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QUARTERLY STATEMENT

AS OF March 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

HealthPlus of Michigan, Inc.

NAIC Group Code 3409 (Current Period), 3409 (Prior Period) NAIC Company Code 95580 Employer's ID Number 38-2160688

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

Country of Domicile United States of America

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

Incorporated/Organized 08/09/1977 Commenced Business 10/15/1979

Statutory Home Office 2050 South Linden Road (Street and Number), Flint, MI 48532 (City, or Town, State and Zip Code)

Main Administrative Office 2050 South Linden Road (Street and Number)
Flint, MI 48532 (City or Town, State and Zip Code) (800)332-9161 (Area Code) (Telephone Number)

Mail Address 2050 South Linden Road, P.O. Box 1700 (Street and Number or P.O. Box), Flint, MI 48501-1700 (City, or Town, State and Zip Code)

Primary Location of Books and Records 2050 South Linden Road (Street and Number)
Flint, MI 48532 (City, or Town, State and Zip Code) (800)332-9161 (Area Code) (Telephone Number)

Internet Web Site Address www.healthplus.org

Statutory Statement Contact Matthew Andrew Mendrygal, C.P.A. (Name) (810)230-2179 (Area Code)(Telephone Number)(Extension)
mmendryg@healthplus.com (E-Mail Address) (810)733-8966 (Fax Number)

OFFICERS

Name	Title
Bruce Roberts Hill	President
Matthew Andrew Mendrygal C.P.A.	Chief Financial Officer
Roger LaVerne Sharp	Treasurer

OTHERS

Richard Sidney Frank MD, MHSA, Vice President - Chief Medical Officer
Erik Dorwin Helms, VP - Provider Network Development/Business Intell.
Robert Winslow Lincoln, Jr., Senior Director of Administrative Services
Nancy Susan Jenkins, Vice President - Membership Growth

DIRECTORS OR TRUSTEES

Jack Louis Barry MD
Duane Edward Zuckschwerdt
Steven Craig Worden
Stephanie Lynn Whisiker-Lewis DO
Patrick Allen Campbell
Roger LaVerne Sharp
Norwood Heselbach Jewell
Randy D. Hicks MD
Vernon Lee Burns
Peggy Joyce Tortorice
James Michael Van Tiflin
Christopher John Flores
Larry Leigh Carr DO
Miles Conrad Owens
Franz Michael Jaggi DO
Thomas Svitkovich

State of Michigan
County of Genesee ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the 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)
Bruce Roberts Hill	Matthew Andrew Mendrygal	Roger LaVerne Sharp
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Chief Financial Officer	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
_____ day of _____, 2012

a. Is this an original filing? Yes[X] No[ ]
b. If no, 1. State the amendment number 0
2. Date filed
3. Number of pages attached 0

(Notary Public Signature)

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	9,653,233	0	9,653,233	12,355,324
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	59,474,021	0	59,474,021	56,385,048
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)	4,650,028	0	4,650,028	4,779,103
4.2 Properties held for the production of income (less $.....0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $.....0 encumbrances)	0	0	0	0
5. Cash ($.....(6,234,866)), cash equivalents ($.....0) and short-term investments ($.....105,033,162)	98,798,296	0	98,798,296	85,779,182
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	0
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)	172,575,578	0	172,575,578	159,298,657
13. Title plants less $.....0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	166,060	0	166,060	105,957
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	6,796,123	0	6,796,123	3,325,995
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums	4,566,909	0	4,566,909	2,166,909
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	0	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	433,035	0	433,035	433,035
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2 Net deferred tax asset	0	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	4,500,934	2,980,650	1,520,284	1,239,180
21. Furniture and equipment, including health care delivery assets ($.....0)	382,959	382,959	0	0
22. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	1,036,384	0	1,036,384	719,138
24. Health care ($.....2,432,200) and other amounts receivable	2,502,223	0	2,502,223	2,977,730
25. Aggregate write-ins for other than invested assets	2,004,801	2,004,801	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	194,965,006	5,368,410	189,596,596	170,266,601
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	194,965,006	5,368,410	189,596,596	170,266,601
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. Prepaid Expenses	2,004,801	2,004,801	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)	2,004,801	2,004,801	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)	57,655,243	0	57,655,243	49,197,430
2.	Accrued medical incentive pool and bonus amounts	11,207,798	0	11,207,798	14,825,068
3.	Unpaid claims adjustment expenses	618,508	0	618,508	554,396
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	13,165,864	0	13,165,864	1,028,164
9.	General expenses due or accrued	4,404,763	0	4,404,763	7,105,382
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	47,787	0	47,787	80,414
13.	Remittances and items not allocated	0	0	0	0
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)	0	0	0	0
15.	Amounts due to parent, subsidiaries and affiliates	528,025	0	528,025	1,216,710
16.	Derivatives	0	0	0	0
17.	Payable for securities	0	0	0	0
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized 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	359,091	0	359,091	0
23.	Aggregate write-ins for other liabilities (including $.....127,203 current)	182,744	0	182,744	151,759
24.	Total liabilities (Lines 1 to 23)	88,169,823	0	88,169,823	74,159,323
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	0
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	170,511	170,511
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	101,256,262	95,936,767
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	101,426,773	96,107,278
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	189,596,596	170,266,601
DETAILS OF WRITE-INS					
2301.	Other Current Liabilities	127,203	0	127,203	151,759
2302.	Other Post-employment Benefits Obligation	55,541	0	55,541	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)	182,744	0	182,744	151,759
2501.		XXX	XXX	0	0
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	0
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 1 Uncovered	Current Year To Date 2 Total	Prior Year To Date 3 Total	Prior Year Ended December 31 4 Total
1.	Member Months	XXX	223,410	221,103	883,478
2.	Net premium income (including $.....0 non-health premium income)	XXX	125,036,994	117,207,250	481,337,427
3.	Change in unearned premium reserves and reserves 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	125,036,994	117,207,250	481,337,427
Hospital and Medical:					
9.	Hospital/medical benefits	0	85,144,660	78,041,513	330,797,286
10.	Other professional services	0	0	0	0
11.	Outside referrals	0	0	0	0
12.	Emergency room and out-of-area	0	4,671,841	4,186,541	18,287,683
13.	Prescription drugs	0	17,186,407	15,874,231	64,104,769
14.	Aggregate write-ins for other hospital and medical	0	3,454	1,311	2,204
15.	Incentive pool, withhold adjustments and bonus amounts	0	3,451,054	4,018,702	17,959,292
16.	Subtotal (Lines 9 to 15)	0	110,457,416	102,122,298	431,151,234
Less:					
17.	Net reinsurance recoveries	0	54,400	0	0
18.	Total hospital and medical (Lines 16 minus 17)	0	110,403,016	102,122,298	431,151,234
19.	Non-health claims (net)	0	0	0	0
20.	Claims adjustment expenses, including $.....974,736 cost containment expenses	0	1,875,961	1,690,466	6,763,802
21.	General administrative expenses	0	10,534,781	8,791,134	38,687,151
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	122,813,758	112,603,898	476,602,187
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	2,223,236	4,603,352	4,735,240
25.	Net investment income earned	0	383,325	185,216	3,859,389
26.	Net realized capital gains (losses) less capital gains tax of $.....0	0	0	64,349	103,258
27.	Net investment gains or (losses) (Lines 25 plus 26)	0	383,325	249,565	3,962,647
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	1,221	613	5,747
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	2,607,782	4,853,530	8,703,634
31.	Federal and foreign income taxes incurred	XXX	0	0	0
32.	Net income (loss) (Lines 30 minus 31)	XXX	2,607,782	4,853,530	8,703,634
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 Expense	0	3,454	1,311	2,204
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	3,454	1,311	2,204
2901.	Other Revenue	0	1,221	613	5,747
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	1,221	613	5,747

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	96,107,278	91,123,108	91,123,108
34.	Net income or (loss) from Line 32	2,607,782	4,853,530	8,703,634
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	3,062,289	(188,332)	(4,359,708)
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	(1,082,983)	(748,049)	640,244
40.	Change in unauthorized 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	732,407	0	0
48.	Net change in capital and surplus (Lines 34 to 47)	5,319,495	3,917,149	4,984,170
49.	Capital and surplus end of reporting period (Line 33 plus 48)	101,426,773	95,040,257	96,107,278
DETAILS OF WRITE-INS				
4701.	Other post-employment benefits obligation adjustment to statutory balance	732,407	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)	732,407	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	131,304,566	109,667,385	491,241,465
2.	Net investment income	335,636	97,969	3,923,516
3.	Miscellaneous income	0	0	0
4.	Total (Lines 1 to 3)	131,640,202	109,765,354	495,164,981
5.	Benefit and loss related payments	105,048,734	103,624,611	423,668,973
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	15,031,952	13,696,607	42,958,344
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)	120,080,686	117,321,218	466,627,317
11.	Net cash from operations (Line 4 minus Line 10)	11,559,516	(7,555,864)	28,537,664
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	3,450,000	250,000	1,250,000
	12.2 Stocks	0	321,993	360,902
	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	6,182	6,182
	12.7 Miscellaneous proceeds	0	0	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,450,000	578,175	1,617,084
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	760,323	200,656	401,987
	13.2 Stocks	26,684	348,707	508,547
	13.3 Mortgage loans	0	0	0
	13.4 Real estate	85,478	69,948	254,704
	13.5 Other invested assets	0	0	0
	13.6 Miscellaneous applications	0	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	872,485	619,311	1,165,238
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)	2,577,515	(41,136)	451,846
	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)	(1,117,917)	1,294,952	286,086
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(1,117,917)	1,294,952	286,086
	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)	13,019,114	(6,302,048)	29,275,596
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	85,779,182	56,503,586	56,503,586
	19.2 End of period (Line 18 plus Line 19.1)	98,798,296	50,201,538	85,779,182

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001		0	0	0

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	73,182	445	54,172	0	0	0	3,352	15,213	0	0
2. First Quarter	74,646	419	53,909	0	0	0	4,013	16,305	0	0
3. Second Quarter	0	0	0	0	0	0	0	0	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	223,410	1,272	161,558	0	0	0	12,066	48,514	0	0
Total Member Ambulatory Encounters for Period:										
7. Physician	85,186	322	61,451	0	0	0	3,132	20,281	0	0
8. Non-Physician	184,437	639	118,937	0	0	0	5,768	59,093	0	0
9. Total	269,623	961	180,388	0	0	0	8,900	79,374	0	0
10. Hospital Patient Days Incurred	10,845	186	4,225	0	0	0	400	6,034	0	0
11. Number of Inpatient Admissions	2,111	25	888	0	0	0	62	1,136	0	0
12. Health Premiums Written (a)	125,180,679	329,781	67,910,559	0	0	0	4,683,092	52,257,247	0	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	125,180,679	329,781	67,910,559	0	0	0	4,683,092	52,257,247	0	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	105,103,134	315,862	58,297,354	0	0	0	4,264,824	42,225,094	0	0
18. Amount Incurred for Provision of Health Care Services	110,457,416	327,011	60,922,945	0	0	0	3,864,052	45,343,408	0	0

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....52,257,247.

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
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	13,209,512	2,612,388	341,236	10,905	26,346	16,200,387
0499999 Subtotals	13,209,512	2,612,388	341,236	10,905	26,346	16,200,387
0599999 Unreported claims and other claim reserves						39,265,608
0699999 Total Amounts Withheld						2,189,248
0799999 Total Claims Unpaid						57,655,243
0899999 Accrued Medical Incentive Pool And Bonus Amounts						11,207,798

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 Dec 31 of Prior Year
1. Comprehensive (hospital & medical)	17,022,801	36,837,300	10,629,344	23,105,621	27,652,145	27,652,145
2. Medicare Supplement	0	0	0	0	0	0
3. Dental only	0	0	0	0	0	0
4. Vision only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	1,235,317	2,434,081	625,428	1,351,764	1,860,745	1,860,745
6. Title XVIII - Medicare	14,651,750	27,980,198	5,032,790	16,910,296	19,684,540	19,684,540
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	32,909,868	67,251,579	16,287,562	41,367,681	49,197,430	49,197,430
10. Healthcare receivables (a)	2,181,037	0	975,822	1,456,379	3,156,859	2,945,940
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	6,820,672	247,652	8,004,401	3,203,397	14,825,073	14,825,068
13. Totals (Lines 9 - 10 + 11 + 12)	37,549,503	67,499,231	23,316,141	43,114,699	60,865,644	61,076,558

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

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of HealthPlus of Michigan, Inc. (the Company) have been prepared in conformity with the 2012 NAIC Quarterly Statement Instructions and the NAIC Accounting Practices and Procedures Manual as of March 2012, to the extent that the accounting practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or the 2011 Forms and Instructions for Required Filings in Michigan. The Company has no prescribed or permitted practices that affect net income, statutory surplus or risk-based capital to report.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premium revenue is recognized in the month that members are entitled to health care services. The liability for incurred medical and hospital claims is accrued in the period during which the services are provided and includes estimates of services performed, which have not been reported to the Company.

The Company reports the value of its home office building at depreciated cost on Schedule A - Part 1. The fair value reported on Schedule A - Part 1 is based on a market analysis prepared for the Company by Mr. Winfield Cooper, President, Cooper Commercial, dated May 31, 2002.

In addition, the company uses the following accounting policies:

1) Short Term Investments are stated at amortized cost.
2) Bonds not backed by other loans are stated at amortized cost.
3) Common Stocks are reported at market value.
4) The Company has no Preferred Stocks to report.
5) The Company has no mortgage loans to report.
6) Loan Backed Securities are stated at amortized cost.
7) The Company carries its investment in HealthPlus Partners, Inc. and HealthPlus Insurance Company at Statutory Equity, and its investment in HealthPlus Options at audited GAAP equity.
8) The Company has no ownership interests in joint ventures, partnerships, or limited liability companies.
9) The Company has no derivatives to report.
10) The Company uses anticipated investment income in the calculation of premium deficiency reserves.
11) Unpaid claims include amounts determined from individual case estimates and amounts based on past experiences, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
12) The Company has not modified its capitalization policy from the prior period.
13) Estimated pharmaceutical rebate receivables are based primarily on historical trends.

2. Accounting Changes and Corrections of Errors

A. The Company reported an adjustment to surplus of $732,407 related to its retiree health insurance program. This amount represents the difference between the Other Post-

Notes to Financial Statement

Employment Benefit obligation under Generally Accepted Accounting Principles (GAAP) and the obligation calculated under Statutory Accounting Principles (STAT).

3. Business Combinations and Goodwill

   A. Statutory Purchase Method – None
   B. Statutory Merger – None
   C. Assumption Reinsurance – None
   D. Impairment Loss – None

4. Discontinued Operations

   None.

5. Investments

   A. Mortgage Loans, including Mezzanine Real Estate Loans – None
   B. Debt Restructuring – None
   C. Reverse Mortgages – None
   D. Loan-Backed Securities – None
   E. Repurchase Agreements and/or Securities Lending Transactions – None
   F. Real Estate – None
   G. Investments in Low-Income Housing Tax Credits (LIHTC) - None

6. Joint Ventures, Partnerships and Limited Liability Companies

   None.

7. Investment Income

   A. The Company has not excluded from surplus any investment income due and accrued.
   B. Total amount excluded was $0

8. Derivative Instruments

   None.

9. Income Taxes

   A. Components of Deferred Tax Assets and Deferred Tax Liabilities – None
   B. Unrecognized Deferred Tax Liabilities – None
   C. Components of income tax incurred – The Company is exempt from Federal income tax under Internal Revenue Code Section 501(c)(4).
   D. Book to tax adjustments – None
   E. Loss carry forwards and credit carry forwards – None
   F. Consolidated tax return - None

10. Information Concerning Parent, Subsidiaries and Affiliates

    A., B. & C.

    HealthPlus of Michigan, Inc. has three wholly owned subsidiaries.

    HealthPlus Options, Inc. (HPO) began operations in 1990 as a third party administrator. The Company reports its investment in HPO at audited GAAP equity, which amounted to $1,473,794 at March 31, 2012 and $1,454,363 at December 31, 2011 and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPO for the provision of administrative services. These services amounted to $1,167,870 at March 31, 2012 and $4,578,245 at December 31, 2011.

Notes to Financial Statement

HealthPlusPartners, Inc. (HPP) is a state licensed Health Maintenance Organization serving Medicaid members in the greater Flint and Saginaw regions and began operations on January 1, 2003. The Company reports its investment in HPP at statutory equity, which amounted to $27,558,865 at March 31, 2012 and $26,875,978 at December 31, 2011, and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPP for the provision of administrative services. These services amounted to $3,909,374 at March 31, 2012 and $18,860,470 at December 31, 2011.

HealthPlus Insurance Company (HPI) is a state licensed Insurance Company and began operations January 1, 2007 offering a PPO product. The Company reports its investment in HPI at statutory equity, which amounted to $16,707,936 at March 31, 2012 and $15,165,352 at December 31, 2011, and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPI for the provision of administrative services. These services amounted to $1,521,987 at March 31, 2012 and $2,519,736 at December 31, 2011.

D. The Company reported receivables from subsidiaries of $1,036,384 and $719,138 and payables to subsidiaries of $528,025 and $1,216,710 as of March 31, 2012 and December 31, 2011 respectively. These amounts are settled monthly.

E. Affiliate guarantees – None

F. The Company has entered into agreements with its subsidiaries for the provision of administrative services. Administrative expenses are allocated based on adjusted premium revenue.

G. The nature of the control relationship does not result in the operating results or financial position being significantly different than those that would have been obtained if the enterprises were autonomous.

H. Ownership in an upstream Parent or Affiliate - None

I. The Company's investment in its wholly-owned subsidiary HealthPlus Partners, Inc. exceeds 10% of the Company's admitted assets. HPP is reported at statutory equity, which amounted to $27,558,865 as of March 31, 2012. HPP's admitted assets and liabilities at March 31, 2012 were $53,929,505 and $26,370,640 respectively. HPP reported net income/(loss) of $367,246 as of the Quarter Ended March 31, 2012.

J. Investments in Impaired Subsidiaries – None

K. Investments in Foreign Insurance Subsidiary – None

L. Investment in Downstream Non-insurance Holding Company – None

11. Debt

A. Debt, including Capital Notes and Holding Company Obligations – None
B. Federal Home Loan Bank (FHLB) agreements - None

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

A. Defined Benefit Plan

The Company has a retiree health insurance program. To be eligible, the participant must have retired from active employment, attained the age of 62 and have 15 years of full-time service. The Company currently funds the cost of these benefits as they are incurred. There have been no changes to the amounts reported on the December 31, 2011 Annual Statement for this plan.

Notes to Financial Statement

B. Defined Contribution Plan

A contributory defined contribution plan is provided to substantially all employees of the Company. Participating employees are eligible to contribute up to 15% of their annual compensation to the plan. The Company contributes 7% of participating employees' annual compensation into the benefit plan. Company contributions were approximately $447,000 as of March 31, 2012 and $1,815,000 in 2011.

C. Multiemployer Plans – None

D. Consolidated/Holding Company Plans – None

E. Postemployment Benefits and Compensated Absences

HPM employees accrue Paid Time Off (PTO) bi-weekly based on years of service. These amounts are accrued as they are earned. The PTO liability was $2,125,763 and $1,721,845 as of March 31, 2012 and December 31, 2011 respectively.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

On December 8, 2003, the Prescription Drug, Improvement, and Modernization Act of 2003 (the Act) was signed into law. The Act introduces a prescription drug benefit under Medicare as well as a federal subsidy to certain sponsors of postretirement health care benefit plans that provide a prescription drug benefit to their enrollees. The Company believes its postretirement benefit plan may qualify for subsidy under the Act.

In accordance with Financial Accounting Standards Board (FASB) Staff Position 106-1, *Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003*, the accumulated postretirement benefit obligation and net periodic postretirement benefit cost do not include the effect of the Act as the Company has elected to defer the accounting for the impact of the Act until pending authoritative guidance is issued. Once issued, such authoritative literature may require the Company to modify previously reported information.

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

1) Capital Stock – None
2) Preferred Stock – None
3) Dividend Restrictions – Distributions of earnings is prohibited by the Company's bylaws.
4) Dividends Paid – None
5) Portion of profits that may be paid as dividends – Distribution of earnings is prohibited by the Company's bylaws.
6) Restrictions on Unassigned Funds (Surplus) – None
7) Advances to Surplus – Not Applicable
8) Stock held for special purposes – None
9) Changes in special surplus funds – None
10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is ($4,100,553).
11) Surplus debentures or similar obligations – None
12) Impact of prior quasi-reorganizations – None
13) Effective dates of quasi-reorganizations in the prior ten years - None

14. Contingencies

A. Contingent Commitments – None
B. Assessments – None
C. Gain Contingencies – None
D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None
E. All Other Contingencies - In the normal course of business, HealthPlus of Michigan, Inc. is a party to certain legal matters. Management is of the opinion that resolution of these matters

Notes to Financial Statement

will not have a material effect on the Company's financial position or results of operations. The Company has no assets that it considers to be impaired.

15. Leases

A. Lessee Operating Leases
1) The Company leases office equipment and space under various operating lease agreements. Total rental expense for all operating leases was approximately $104,000 as of March 31, 2012 and $457,000 in 2011.
2) Minimum aggregate rental commitments – no change from 2011 Annual Statement.
3) Sales-leaseback transactions – None

B. Lessor Leases and Leveraged Leases - None

16. Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

None.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales – None
B. Transfer and Servicing of Financial Assets – None
C. Wash Sales - None

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans – None
B. ASC Plans – None
C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

a. Revenue from the Company's Medicare Part D cost based reimbursement portion of its contract with the Centers for Medicare and Medicaid Services (CMS) consisted of $203,408 and $350,859 for the reinsurance subsidy and $20,769 and $308,008 for the low-income cost sharing subsidy at March 31, 2012 and December 31, 2011 respectively.
b. The Company has recorded receivables from CMS related to this program of $0 and $433,035 as of March 31, 2012 and December 31, 2011 respectively.
c. Recorded allowances and reserves for adjustment of recorded revenue – None
d. Adjustments to revenue resulting from audit of receivable related to revenues recorded in the prior period - None

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

None.

20. Fair Value Measurements

A.

1) Assets Measured at Fair Value on a Recurring Basis

Description	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Common Stocks	$13,733,426	$0	$0	$13,733,426
b. Liabilities at fair value	$0	$0	$0	$0

Notes to Financial Statement

2) Assets at Fair Value on a Recurring Basis Using Significant Unobservable Inputs – None

B.

1) Assets Measured at Fair Value on a Nonrecurring Basis – None

21. Other Items

A. Extraordinary Items – None

B. Troubled Debt Restructuring: Debtors – None

C. Other Disclosures

Statutory Reserve: As a condition of licensure with the State of Michigan, The Company maintains a deposit in the amount of $1,000,000 in a segregated account and can only be used by the Company at the discretion of the Insurance Commissioner. These funds are invested in an exempt money market mutual fund and reported in short-term investments. Interest on these funds accrues to the Company.

D. The Company had admitted premiums receivable of $6,796,123 and $3,325,995 at March 31, 2012 and December 31, 2011 respectively. The Company routinely assesses the collectability of these receivables and amounts over 90 days past due are non-admitted.

E. Business Interruption Insurance Recoveries – None

F. State Transferable Tax Credits – None

G. Subprime-Mortgage-Related Risk Expense – None

H. Retained Assets – Not applicable

22. Events Subsequent

There were no events subsequent to the close of the books or accounts for this statement which may have a material effect on the financial condition of the Company.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company?
Yes ( ) No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes ( ) No (x)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for

Notes to Financial Statement

nonpayment of premium or other similar credit?
Yes (x) No ( )

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
$ 0.

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?
$ 0.

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes ( ) No (x)

Section 3 – Ceded Reinsurance – Part B

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

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes ( ) No (x)

(3) Uncollectible Reinsurance

None.

C. Commutation of Ceded Reinsurance

None.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. HealthPlus provides health coverage to federal employees under the Federal Employees Health Benefits Program (FEHBP) and is subject to rate redetermination. Under the terms of the contract with the Office of Personnel Management (OPM) HealthPlus is to provide health coverage at the lowest rate charged to Similar Sized Subscriber Groups.

Notes to Financial Statement

The Company provides Medicare Advantage health coverage to approximately 16,300 members. Retrospective premiums are estimated based on members risk score adjustments submitted to CMS.

B. The Company records accrued retrospective premiums as an adjustment to earned premiums.

C. The amount of net premiums written by the Company at March 31, 2012 that are subject to retrospective rating features was $4,683,092 or 3.7% of total net premiums for the FEHBP program and $52,257,247 or 41.7% of total net premiums for the Medicare Advantage program. The amount of net premiums written by the Company that are subject to medical loss ratio rebate requirements pursuant to the Public Health Service Act are $72,923,432 or 58.3% of total net premiums.

D. Medical loss rebates required pursuant to the Public Health Service Act - None

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves for unpaid claims as of March 31, 2012 were $57,655,243. As of March 31, 2012, $32,909,868 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are now $16,287,562. There have been no changes to reserves for claims attributable to insured events of prior years as a result of re-estimation of unpaid claims as of the Quarter Ended March 31, 2012.

26. Intercompany Pooling Arrangements

None.

27. Structured Settlements

Not applicable.

28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

Pharmaceutical rebate receivables consist of actual amounts billed for the previous quarter, based on actual prescriptions filled, and estimates of rebates for the current quarter. Estimated rebates are based primarily on historical trends.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/ Confirmed	Actual rebates Collected Within 90 Days of Invoicing/ Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation
03/31/2012	1,009,000	0	0	0	0
12/31/2011	503,000	1,137,553	531,317	0	0
09/30/2011	0	1,004,790	734,235	270,555	0
06/30/2011	0	968,507	804,240	164,267	0
03/31/2011	0	959,330	844,157	115,173	0
12/31/2010	0	949,573	819,065	130,508	0
09/30/2010	0	962,085	770,065	192,020	0
06/30/2010	0	1,031,590	905,565	126,025	0
03/31/2010	0	928,594	710,207	218,387	0
12/31/2009	0	1,005,288	796,133	209,155	0
09/30/2009	0	953,418	799,421	153,997	0
06/30/2009	0	1,208,462	1,075,059	133,403	0
03/31/2009	0	1,040,372	762,521	277,851	0

Notes to Financial Statement

B. Risk Sharing Receivables

The Company has agreements, which provide the basis of payments to different provider groups for the delivery of health care services. The groups include hospitals, physician hospital organizations, and physicians. The agreements include provisions for the sharing of surplus or deficits calculated by the comparison of total expense to funding reported for the Company's members served by the physicians affiliated with each contracting provider group. The funding levels are primarily based on a percentage of the premium, which the Company receives for providing health insurance coverage to employer groups. Certain of these providers have entered into separate agreements with affiliated hospitals to share any surplus or deficit associated with services to physician members.

The following table details risk sharing receivables recorded in accordance with the provisions of the aforementioned agreements.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated And Reported in the Prior Year	Risk Sharing Receivable as Estimated And Reported in the Current Year	Risk Sharing Receivable Invoiced	Risk Sharing Receivable Not Invoiced	Actual Risk Sharing Amounts Collected in Year Invoiced	Actual Risk Sharing Amounts Collected First Year Subsequent	Actual Risk Sharing Amounts Collected Second Year Subsequent	Actual Risk Sharing Amounts Collected – All Other
2012	2012	0	447,378	0	0	0	0	0	0
	2013	0							
2011	2011	0	1,073,664	600,842	472,822	600,842	0	0	0
	2012	0	0	0	0	0	0	0	0
2010	2010	0	2,292,879	2,292,879	0	2,292,879	0	0	0
	2011	0	0	0	0	0	0	0	0
2009	2009	0	1,290,797	1,290,797	0	1,290,797	0	0	0
	2010	0	0	0	0	0	0	0	0
2008	2008	0	1,249,892	1,249,892	0	1,249,892	0	0	0
	2009	0	0	0	0	0	0	0	0

29. Participating Policies

None.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves $0
2. Date of the most recent evaluation of this liability 03/31/2012
3. Was anticipated investment income utilized in the calculation? Yes

31. Anticipated Salvage and Subrogation

The Company has not specifically identified any anticipated salvage and subrogation amounts in its calculation of loss reserves.

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[ ] N/A[X]

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[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. 12/31/2009
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. 12/31/2009
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). 06/29/2011
6.4 By what department or departments?
Department of Licensing and Regulatory Affairs, Office of Financial & Insurance Regulation, Office of Financial Evaluation
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 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
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

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[X] No[ ]
14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		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	43,495,693	45,791,151
14.24	Short-Term Investments	0	0
14.25	Mortgages 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)	43,495,693	45,791,151
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[ ] N/A[X]
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
JP Morgan Asset Management	611 Woodward Avenue, Detroit, MI, 48226
Citizens Bank Wealth Management	328 S. Saginaw Street, Flint, MI 48502

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[ ] No[X]
16.4 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
111223	Citizens Bank Wealth Management	328 S. Saginaw St., Flint, MI 48502
104234	JP Morgan Asset Management	611 Woodward Ave., Detroit, MI, 48226

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

PART 2 - HEALTH

1. Operating Percentages:
   1.1 A&H loss percent 89.103%
   1.2 A&H cost containment percent 0.807%
   1.3 A&H expense percent excluding cost containment expenses 9.119%

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 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)
Accident and Health - Non-affiliates						
22667	95-2371728	01/01/2012	ACE AMER INS CO	PA	SSL/A/I	Yes[X] No[ ]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			Direct Business Only							
		1	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	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	68,240,340	52,257,247	0	4,683,092	0	0	125,180,679	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 (CN)	N	0	0	0	0	0	0	0	0
58.	Aggregate other alien (OT)	XXX	0	0	0	0	0	0	0	0
59.	Subtotal	XXX	68,240,340	52,257,247	0	4,683,092	0	0	125,180,679	0
60.	Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61.	Total (Direct Business)	(a) 1	68,240,340	52,257,247	0	4,683,092	0	0	125,180,679	0
DETAILS OF WRITE-INS										
5801.		XXX	0	0	0	0	0	0	0	0
5802.		XXX	0	0	0	0	0	0	0	0
5803.		XXX	0	0	0	0	0	0	0	0
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

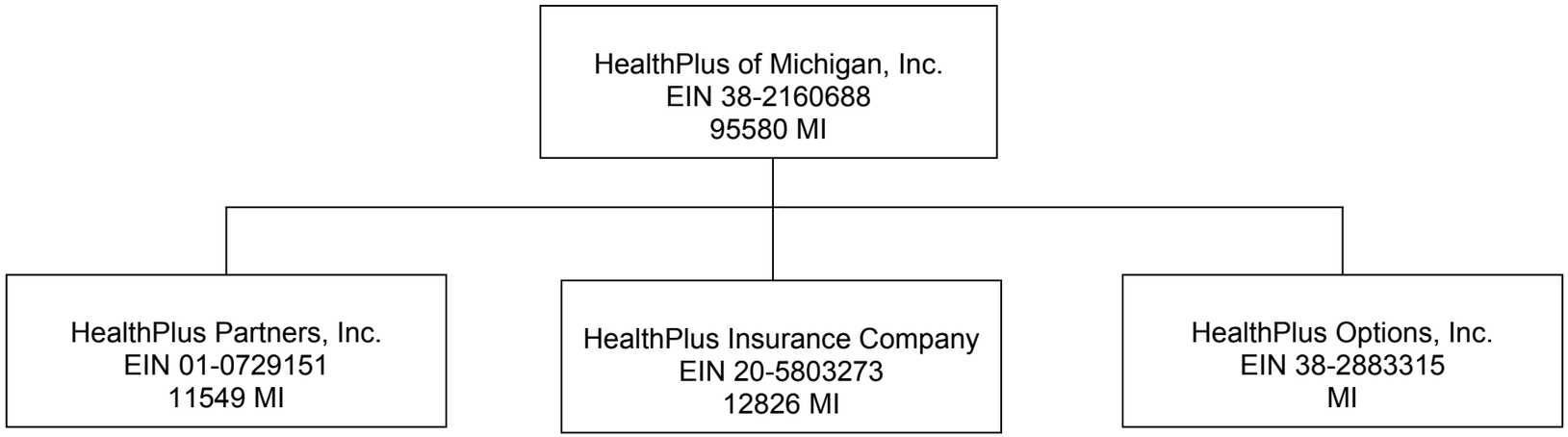
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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 Name 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 *
3409		95580	38-2160688				HealthPlus of Michigan, Inc.	MI				0.0		
3409		11549	01-0729151				HealthPlus Partners, Inc.	MI	DS	HealthPlus of Michigan, Inc.	Ownership	100.0	HealthPlus of Michigan, Inc.	
3409		12826	20-5803273				HealthPlus Insurance Company	MI	DS	HealthPlus of Michigan, Inc.	Ownership	100.0	HealthPlus of Michigan, Inc.	
		00000	38-2883315				HealthPlus Options, Inc.	MI	DS	HealthPlus of Michigan, Inc.	Ownership	100.0	HealthPlus of Michigan, Inc.	

Asterisk	Explanation
0000001	

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement

95580201236500001 2012 Document Code: 365

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	4,779,103	5,451,033
2.	Cost of acquired		
	2.1 Actual cost at time of acquisition	0	0
	2.2 Additional investment made after acquisition	85,478	254,704
3.	Current year change in encumbrances	0	0
4.	Total gain (loss) on disposals	0	0
5.	Deduct amounts received on disposals	0	0
6.	Total foreign exchange change in book/adjusted carrying value	0	0
7.	Deduct current year's other than temporary impairment recognized	0	0
8.	Deduct current year's depreciation	214,553	926,634
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	4,650,028	4,779,103
10.	Deduct total nonadmitted amounts	0	0
11.	Statement value at end of current period (Line 9 minus Line 10)	4,650,028	4,779,103

SCHEDULE B - VERIFICATION

Mortgage Loans

		1 Year To Date	2 Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition	0	0
	2.2 Additional investment made after acquisition	0	0
3.	Capitalized deferred interest and other	0	0
4.	Accrual of discount	0	0
5.	Unrealized valuation increase (decrease)	0	0
6.	Total gain (loss) on disposals	0	0
7.	Deduct amounts received on disposals	0	0
8.	Deduct amortization of premium and mortgage interest poin	0	0
9.	Total foreign exchange change in book value/recorded inve	0	0
10.	Deduct current year's other than temporary impairment recognized	0	0
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	0	0
12.	Total valuation allowance	0	0
13.	Subtotal (Line 11 plus Line 12)	0	0
14.	Deduct total nonadmitted amounts	0	0
15.	Statement value at end of current period (Line 13 minus Line 14)	0	0

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	0	0
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition	0	0
	2.2 Additional investment made after acquisition	0	0
3.	Capitalized deferred interest and other	0	0
4.	Accrual of discount	0	0
5.	Unrealized valuation increase (decrease)	0	0
6.	Total gain (loss) on disposals	0	0
7.	Deduct amounts received on disposals	0	0
8.	Deduct amortization of premium and depreciation	0	0
9.	Total foreign exchange change in book/adjusted carrying value	0	0
10.	Deduct current year's other than temporary impairment recognized	0	0
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	0	0
12.	Deduct total nonadmitted amounts	0	0
13.	Statement value at end of current period (Line 11 minus Line 12)	0	0

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	68,740,372	73,777,428
2.	Cost of bonds and stocks acquired	787,007	910,534
3.	Accrual of discount	781	3,178
4.	Unrealized valuation increase (decrease)	3,062,289	(4,359,707)
5.	Total gain (loss) on disposals	0	97,076
6.	Deduct consideration for bonds and stocks disposed of	3,450,000	1,610,902
7.	Deduct amortization of premium	13,195	77,235
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)	69,127,254	68,740,372
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	69,127,254	68,740,372

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)	87,075,712	119,807,381	92,142,932	(53,767)	114,686,394	0	0	87,075,712
2. Class 2 (a)	0	0	0	0	0	0	0	0
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	0	0	0	0	0	0	0	0
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	87,075,712	119,807,381	92,142,932	(53,767)	114,686,394	0	0	87,075,712
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	87,075,712	119,807,381	92,142,932	(53,767)	114,686,394	0	0	87,075,712

(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	105,033,162	X X X	105,154,905	880	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	74,720,389	36,993,207
2.	Cost of short-term investments acquired	119,047,059	423,746,435
3.	Accrual of discount	0	0
4.	Unrealized valuation increase (decrease)	0	0
5.	Total gain (loss) on disposals	0	6,182
6.	Deduct consideration received on disposals	88,692,932	385,889,047
7.	Deduct amortization of premium	41,354	136,388
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)	105,033,162	74,720,389
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	105,033,162	74,720,389

SI04 Schedule DB - Part A Verification . . . . . NONE

SI04 Schedule DB - Part B Verification . . . . . NONE

SI05 Schedule DB Part C Section 1 . . . . . NONE

SI06 Schedule DB Part C Section 2 . . . . . NONE

SI07 Schedule DB - Verification . . . . . NONE

SI08 Schedule E - Verification (Cash Equivalents) . . . . . NONE

SCHEDULE A - PART 2

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

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition
Acquired by Purchase								
Home Office Building - 2050 South Linden Road	Flint	MI	03/28/2012	Various contractors	0	0	0	85,478
0199999 Subtotal - Acquired by Purchase					0	0	0	85,478
0399999 Totals					0	0	0	85,478

SCHEDULE A - PART 3

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

1	Location		4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						9	10	11	12	13							
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B/A C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B/A C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
0399999 Totals					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

NONE

E02 Schedule B Part 2 . . . . . NONE

E02 Schedule B Part 3 . . . . . NONE

E03 Schedule BA Part 2 . . . . . NONE

E03 Schedule BA Part 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 - Industrial and Miscellaneous (Unaffiliated)									
459200HC8	INTERNATIONAL BUSINESS MACHS NT		03/15/2012	Citizens Bank Wealth Management	X X X	247,583	250,000.00	382	1FE
58933YAB1	MERCK & CO INC NEW NT 2.25%		03/15/2012	Citizens Bank Wealth Management	X X X	260,473	250,000.00	1,016	1FE
742718DV8	PROCTER & GAMBLE CO NT 1.45%		03/15/2012	Citizens Bank Wealth Management	X X X	252,268	250,000.00	352	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	760,324	750,000.00	1,750	X X X
8399997 Subtotal - Bonds - Part 3					X X X	760,324	750,000.00	1,750	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	760,324	750,000.00	1,750	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
Common Stock - Mutual Funds									
4812C0381	JPMORGAN CORE BOND FUND		03/01/2012	JP Morgan Asset Management	2,243.332	26,684	X X X	0	L
9299999 Subtotal - Common Stock - Mutual Funds					X X X	26,684	X X X	0	X X X
9799997 Subtotal - Common Stock - Part 3					X X X	26,684	X X X	0	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks					X X X	26,684	X X X	0	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	26,684	X X X	0	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	787,008	X X X	1,750	X X X

(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 Stocks 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 - Industrial and Miscellaneous (Unaffiliated)																					
064244AA4	BANK OF THE WEST		03/27/2012	MATURITY	XXX	1,000,000	1,000,000.00	1,011,260	1,001,033	0	(1,033)	0	(1,033)	0	1,000,000	0	0	0	10,750	03/27/2012	1FE
428236AU7	HEWLETT-PACKARD CO		02/24/2012	MATURITY	XXX	200,000	200,000.00	208,096	200,435	0	(435)	0	(435)	0	200,000	0	0	0	4,250	02/24/2012	1
58013MDR2	MCDONALDS CORP MED TERM NTS B.E.		03/01/2012	MATURITY	XXX	250,000	250,000.00	249,713	249,994	0	6	0	6	0	250,000	0	0	0	7,188	03/01/2012	1FE
846042AA7	SOVEREIGN BANK		01/17/2012	MATURITY	XXX	1,000,000	1,000,000.00	1,028,530	1,000,523	0	(523)	0	(523)	0	1,000,000	0	0	0	13,750	01/17/2012	1FE
91160HAA5	US BANCORP		03/13/2012	MATURITY	XXX	1,000,000	1,000,000.00	1,015,190	1,001,183	0	(1,183)	0	(1,183)	0	1,000,000	0	0	0	11,250	03/13/2012	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	3,450,000	3,450,000.00	3,512,789	3,453,168	0	(3,168)	0	(3,168)	0	3,450,000	0	0	0	47,188	XXX	XXX
8399997 Subtotal - Bonds - Part 4					XXX	3,450,000	3,450,000.00	3,512,789	3,453,168	0	(3,168)	0	(3,168)	0	3,450,000	0	0	0	47,188	XXX	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	3,450,000	3,450,000.00	3,512,789	3,453,168	0	(3,168)	0	(3,168)	0	3,450,000	0	0	0	47,188	XXX	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	3,450,000	XXX	3,512,789	3,453,168	0	(3,168)	0	(3,168)	0	3,450,000	0	0	0	47,188	XXX	XXX

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

E06 Schedule DB Part A Section 1 . . . . . NONE

E07 Schedule DB Part B Section 1 . . . . . NONE

E08 Schedule DB Part D . . . . . NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets . . . . . NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets . . . . . NONE

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	*
open depositories										
Citizens Bank	Flint, MI			0.000	0	0	1,665,245	2,266,952	3,031,382	X X X
Citizens Bank	Flint, MI			0.000	0	0	(1,003,891)	(1,960,620)	(2,279,477)	X X X
Citizens Bank	Flint, MI			0.000	0	0	(2,703,574)	(5,744,940)	(6,987,521)	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X	0	0	0	0	0	X X X
0199999 Totals - Open Depositories			X X X	X X X	0	0	(2,042,220)	(5,438,608)	(6,235,616)	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X	0	0	0	0	0	X X X
0299999 Totals - Suspended Depositories			X X X	X X X	0	0	0	0	0	X X X
0399999 Total Cash On Deposit			X X X	X X X	0	0	(2,042,220)	(5,438,608)	(6,235,616)	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X	750	750	750	X X X
0599999 Total Cash			X X X	X X X	0	0	(2,041,470)	(5,437,858)	(6,234,866)	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

INDEX TO HEALTH QUARTERLY STATEMENT

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11
Accounting Practices and Policies; Q5; Q10, Note 1
Admitted Assets; Q2
Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05
Bonuses; Q3; Q4; Q8; Q9
Borrowed Funds; Q3; Q6
Business Combinations and Goodwill; Q10, Note 3
Capital Gains (Losses)
  Realized; Q4
  Unrealized; Q4; Q5
Capital Stock; Q3; Q10, Note 13
Capital Notes; Q6; Q10, Note 11
Caps; QE06; QSI04
Cash; Q2; Q6; QE11
Cash Equivalents; Q2; Q6; QE12
Claims; Q3; Q4; Q8; Q9
Collars; QE06; QSI04
Commissions; Q6
Common Stock; Q2; Q3; Q6; Q11.1; Q11.2
Cost Containment Expenses; Q4
Contingencies; Q10, Note 14
Counterparty Exposure; Q10, Note 8; QE06; QE08
Debt; Q10, Note 11
Deferred Compensation; Q10, Note 12
Derivative Instruments; Q10, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08
Discontinued Operations; Q10, Note 4
Electronic Data Processing Equipment; Q2
Encumbrances; Q2; QSI01; QE01
Emergency Room; Q4
Expenses; Q3; Q4; Q6
Extinguishment of Liabilities; Q10, Note 17
Extraordinary Item; Q10, Note 21
Fair Value; Q7, Note 20
Fee for Service; Q4
Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05
Forwards; QE06; QSI04
Furniture, Equipment and Supplies; Q2
Guaranty Fund; Q2
Health Care Receivables; Q2; Q9; Q10, Note 28
Holding Company; Q16
Hospital/Medical Benefits; Q4
Incentive Pools; Q3; Q4; Q8; Q9
Income; Q4; Q5; Q6
Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9
Incurred Claims and Claim Adjustment Expenses; Q10, Note 25
Intercompany Pooling; Q10, Note 26
Investment Income; Q10, Note 7
  Accrued; Q2
  Earned; Q2; QSI03
  Received; Q6
Investments; Q10, Note 5; Q11.1; Q11.2; QE08
Joint Venture; Q10, Note 6
Leases; Q10, Note 15
Limited Liability Company (LLC); Q10, Note 6
Limited Partnership; Q10, Note 6
Long-Term Invested Assets; Q2; QE03
Managing General Agents; Q10, Note 19
Medicare Part D Coverage; QSupp1
Member Months; Q4; Q7
Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02
Nonadmitted Assets; Q2; Q5; QSI01; QSI03
Off-Balance Sheet Risk; Q10, Note 16
Options; QE06; QSI04
Organizational Chart; Q11; Q14
Out-of-Area; Q4
Outside Referrals; Q4
Parent, Subisidaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1
Participating Policies; Q10, Note 29
Pharmaceutical Rebates; Q10, Note 28
Policyholder Dividends; Q5; Q6
Postemployment Benefits; Q10, Note 12
Postretirement Benefits; Q10, Note 12
Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2

INDEX TO HEALTH QUARTERLY STATEMENT

Premium Deficiency Reserves; Q10, Note 30
Premiums and Considerations
- Advance; Q3
- Collected; Q6
- Deferred; Q2
- Direct; Q7; Q13
- Earned; Q7
- Retrospective; Q2
- Uncollected; Q2
- Unearned; Q4
- Written; Q4; Q7

Prescription Drugs; Q4
Quasi Reorganizations; Q10, Note 13
Real Estate; Q2; Q6; QE01; QSI01
Redetermination, Contracts Subject to; Q10, Note 24
Reinsurance; Q9; Q10, Note 23
- Ceded; Q3; Q12
- Funds Held; Q2
- Payable; Q3
- Premiums; Q3
- Receivable; Q2; Q4
- Unauthorized; Q3; Q5

Reserves
- Accident and Health; Q3; Q4
- Claim; Q3; Q5; Q8
- Life; Q3

Retirement Plans; Q10, Note 12
Retrospectively Rated Policies; Q10, Note 24
Risk Revenue; Q4
Salvage and Subrogation; Q10, Note 31
Securities Lending; Q2; Q3; QE09; QE10
Servicing of Financial Assets; Q10, Note 17
Short-Term Investments; Q2; Q6; Q11.1; QSI03
Stockholder Dividends; Q5; Q6
Subsequent Events; Q10, Note 22
Surplus; Q3; Q5; Q6
Surplus Notes; Q3; Q5; Q6
Swaps; QE07; QSI04
Synthetic Assets; QSI04; QSI05
Third Party Administrator; Q10, Note 19
Treasury Stock; Q3; Q5
Uninsured Accident and Health; Q2; Q3; Q10, Note 18
Valuation Allowance; QSI01
Wash Sales; Q10, Note 17
Withholds; Q4; Q8