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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING December 31, 2001

of the Condition and Affairs of the

Blue Care Network of Michigan

NAIC Group Code..... 0572, 0572 (Current Period) (Prior Period) NAIC Company Code..... 95610 Employer's ID Number..... 38-2359234

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

Country of Domicile United States of America

Licensed as Business Type Life, Accident & Health[ ] Property/Casualty [ ] Health Service Corporation [ ]
Dental Service Corporation [ ] Vision Service Corporation [ ] Other [ ]
Health Maintenance Organization [X] Is HMO Federally Qualified? Yes [X] No [ ]

Date Incorporated or Organized..... May 6, 1981 Date Commenced Business..... May 13, 1981

Statutory Home Office	25925 Telegraph….. Southfield ..... MI ..... 48086 *(Street and Number) (City or Town, State and Zip Code)*	
Address of Main Administrative Office	25925 Telegraph….. Southfield ..... MI ..... 48086 *(Street and Number) (City or Town, State and Zip Code)*	248-354-7450 *(Area Code) (Telephone Number)*
Mail Address	25925 Telegraph MC BF355….. Southfield ..... MI ..... 48086 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	25925 Telegraph….. Southfield ..... MI ..... 48086 *(Street and Number) (City or Town, State and Zip Code)*	248-593-3929 *(Area Code) (Telephone Number)*
Internet Website Address	ww.bcbsm.com/bcn	
Statement Contact	Penny Wall *(Name)*	248-593-3929 *(Area Code) (Telephone Number) (Extension)*
	pwall@bcbsm.com *(E-Mail Address)*	*248-593-3961* *(Fax Number)*

OFFICERS

President & CEO	Kevin Seitz #	Chief Operating Officer	Jeffrey W. Blancett	Treasurer & CFO	Susan A. Kluge
Chief Actuarial Officer	David R. Nelson #	Chief Medical Officer	Douglas R. Woll, MD	Secretary	Julie Swantek

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

George Andros	Charles Burkett	Frank Garrison	Gloria Klinge
Mark R. Bartlett	Diana L. Watson	Julie Angott	Joseph Defrain
Anne Mare Ice, MD	Honorable Paula J. Manderfield	Carmone Owens	Gregory A. Sudderth
Roy Westran	Richard E. Whitmer	Kevin Seitz #	

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

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the 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* manuals 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.

(Signature)	(Signature)	(Signature)
Kevin Seitz	Julie Swantek	Susan A. Kluge
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Treasurer

Subscribed and sworn to before me this

.....day of ....., 2002

.....

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 3 - 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						
0199999. Total individuals	4,529,272	1,157,318	1,379,357			7,065,947
0599999. Accident and health premiums due and unpaid (Page 2, Line 10)	4,529,272	1,157,318	1,379,357	0	0	7,065,947

EXHIBIT 4 - 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
Health Care Receivables						
Medicare	69,343	83,151	77,613	170,017		400,124
Merck Medco	729,436	730,834	516,145			1,976,415
0499999. Receivables not individually listed	293,301	319,068	131,429	298,092	298,092	743,798
0599999. Gross health care receivables	1,092,080	1,133,053	725,187	468,109	298,092	3,120,337

EXHIBIT 5 - CLAIMS PAYABLE (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 Payable (Reported)						
0399999. Aggregate accounts not individually listed - covered	37,425,597	17,652,475	4,317,828	1,965,057	4,028,948	65,389,905
0499999. Subtotals						65,389,905
0599999. Unreported claim and other claim reserves						143,781,602
0699999. Total amounts withheld						14,796,047
0799999. Total claims payable						223,967,554
0899999. Accrued medical incentive pool						33,021,954

EXHIBIT 6 - 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							
Blue Cross Blue Shield of Michigan	21,390,954	168,403	143,500	469,377		22,172,233	
Health First	812,592			6,519,687		7,332,279	
0199999. Individually listed receivables	22,203,546	168,403	143,500	6,989,064	0	29,504,512	0
0399999. Total gross amounts receivable	22,203,546	168,403	143,500	6,989,064	0	29,504,512	0

EXHIBIT 7 - 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				
Blue Cross Blue Shield of Michigan	Computer, Information Services, and Other Administrative Expenses	10,753,220	10,753,220	
0199999. Individually listed payables		10,753,220	10,753,220	0
0299999. Payables not individually listed		2,433,023	2,433,023	
0399999. Total gross payables		13,186,243	13,186,243	0

EXHIBIT 8 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total	3 Total Members Covered	4 Column 3 as a % of Total	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	239,399,051	19.5	556,104	49.3		239,399,051
2. Intermediaries		0.0		0.0		
3. All other providers	65,457,638	5.3	572,422	50.7		65,457,638
4. Total capitation payments	304,856,689	24.8	1,128,526	100.0	0	304,856,689
Other Payments:						
5. Fee-for-service		0.0	XXX	XXX		
6. Contractual fee payments	840,715,503	68.4	XXX	XXX		840,715,503
7. Bonus/withhold arrangements - fee-for-service		0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	12,140,606	1.0	XXX	XXX		12,140,606
9. Non-contingent salaries	70,832,742	5.8	XXX	XXX		70,832,742
10. Aggregate cost arrangements		0.0	XXX	XXX		
11. All other payments		0.0	XXX	XXX		
12. Total other payments	923,688,851	75.2	XXX	XXX	0	923,688,851
13. Total (Line 4 plus Line 12)	1,228,545,540	100.0	XXX	XXX	0	1,228,545,540

EXHIBIT 8 - 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 9 - FURNITURE AND EQUIPMENT OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets Used for the Delivery of Health Care
1. Administrative furniture and equipment	11,413,707		9,887,566	1,526,141		1,526,141
2. Medical furniture, equipment and fixtures	2,221,716		2,020,790	200,926		200,926
3. Pharmaceuticals and surgical supplies						0
4. Durable medical equipment	9,834		6,588	3,246		3,246
5. Other property and equipment	20,120		3,018	17,102	17,102	0
6. Total	13,665,377	0	11,917,962	1,747,415	17,102	1,730,313

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION.....Blue Care Network of Michigan 2. DIVISION....State of Michigan

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

NAIC Group Code.....0572

NAIC Company Code.....95610

	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	610,657	3,221	577,193	12,342			XXX	17,901		
2. First quarter	608,642	3,184	576,764	11,229			XXX	17,465		
3. Second quarter	596,287	3,210	564,638	11,331			XXX	17,108		
4. Third quarter	588,401	3,146	556,585	11,618			XXX	17,052		
5. Current year	572,422	3,214	541,581	11,309			XXX	16,318		
6. Current year member months	7,020,584	37,909	6,643,297	134,952			XXX	204,426		
Total Member Ambulatory Encounters for Year:										
7. Physician	1,922,830	8,739	1,714,767	55,041			XXX	144,283		
8. Non-physician	421,446	1,719	342,208	32,014			XXX	45,505		
9. Totals	2,344,276	10,458	2,056,975	87,055	0	0	XXX	189,788	0	0
10. Hospital patient days incurred	189,590	981	134,167	21,823			XXX	32,619		
11. Number of inpatient admissions	43,579	221	34,086	3,724			XXX	5,548		
12. Premiums collected	1,374,332,849	6,633,850	1,153,450,765	38,536,674			45,060,054	130,494,470	157,036	
13. Premiums earned	1,358,762,915	6,545,150	1,130,063,272	37,629,267			45,929,169	138,596,057		
14. Amount paid for provision of health care services	1,228,545,540		1,008,781,508	33,342,198			43,008,259	142,815,723	597,852	
15. Amount incurred for provision of health care services	1,252,771,026		1,036,698,453	33,646,872			43,882,926	138,191,141	351,634	

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION.....Blue Care Network of Michigan 2. DIVISION....Southfield Michigan

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

NAIC Group Code.....0572

NAIC Company Code.....95610

	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	610,657	3,221	577,193	12,342			XXX	17,901		
2. First quarter	608,642	3,184	576,764	11,229			XXX	17,465		
3. Second quarter	596,287	3,210	564,638	11,331			XXX	17,108		
4. Third quarter	588,401	3,146	556,585	11,618			XXX	17,052		
5. Current year	572,422	3,214	541,581	11,309			XXX	16,318		
6. Current year member months	7,020,584	37,909	6,643,297	134,952			XXX	204,426		
Total Member Ambulatory Encounters for Year:										
7. Physician	1,922,830	8,739	1,714,767	55,041			XXX	144,283		
8. Non-physician	421,446	1,719	342,208	32,014			XXX	45,505		
9. Totals	2,344,276	10,458	2,056,975	87,055	0	0	XXX	189,788	0	0
10. Hospital patient days incurred	189,590	981	134,167	21,823			XXX	32,619		
11. Number of inpatient admissions	43,579	221	34,086	3,724			XXX	5,548		
12. Premiums collected	1,374,332,849	6,633,850	1,153,607,801	38,536,674			45,060,054	130,494,470		
13. Premiums earned	1,358,762,915	6,545,150	1,130,063,272	37,629,267			45,929,169	138,596,057		
14. Amount paid for provision of health care services	1,228,545,540		1,008,781,508	33,342,198			43,008,259	142,815,723	597,852	
15. Amount incurred for provision of health care services	1,252,771,026		1,036,698,453	33,646,872			43,882,926	138,191,141	351,634	

SCHEDULE A - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value, December 31, prior year (prior year statement)	1,378,944
2.	Increase (decrease) by adjustment:	
2.1	Totals, Part 1, Column 10	(875,620)
2.2	Totals, Part 3, Column 7	
3.	Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	609,291
4.	Cost of additions and permanent improvements:	
4.1	Totals, Part 1, Column 13	
4.2	Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	
6.	Increase (decrease) by foreign exchange adjustment:	
6.1	Totals, Part 1, Column 11	
6.2	Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11	
8.	Book/adjusted carrying value at end of current period	1,112,615
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	1,112,615
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, current period)	1,112,615

SCHEDULE B - VERIFICATION BETWEEN YEARS

1.	Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year		
2.	Amount loaned during year:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		0
3.	Accrual of discount and mortgage interest points and commitment fees		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the year		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		0
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		0
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period		0

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		43,641,876
2.	Cost of acquisitions during year:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		0
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		2,852,869
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the year		1,350,000
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period		45,144,745
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		45,144,745
12.	Total nonadmitted amounts		
13.	Statement value of long-term invested assets at end of current period		45,144,745

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. **U.S. Governments, Schedules D & DA (Group 1)**											
1.1 Class 1	230,438	2,327,255				2,557,693	0.7	28,185,723		2,557,693	
1.2 Class 2						0	0.0				
1.3 Class 3						0	0.0				
1.4 Class 4						0	0.0				
1.5 Class 5						0	0.0				
1.6 Class 6						0	0.0				
1.7 Totals	230,438	2,327,255	0	0	0	2,557,693	0.7	28,185,723		2,557,693	0
2. **All Other Governments, Schedules D & DA (Group 2)**											
2.1 Class 1						0	0.0				
2.2 Class 2						0	0.0				
2.3 Class 3						0	0.0				
2.4 Class 4						0	0.0				
2.5 Class 5						0	0.0				
2.6 Class 6						0	0.0				
2.7 Totals	0	0	0	0	0	0	0.0	0		0	0
3. **States, Territories and Possessions, etc., Guaranteed, Schedules D & DA (Group 3)**											
3.1 Class 1						0	0.0				
3.2 Class 2						0	0.0				
3.3 Class 3						0	0.0				
3.4 Class 4						0	0.0				
3.5 Class 5						0	0.0				
3.6 Class 6						0	0.0				
3.7 Totals	0	0	0	0	0	0	0.0	0		0	0
4. **Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)**											
4.1 Class 1						0	0.0				
4.2 Class 2						0	0.0				
4.3 Class 3						0	0.0				
4.4 Class 4						0	0.0				
4.5 Class 5						0	0.0				
4.6 Class 6						0	0.0				
4.7 Totals	0	0	0	0	0	0	0.0	0		0	0
5. **Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)**											
5.1 Class 1	15,012,822	113,045	5,314,026	562,233		21,002,126	6.1	35,312,277		21,002,126	
5.2 Class 2						0	0.0				
5.3 Class 3						0	0.0				
5.4 Class 4						0	0.0				
5.5 Class 5						0	0.0				
5.6 Class 6						0	0.0				
5.7 Totals	15,012,822	113,045	5,314,026	562,233	0	21,002,126	6.1	35,312,277		21,002,126	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusting Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. **Public Utilities (Unaffiliated), Schedules D & DA (Group 6)**											
6.1 Class 1	1,954,695					1,954,695	0.6			1,954,695	
6.2 Class 2						0	0.0				
6.3 Class 3						0	0.0				
6.4 Class 4						0	0.0				
6.5 Class 5						0	0.0				
6.6 Class 6						0	0.0				
6.7 Totals	1,954,695	0	0	0	0	1,954,695	0.6	0		1,954,695	0
7. **Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)**											
7.1 Class 1	313,183,595			5,208,729		318,392,324	92.6	228,617,135		318,392,324	
7.2 Class 2						0	0.0				
7.3 Class 3						0	0.0				
7.4 Class 4						0	0.0				
7.5 Class 5						0	0.0				
7.6 Class 6						0	0.0				
7.7 Totals	313,183,595	0	0	5,208,729	0	318,392,324	92.6	228,617,135		318,392,324	0
8. **Credit Tenant Loans, Schedules D & DA (Group 8)**											
8.1 Class 1						0	0.0				
8.2 Class 2						0	0.0				
8.3 Class 3						0	0.0				
8.4 Class 4						0	0.0				
8.5 Class 5						0	0.0				
8.6 Class 6						0	0.0				
8.7 Totals	0	0	0	0	0	0	0.0	0		0	0
9. **Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)**											
9.1 Class 1						0	0.0				
9.2 Class 2						0	0.0				
9.3 Class 3						0	0.0				
9.4 Class 4						0	0.0				
9.5 Class 5						0	0.0				
9.6 Class 6						0	0.0				
9.7 Totals	0	0	0	0	0	0	0.0	0		0	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. **Total Bonds Current Year**											
10.1 Class 1	330,381,550	2,440,300	5,314,026	5,770,962	0	343,906,838	100.0	XXX	XXX	343,906,838	0
10.2 Class 2	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.3 Class 3	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Class 4	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.5 Class 5	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.6 Class 6	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.7 Totals	330,381,550	2,440,300	5,314,026	5,770,962	0	(b) 343,906,838	100.0	XXX	XXX	343,906,838	0
10.8 Line 10.7 as a % of Col. 6	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. **Total Bonds Prior Year**											
11.1 Class 1	219,870,755	23,068,265	44,378,030	755,135	4,042,950	XXX	XXX	292,115,135	100.0	272,283,935	19,831,200
11.2 Class 2						XXX	XXX	0	0.0		
11.3 Class 3						XXX	XXX	0	0.0		
11.4 Class 4						XXX	XXX	0	0.0		
11.5 Class 5						XXX	XXX	(c) 0	0.0		
11.6 Class 6						XXX	XXX	(c) 0	0.0		
11.7 Totals	219,870,755	23,068,265	44,378,030	755,135	4,042,950	XXX	XXX	(b) 292,115,135	100.0	272,283,935	19,831,200
11.8 Line 11.7 as a % of Col. 8	75.3	7.9	15.2	0.3	1.4	XXX	XXX	100.0	XXX	93.2	6.8
12. **Total Publicly Traded Bonds**											
12.1 Class 1	330,381,550	2,440,300	5,314,026	5,770,962		343,906,838	100.0	272,283,935	93.2	343,906,838	XXX
12.2 Class 2						0	0.0	0	0.0	0	XXX
12.3 Class 3						0	0.0	0	0.0	0	XXX
12.4 Class 4						0	0.0	0	0.0	0	XXX
12.5 Class 5						0	0.0	0	0.0	0	XXX
12.6 Class 6						0	0.0	0	0.0	0	XXX
12.7 Totals	330,381,550	2,440,300	5,314,026	5,770,962	0	343,906,838	100.0	272,283,935	93.2	343,906,838	XXX
12.8 Line 12.7 as a % of Col. 6	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. **Total Privately Placed Bonds**											
13.1 Class 1						0	0.0	19,831,200	6.8	XXX	0
13.2 Class 2						0	0.0	0	0.0	XXX	0
13.3 Class 3						0	0.0	0	0.0	XXX	0
13.4 Class 4						0	0.0	0	0.0	XXX	0
13.5 Class 5						0	0.0	0	0.0	XXX	0
13.6 Class 6						0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0	19,831,200	6.8	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes $.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes $.....0 current year, $.....0 prior year of bonds with Z designations and $.....0 current year, $.....0 prior year of bonds with Z* designation. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes $.....0 current year, $.....0 prior year of bonds with 5* designations and $.....0 current year, $.....0 prior year of bonds with 6* designation. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusting Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. **U.S. Governments, Schedules D & DA (Group 1)**											
1.1 Issuer Obligations	230,438	2,327,255				2,557,693	0.7	28,185,723	9.7	2,557,693	
1.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
1.7 Totals	230,438	2,327,255	0	0	0	2,557,693	0.7	28,185,723		2,557,693	0
2. **All Other Governments, Schedules D & DA (Group 2)**											
2.1 Issuer Obligations						0	0.0				
2.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined						0	0.0				
2.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
2.5 Defined						0	0.0				
2.6 Other						0	0.0				
2.7 Totals	0	0	0	0	0	0	0.0	0		0	0
3. **States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)**											
3.1 Issuer Obligations						0	0.0				
3.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined						0	0.0				
3.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
3.5 Defined						0	0.0				
3.6 Other						0	0.0				
3.7 Totals	0	0	0	0	0	0	0.0	0		0	0
4. **Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)**											
4.1 Issuer Obligations						0	0.0				
4.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined						0	0.0				
4.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
4.5 Defined						0	0.0				
4.6 Other						0	0.0				
4.7 Totals	0	0	0	0	0	0	0.0	0		0	0
5. **Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)**											
5.1 Issuer Obligations	15,012,822	113,045	5,314,026	562,233		21,002,126	6.1	35,312,277	12.1	21,002,126	
5.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined						0	0.0				
5.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
5.5 Defined						0	0.0				
5.6 Other						0	0.0				
5.7 Totals	15,012,822	113,045	5,314,026	562,233	0	21,002,126	6.1	35,312,277		21,002,126	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. **Public Utilities (Unaffiliated), Schedules D & DA (Group 6)**											
6.1 Issuer Obligations	1,954,695					1,954,695	0.6			1,954,695	
6.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined						0	0.0				
6.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
6.5 Defined						0	0.0				
6.6 Other						0	0.0				
6.7 Totals	1,954,695	0	0	0	0	1,954,695	0.6	0		1,954,695	0
7. **Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)**											
7.1 Issuer Obligations	313,183,595			5,208,729		318,392,324	92.6	228,617,135	78.3	318,392,324	
7.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined						0	0.0				
7.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
7.5 Defined						0	0.0				
7.6 Other						0	0.0				
7.7 Totals	313,183,595	0	0	5,208,729	0	318,392,324	92.6	228,617,135		318,392,324	0
8. **Credit Tenant Loans, Schedules D & DA (Group 8)**											
8.1 Issuer Obligations						0	0.0				
8.7 Totals	0	0	0	0	0	0	0.0	0		0	0
9. **Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)**											
9.1 Issuer Obligations						0	0.0				
9.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined						0	0.0				
9.4 Other						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
9.5 Defined						0	0.0				
9.6 Other						0	0.0				
9.7 Totals	0	0	0	0	0	0	0.0	0		0	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 7 Prior Year	9 % from Col. 8 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. **Total Bonds Current Year**											
10.1 Issuer Obligations	330,381,550	2,440,300	5,314,026	5,770,962	0	343,906,838	100.0	XXX	XXX	343,906,838	0
10.2 Single Class Mortgage-Backed/Asset-Backed Bonds	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
10.5 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.7 Totals	330,381,550	2,440,300	5,314,026	5,770,962	0	343,906,838	100.0	XXX	XXX	343,906,838	0
10.8 Line 10.7 as a % of Col. 6	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. **Total Bonds Prior Year**											
11.1 Issuer Obligations	219,870,755	23,068,265	44,378,030	755,135	4,042,950	XXX	XXX	292,115,135	100.0	272,283,935	19,831,200
11.2 Single Class Mortgage-Backed/Asset-Backed Bonds						XXX	XXX	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined						XXX	XXX	0	0.0		
11.4 Other						XXX	XXX	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
11.5 Defined						XXX	XXX	0	0.0		
11.6 Other						XXX	XXX	0	0.0		
11.7 Totals	219,870,755	23,068,265	44,378,030	755,135	4,042,950	XXX	XXX	292,115,135	100.0	272,283,935	19,831,200
11.8 Line 11.7 as a % of Col. 8	75.3	7.9	15.2	0.3	1.4	XXX	XXX	100.0	XXX	93.2	6.8
12. **Total Publicly Traded Bonds**											
12.1 Issuer Obligations	330,381,550	2,440,300	5,314,026	5,770,962		343,906,838	100.0	272,283,935	93.2	343,906,838	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0	0	0.0	0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined						0	0.0	0	0.0	0	XXX
12.4 Other						0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
12.5 Defined						0	0.0	0	0.0	0	XXX
12.6 Other						0	0.0	0	0.0	0	XXX
12.7 Totals	330,381,550	2,440,300	5,314,026	5,770,962	0	343,906,838	100.0	272,283,935	93.2	343,906,838	XXX
12.8 Line 12.7 as a % of Col. 6	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	96.1	0.7	1.5	1.7	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. **Total Privately Placed Bonds**											
13.1 Issuer Obligations						0	0.0	19,831,200	6.8	XXX	0
13.2 Single Class Mortgage-Backed/Asset-Backed Bonds						0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined						0	0.0	0	0.0	XXX	0
13.4 Other						0	0.0	0	0.0	XXX	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
13.5 Defined						0	0.0	0	0.0	XXX	0
13.6 Other						0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0	19,831,200	6.8	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year	219,569,929	219,569,929			
2. Cost of short-term investments acquired	1,155,277,974	1,155,277,974			
3. Increase (decrease) by adjustment	(3,576,574)	(3,576,574)			
4. Increase (decrease) by foreign exchange adjustment	0				
5. Total profit (loss) on disposal of short-term investments	(346,496)	(346,496)			
6. Consideration received on disposal of short-term investments	1,040,543,283	1,040,543,283			
7. Book/adjusted carrying value, current year	330,381,550	330,381,550	0	0	0
8. Total valuation allowance	0				
9. Subtotal (Lines 7 plus 8)	330,381,550	330,381,550	0	0	0
10. Total nonadmitted amounts	0				
11. Statement value (Lines 9 minus 10)	330,381,550	330,381,550	0	0	0
12. Income collected during year	13,258,927	13,258,927			
13. Income earned during year	15,863,891	15,863,891			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Sch. DB-Pt.A-Verification Between Years
NONE

Sch. DB-Pt.B-Verification Between Years
NONE

Sch. DB-Pt.C-Verification Between Years
NONE

Sch. DB-Pt.D-Verification Between Years
NONE

Sch. DB-Pt.E-Verification Between Years
NONE

Sch. DB-Pt. F-Sn. 1
NONE

Sch. DB-Pt. F-Sn. 2
NONE

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

Sch. S-Pt. 2
NONE

Sch. S-Pt. 3-Sn. 2
NONE

Sch. S-Pt. 4
NONE

Sch. S-Pt.5
NONE

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 9)	398,425,440		398,425,440
2.	Amounts recoverable from reinsurers (Line 12)			0
3.	Accident and health premiums due and unpaid (Line 10)	7,065,947		7,065,947
4.	Net credit for ceded reinsurance	XXX		0
5.	All other admitted assets (balance)	45,494,478		45,494,478
6.	Totals assets (Line 23)	450,985,865	0	450,985,865
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	223,967,554		223,967,554
8.	Accrued medical incentive pool and bonus payments (Line 2)	33,021,954		33,021,954
9.	Premiums received in advance (Line 6)	24,681,705		24,681,705
10.	Reinsurance in unauthorized companies (Line 14)			0
11.	All other liabilities (balance)	94,840,379		94,840,379
12.	Total liabilities (Line 18)	376,511,592	0	376,511,592
13.	Total capital and surplus (Line 26)	74,474,273	XXX	74,474,273
14.	Total liabilities, capital and surplus (Line 27)	450,985,865	0	450,985,865
	NET CREDIT FOR CEDED REINSURANCE			
15.	Claims unpaid	0		
16.	Accrued medical incentive pool	0		
17.	Premiums received in advance	0		
18.	Reinsurance recoverable on paid losses	0		
19.	Other ceded reinsurance recoverables	0		
20.	Total ceded reinsurance recoverables	0		
21.	Premiums receivable	0		
22.	Unauthorized reinsurance	0		
23.	Other ceded reinsurance payables/offsets	0		
24.	Total ceded reinsurance payables/offsets	0		
25.	Total net credit for ceded reinsurance	0		

SCHEDULE Y (Continued)

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												
54291	38-2069753	Blue Cross Blue Shield of Michigan	50,000,000	(22,000,000)			307,779,927			(267,227)	335,512,700	
95610	38-2359234	Blue Care Network					(301,152,563)	(3,167,651)			(304,320,214)	14,679,449
52037	38-2536979	Blue Care of Michigan, Inc.					(2,435,339)	(1,000)			(2,436,339)	
N/A	38-6561861	BCN Medical Malpractice Self-Insurance Trust					1,373,125				1,373,125	
N/A	38-6561862	BCN Stop-Loss Self-Insurance Trust						3,168,651			3,168,651	(14,679,449)
	38-2683208	Health First					14,200,636				14,200,636	
10166	38-3207001	Accident Fund	(33,000,000)				(17,145,709)			267,227	(49,878,482)	
	38-3357687	PPOM, LLC	(17,000,000)	22,000,000			(2,620,077)				2,379,923	
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 annual 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 to the specific interrogatory will be accepted in lieu of filing a "NONE" report.

1.1 Does your company write Medicare Supplement insurance? Yes [X] No [ ]
1.2 Will the Medicare Supplement Insurance Experience Exhibit be by March 1? Yes [X] No [ ]
1.3 If first response is yes and second response is no, please explain:

If second response is no and the form is "None", affix bar code (Document Identifier 360) here:

2.1 The Supplemental Compensation Exhibit is a required filing, with the domiciliary Department, for all companies. Will the Supplemental Compensation Exhibit be filed with the domiciliary Department by March 1? Yes [X] No [ ]
2.2 If no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 460) here:

3.1 An actuarial certification is a required filing for all companies. Will an actuarial certification be filed by March 1? Yes [X] No [ ]
3.2 If no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 440) here:

4.1 The officers and directors information is a required filing for all companies. Will the officers and directors information be filed with the NAIC by March 1? Yes [X] No [ ]
4.2 If response is no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 380) here:

5.1 Will the Risk-based Capital Report be filed with the NAIC by March 1? Yes [X] No [ ]
5.2 If no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 390) here:

5.3 Will the Risk-based Capital report be filed with the domiciliary Department, if required, by March 1? Yes [X] No [ ]
5.4 If no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 390) here:

6.1 The SVO Compliance Certification is a required filing for all companies. Will the SVO Compliance Certification be filed by March 1? Yes [ ] No [X]
6.2 If no, please explain:
Not required by the State of Michigan

If response is no and the form is "None", affix bar code (Document Identifier 470) here:

* 9 5 6 1 0 2 0 0 1 4 7 0 0 0 0 0 0 *

7.1 Management's Discussion and Analysis is a required filing. Will Management's Discussion and Analysis be filed by April 1? Yes [X] No [ ]
7.2 If no, please explain:

If response is no and the form is "None", affix bar code (Document Identifier 350) here:

SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES (continued)

8.1	Does your company write Long-Term Care Insurance?	Yes [ ]	No [X]
8.2	Will the Long-Term Care Insurance Exhibit be filed by April 1?	Yes [ ]	No [ ]
8.3	If first response is yes and second response is no, please explain:		

If second response is no and the form is "None", affix bar code (Document Identifier 340) here:

9.1	The Investment Risks Interrogatories is a required filing. Will this be filed by April 1?	Yes [X]	No [ ]
9.2	If no, please explain:		

If response is no and form is "None", affix bar code (Document Identifier 285) here:

10.1	An audited financial report is a required filing for all companies. Will an audited financial report be filed by June 1?	Yes [X]	No [ ]
10.2	If no, please explain:		

If response is no and the form is "None", affix bar code (Document Identifier 220) here:

Overflow Page for Write-Ins

(a) $.....576,812 health care delivery assets included in Line 4.1, Column 3. 576,812

Additional Write-ins for Assets:

	Current Year			Prior Year
	1 Assets	2 Assets Not Admitted	3 Net Admitted Assets	4 Net Admitted Assets
2204. Other Accounts Receivable	304,096		304,096	1,004,435
2205. Vehicle	17,102	17,102	0	
2206. Intangible Asset			0	
2297. Summary of remaining write-ins for Line 22 from Assets	321,198	17,102	304,096	1,004,435

Additional Write-ins for Liabilities:

	Current Year			Prior year
	1 Covered	2 Uncovered	3 Total	4 Total
1704. Accrued Payroll	6,035,414		6,035,414	2,333,925
1705. Other Current Liabilities	6,613,416		6,613,416	2,355,548
1797. Summary of remaining write-ins for Line 17 from Liabilities	12,648,830	0	12,648,830	4,689,473

Additional Write-ins for Statement of Revenue:

	Current Year-to-Date		Prior Year
	1 Uncovered	2 Total	3 Total
1204. Medical Malpractice Insurance		1,373,477	(9,867,490)
1205. Vision Expense			212,299
1297. Summary of remaining write-ins for Line 12 from Statement of Revenue	0	1,373,477	(9,655,191)

Overflow Page for Write-Ins

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

FOR THE STATE OF.....Michigar

NAIC Group Code.....0572
Address (City, State and Zip Code).....Southfield, MI 48086
Person Completing This Exhibit.....William Cook
Title.....Senior Accountant, External Financial Reporting

NAIC Company Code.....95610

Telephone Number.....248-593-3767

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 1998				Policies Issued in 1999, 2000 & 2001			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives
Individual Policies																	
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	1,888,762	2,289,548	.....121.2	1,112	1,686,852	2,932,996	.....173.9	984
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	.....	.....	.....0.0	.....	1,744,962	2,014,891	.....115.5	1,081
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	.....	.....	.....0.0	.....	1,619,969	1,294,774	.....79.9	902
0199999.	Total Policy Experience on Individual Policies.....									1,888,762	2,289,548	.....121.2	1,112	5,051,783	6,242,661	.....123.6	2,967
Group Policies																	
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	26,561,246	28,732,574	.....108.2	12,474	35,942,415	30,775,596	.....85.6	10,325
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	.....	.....	.....0.0	.....	31,587,245	29,860,524	.....94.5	11,261
.....Yes.....	Medicare Supp.....	A.....	.....No.....	....."4","5","6",...	02/01/1998	.....	.....	.....	BCN65.....	.....	.....	.....0.0	.....	25,816,418	25,554,938	.....99.0	11,363
0299999.	Total Policy Experience on Group Policies.....									26,561,246	28,732,574	.....108.2	12,474	93,346,078	86,191,058	.....92.3	32,949

MED360

GENERAL INTERROGATORIES

1. If response in Column 1 is no, give full and complete details.....

2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
   2.1 Address..... P. O. Box 68737 Grand Rapids MI
   2.2 Contact person and phone number..... Nancy Green 616-285-3091
3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
   3.1 Address..... N/A
   3.2 Contact person and phone number.....
4. Explain any policies identified as policy type "O".
   NONE