New York Mellon	6023 Airport Rd, Oriskany, NY 13424					65,608	216,136	(290,355)	XXX
Federal Home Loan Bank of Indianapolis	8250 Woodfield Crossing Blvd, Indianapolis IN 46240					1,203	21,674	1,826	XXX
0199999. Total Open Depositories		XXX	XXX	0	0	(3,605,274)	(16,226,697)	2,052,469	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	(3,605,274)	(16,226,697)	2,052,469	XXX
0599999. Total Cash		XXX	XXX	0	0	(3,605,274)	(16,226,697)	2,052,469	XXX

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