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ANNUAL STATEMENT

For the Year Ended December 31, 2011

of the Condition and Affairs of the

Priority Health Government Programs, Inc.

NAIC Group Code.....3383, 3383 (Current Period) (Prior Period) NAIC Company Code..... 11520 Employer's ID Number..... 32-0016523

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

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

Incorporated/Organized..... June 3, 2002 Commenced Business..... October 1, 2002

Statutory Home Office	1231 East Beltline NE….. Grand Rapids ..... MI ..... 49525-4501 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	1231 East Beltline NE….. Grand Rapids ..... MI ..... 49525-4501 *(Street and Number) (City or Town, State and Zip Code)*	616-942-0954 *(Area Code) (Telephone Number)*
Mail Address	1231 East Beltline NE….. Grand Rapids ..... MI ..... 49525-4501 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	1231 East Beltline NE….. Grand Rapids ..... MI ..... 49525-4501 *(Street and Number) (City or Town, State and Zip Code)*	616-464-8603 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.priority-health.com	
Statutory Statement Contact	Mark Andrew Demarest *(Name)*	616-464-8603 *(Area Code) (Telephone Number) (Extension)*
	mark.demarest@priorityhealth.com *(E-Mail Address)*	616-942-7916 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Kimberly K Horn	President / Chief Executive Officer	2. Steve Flack #	Treasurer / Chief Financial Officer
3. Kimberly L Thomas	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Kimberly K Horn	Michael Koziara	James F Byrne	Elizabeth Baxter
Nicole Buchanan	Steve Flack #		

State of.....Michigan Michigan
County of.....Kent Kent

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)
Kimberly K Horn	Steve Flack	Kimberly L Thomas
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President / Chief Executive Officer	Treasurer / Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of February 2012

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

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
A&H Premiums Due and Unpaid						
0499999. Premiums due and unpaid from Medicaid entities	131,949					131,949
0599999. Accident and health premiums due and unpaid (Page 2, Line 15)	131,949	0	0	0	0	131,949

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Claim Overpayment Receivables						
						0
Aggregate of amounts not individually listed	178,816	119,285	56,327			354,428
0299999. Total Claim Overpayment Receivables	178,816	119,285	56,327	0	0	354,428
Other Receivables						
State of Michigan	599,459	61,241	56,867			717,567
0699999. Total Other Receivables	599,459	61,241	56,867	0	0	717,567
0799999. Total Health Care Receivables	778,275	180,526	113,194	0	0	1,071,995

EXHIBIT 4 - 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	2,868,899					2,868,899
0499999. Subtotals	2,868,899	0	0	0	0	2,868,899
0599999. Unreported claim and other claim reserves						14,185,540
0799999. Total claims unpaid						17,054,439
0899999. Accrued medical incentive pool and bonus amounts						1,346,369

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Priority Health	89,092					89,092	
Priority Health Managed Benefits	40,413					40,413	
0199999. Individually listed receivables	129,505	0	0	0	0	129,505	0
0399999. Total gross amounts receivable	129,505	0	0	0	0	129,505	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Amounts Due To Parent, Subsidiaries and Affiliates				
Priority Health Managed Benefits, Inc.	Management Fees Payable	764,872	764,872	
Spectrum Health	Medicaid Risk Share	1,091,237	1,091,237	
Others not listed	Trade	52,392	52,392	
0199999. Individually listed payables		1,908,501	1,908,501	0
0399999. Total gross payables		1,908,501	1,908,501	0

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	0	0.0				
2. Intermediaries	0	0.0				
3. All other providers	86,589,647	54.9			86,589,647	
4. Total capitation payments	86,589,647	54.9	0		86,589,647	0
Other Payments:						
5. Fee-for-service	7,269,469	4.6	XXX	XXX		7,269,469
6. Contractual fee payments	19,884,673	12.6	XXX	XXX	19,884,673	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	44,072,299	27.9	XXX	XXX	44,072,299	
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	71,226,441	45.1	XXX	XXX	63,956,972	7,269,469
13. Total (Line 4 plus Line 12)	157,816,088	100.0	XXX	XXX	150,546,619	7,269,469

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC

NONE

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment						0
2. Medical furniture, equipment and fixtures						0
3. Pharmaceuticals and surgical supplies						0
4. Durable medical equipment						0
5. Other property and equipment						0
6. Total	0	0	0	0	0	0

NONE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Priority Health Government Programs, Inc. 2. Grand Rapids, MI

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR (Location)

NAIC Group Code.....3383

NAIC Company Code.....11520

	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	63,501	1,681							61,820	
2. First quarter	63,732	1,721							62,011	
3. Second quarter	65,068	1,905							63,163	
4. Third quarter	65,542	1,755							63,787	
5. Current year	66,108	1,752							64,356	
6. Current year member months	779,034	21,171							757,863	
Total Member Ambulatory Encounters for Year:										
7. Physician	612,399	8,813							603,586	
8. Non-physician	63,565	915							62,650	
9. Totals	675,964	9,728	0	0	0	0	0	0	666,236	0
10. Hospital patient days incurred	22,877	42							22,835	
11. Number of inpatient admissions	5,794	14							5,780	
12. Health premiums written (b)	188,304,040	1,759,709							186,544,331	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	188,233,144	1,759,552							186,473,592	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	157,816,088	1,339,447							156,476,641	
18. Amount incurred for provision of health care services	160,229,060	1,330,335							158,898,725	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Priority Health Government Programs, Inc. 2. Grand Rapids, MI

BUSINESS IN THE STATE OF MICHIGAN DURING THE YEAR (Location)

NAIC Group Code.....3383

NAIC Company Code.....11520

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	63,501	1,681							61,820	
2. First quarter	63,732	1,721							62,011	
3. Second quarter	65,068	1,905							63,163	
4. Third quarter	65,542	1,755							63,787	
5. Current year	66,108	1,752							64,356	
6. Current year member months	779,034	21,171							757,863	
Total Member Ambulatory Encounters for Year:										
7. Physician	612,399	8,813							603,586	
8. Non-physician	63,565	915							62,650	
9. Totals	675,964	9,728	0	0	0	0	0	0	666,236	0
10. Hospital patient days incurred	22,877	42							22,835	
11. Number of inpatient admissions	5,794	14							5,780	
12. Health premiums written (b)	188,304,040	1,759,709							186,544,331	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	188,233,144	1,759,552							186,473,592	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	157,816,088	1,339,447							156,476,641	
18. Amount incurred for provision of health care services	160,229,060	1,330,335							158,898,725	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

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

Sch. S-Pt. 1-Sn. 2
NONE

Sch. S-Pt. 2
NONE

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	Outstanding Surplus Relief		12	13
									10	11		
NAIC Company Code	Federal ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type	Premiums	Unearned Premiums (estimated)	Reserve Credit Taken Other Than for Unearned Premiums	Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates												
92711	35-1817054	09/01/2010	HCC Life Insurance Company	GA	A/G	70,896						
0499999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates					70,896	0	0	0	0	0	0
0699999.	Total - General Account - Authorized - Non-Affiliates					70,896	0	0	0	0	0	0
0799999.	Total - General Account - Authorized					70,896	0	0	0	0	0	0
1599999.	Total - General Account - Authorized and Unauthorized					70,896	0	0	0	0	0	0
3199999.	Total - U.S.					70,896	0	0	0	0	0	0
3399999.	Total					70,896	0	0	0	0	0	0

Sch. S-Pt. 4
NONE

SCHEDULE S - PART 5

Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2011	2 2010	3 2009	4 2008	5 2007
A. OPERATIONS ITEMS					
1. Premiums	1	2	2	2	2
2. Title XVIII - Medicare					
3. Title XIX - Medicaid	70	174	206	186	165
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses					
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses					
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances unpaid					
11. Unauthorized reinsurance offset					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F)					
13. Letters of credit (L)					
14. Trust agreements (T)					
15. Other (O)					

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

		1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 12)	44,923,141	70,896	44,994,037
2.	Accident and health premiums due and unpaid (Line 15)	131,949		131,949
3.	Amounts recoverable from reinsurers (Line 16.1)			0
4.	Net credit for ceded reinsurance	XXX	(70,896)	(70,896)
5.	All other admitted assets (balance)	1,412,863		1,412,863
6.	Totals assets (Line 28)	46,467,953	0	46,467,953
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	17,054,439		17,054,439
8.	Accrued medical incentive pool and bonus payments (Line 2)	1,346,369		1,346,369
9.	Premiums received in advance (Line 8)	278,714		278,714
10.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19)			0
11.	Reinsurance in unauthorized companies (Line 20)			0
12.	All other liabilities (balance)	2,115,930		2,115,930
13.	Total liabilities (Line 24)	20,795,452	0	20,795,452
14.	Total capital and surplus (Line 33)	25,672,501	XXX	25,672,501
15.	Total liabilities, capital and surplus (Line 34)	46,467,953	0	46,467,953
	NET CREDIT FOR CEDED REINSURANCE			
16.	Claims unpaid	0		
17.	Accrued medical incentive pool	0		
18.	Premiums received in advance	0		
19.	Reinsurance recoverable on paid losses	0		
20.	Other ceded reinsurance recoverables	(70,896)		
21.	Total ceded reinsurance recoverables	(70,896)		
22.	Premiums receivable	0		
23.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
24.	Unauthorized reinsurance	0		
25.	Other ceded reinsurance payables/offsets	0		
26.	Total ceded reinsurance payables/offsets	0		
27.	Total net credit for ceded reinsurance	(70,896)		

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		Direct Business Only					
	States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1.	Alabama AL						0
2.	Alaska AK						0
3.	Arizona AZ						0
4.	Arkansas AR						0
5.	California CA						0
6.	Colorado CO						0
7.	Connecticut CT						0
8.	Delaware DE						0
9.	District of Columbia DC						0
10.	Florida FL						0
11.	Georgia GA						0
12.	Hawaii HI						0
13.	Idaho ID						0
14.	Illinois IL						0
15.	Indiana IN						0
16.	Iowa IA						0
17.	Kansas KS						0
18.	Kentucky KY						0
19.	Louisiana LA						0
20.	Maine ME						0
21.	Maryland MD						0
22.	Massachusetts MA						0
23.	Michigan MI						0
24.	Minnesota MN						0
25.	Mississippi MS						0
26.	Missouri MO						0
27.	Montana MT						0
28.	Nebraska NE						0
29.	Nevada NV						0
30.	New Hampshire NH						0
31.	New Jersey NJ						0
32.	New Mexico NM						0
33.	New York NY						0
34.	North Carolina NC						0
35.	North Dakota ND						0
36.	Ohio OH						0
37.	Oklahoma OK						0
38.	Oregon OR						0
39.	Pennsylvania PA						0
40.	Rhode Island RI						0
41.	South Carolina SC						0
42.	South Dakota SD						0
43.	Tennessee TN						0
44.	Texas TX						0
45.	Utah UT						0
46.	Vermont VT						0
47.	Virginia VA						0
48.	Washington WA						0
49.	West Virginia WV						0
50.	Wisconsin WI						0
51.	Wyoming WY						0
52.	American Samoa AS						0
53.	Guam GU						0
54.	Puerto Rico PR						0
55.	US Virgin Islands VI						0
56.	Northern Mariana Islands MP						0
57.	Canada CN						0
58.	Aggregate Other Alien OT						0
59.	Totals	0	0	0	0	0	0

NONE

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														
3383	Priority Health	95561	38-2715520				Priority Health	MI	UDP	Spectrum Health System	Ownership	93.90	Spectrum Health System	
										Munson HealthCare	Ownership	5.50		
										Healthshare DBA The Healthshare Group.	Ownership	0.60		
3383		11520	32-0016523				Priority Health Government Programs, Inc.	MI		Priority Health	Ownership	100.00	Spectrum Health System	
3383		12208	20-1529553				Priority Health Insurance Company	MI	IA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-2715520				PHMB Properties, LLC	MI	NIA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-2663747				Trinity Health Plans	MI	NIA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-3085182				Priority Health Managed Benefits, Inc.	MI	NIA	Spectrum Health System	Ownership	100.00	Spectrum Health System	

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1 NAIC Company Code	2 Federal ID Number	3 Names of Insurers and Parent, Subsidiaries or Affiliates	4 Shareholder Dividends	5 Capital Contributions	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	7 Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	8 Management Agreements and Service Contracts	9 Income/ (Disbursements) Incurred under Reinsurance Agreements	10 *	11 Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	12 Totals	13 Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
12208	20-1529553	Priority Health Insurance Company		10,000,000			(15,358,108)				(5,358,108)	
	38-3085182	Priority Health Managed Benefits					122,288,181				122,288,181	
95561	38-2715520	Priority Health		(10,000,000)			(95,756,326)				(105,756,326)	
11520	32-0016523	Priority Health Government Programs					(11,173,747)				(11,173,747)	
9999999.	Control Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED 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.

	MARCH FILING	Responses
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?	YES
4.	Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES
	APRIL FILING	
5.	Will the Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
	JUNE FILING	
8.	Will an audited financial report be filed by June 1?	YES
9.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
	AUGUST FILING	
10.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES

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.

	MARCH FILING	
11.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	NO
14.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
15.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	SEE EXPLANATION
16.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	SEE EXPLANATION
17.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
18.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partners be filed electronically with the NAIC by March 1?	SEE EXPLANATION
19.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	SEE EXPLANATION
20.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	SEE EXPLANATION
	APRIL FILING	
21.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
22.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	YES
25.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	YES
	AUGUST FILING	
26.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

EXPLANATIONS:

1.

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12.

13.

14.

15. Not applicable

16. Not applicable

17.

18. Not needed

19. Not needed

20. Not needed

21.

22.

23.

24.

25.

26.

BAR CODE:

11520201136000000

11520201120500000

11520201120700000

11520201142000000

11520201137100000

11520201137000000

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11520201122400000

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NONE

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SCHEDULE S - PART 4

Reinsurance Ceded To Unauthorized Companies

1	2	3	4	5	6	7	8	9	Letter of Credit Issuing or Confirming Bank (a)			13	14	15	16	17
									10	11	12					
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols. 5 + 6 + 7)	Letters of Credit	American Bankers Association (ABA) Routing Number	Letter of Credit Code	Bank Name	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9 + 13 + 14 + 15 + 16 But Not in Excess of Col. 8

NONE

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														
3383	Priority Health	95561	38-2715520				Priority Health	MI	UDP	Spectrum Health System	Ownership	93.90	Spectrum Health System	
										Munson HealthCare	Ownership	5.50		
										Healthshare DBA The Healthshare Group.	Ownership	0.60		
3383		11520	32-0016523				Priority Health Government Programs, Inc.	MI		Priority Health	Ownership	100.00	Spectrum Health System	
3383		12208	20-1529553				Priority Health Insurance Company	MI	IA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-2715520				PHMB Properties, LLC	MI	NIA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-2663747				Trinity Health Plans	MI	NIA	Priority Health	Ownership	100.00	Spectrum Health System	
3383			38-3085182				Priority Health Managed Benefits, Inc.	MI	NIA	Spectrum Health System	Ownership	100.00	Spectrum Health System	