



QUARTERLY STATEMENT

AS OF JUNE 30, 2005
OF THE CONDITION AND AFFAIRS OF THE

Community Choice Michigan

NAIC Group Code	<u>0000</u> <small>(Current Period)</small>	<u>0000</u> <small>(Prior Period)</small>	NAIC Company Code	<u>95562</u>	Employer's ID Number	<u>38-3252216</u>
Organized under the Laws of	<u>Michigan</u>		State of Domicile or Port of Entry	<u>Michigan</u>		
Country of Domicile	<u>United States of America</u>					
Licensed as business type:	Life, Accident & Health [<input type="checkbox"/>]	Property/Casualty [<input type="checkbox"/>]	Dental Service Corporation [<input type="checkbox"/>]	Health Maintenance Organization [<input checked="" type="checkbox"/>]		
	Vision Service Corporation [<input type="checkbox"/>]	Other [<input type="checkbox"/>]	Is HMO, Federally Qualified? Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]			
Hospital, Medical & Dental Service or Indemnity [<input type="checkbox"/>]						
Incorporated/Organized	<u>05/24/1995</u>	Commenced Business	<u>08/01/1996</u>			
Statutory Home Office	<u>2369 Woodlake Dr, Suite 200</u> <small>(Street and Number)</small>		<u>Okemos, MI 48864</u> <small>(City or Town, State and Zip Code)</small>		<u>517-349-9922</u> <small>(Area Code) (Telephone Number)</small>	
Main Administrative Office	<u>2369 Woodlake Dr, Suite 200</u> <small>(Street and Number)</small>		<u>Okemos, MI 48864</u> <small>(City or Town, State and Zip Code)</small>		<u>517-349-9922</u> <small>(Area Code) (Telephone Number)</small>	
Mail Address	<u>2369 Woodlake Dr, Suite 200</u> <small>(Street and Number or P.O. Box)</small>		<u>Okemos, MI 48864</u> <small>(City or Town, State and Zip Code)</small>			
Primary Location of Books and Records	<u>2369 Woodlake Dr, Suite 200</u> <small>(Street and Number)</small>		<u>Okemos, MI 48864</u> <small>(City or Town, State and Zip Code)</small>		<u>517-706-6604</u> <small>(Area Code) (Telephone Number)</small>	
Internet Website Address	<u>www.ccmhmo.org</u>					
Statutory Statement Contact	<u>Kimberly A. Saxton</u> <small>(Name)</small>		<u>517-706-6604</u> <small>(Area Code) (Telephone Number) (Extension)</small>		<u>517-349-5343</u> <small>(FAX Number)</small>	
	<u>kim.saxton@care-source.com</u> <small>(E-mail Address)</small>					
Policyowner Relations Contact	<u>2369 Woodlake Dr, Suite 200</u> <small>(Street and Number)</small>		<u>Okemos, MI 48864</u> <small>(City or Town, State and Zip Code)</small>		<u>800-390-7102</u> <small>(Area Code) (Telephone Number) (Extension)</small>	

OFFICERS

Name	Title	Name	Title
<u>Sharron Gallop</u>	<u>Board Secretary-Treasurer</u>	<u>Chris Shea</u>	<u>Board Vice-President</u>
<u>Christine Baumgardner</u>	<u>Board President</u>		

OTHER OFFICERS

<u>Charles B Wolfe</u>	<u>Chief Financial Officer</u>		
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DIRECTORS OR TRUSTEES

<u>Velma Hendershott</u>	<u>AJ Jones</u>	<u>Denise Holmes</u>	<u>Anthony King</u>
<u>Patricia Teague</u>	<u>Evonne Williams</u>	<u>Sharron Gallop</u>	<u>Christine Baumgardner</u>
<u>Chris Shea</u>	<u>Gwendolyn Williams</u>		

State of Michigan
County of Ingham SS

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

Kimberly A. Saxton
Director of Finance

Christine Baumgardner
Board President

Janet Grant
Senior Vice President Business Development
and Regulatory Affairs

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

a. Is this an original filing? Yes [] No []

b. If no,

1. State the amendment number 1

2. Date filed 09/30/2005

3. Number of pages attached 2

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	50,916,783	101,132,990
2. Net investment income	103,186	318,022
3. Miscellaneous income	0	(6,118,914)
4. Total (Lines 1 to 3)	51,019,969	95,332,098
5. Benefits and loss related payments	41,816,625	87,936,428
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	4,495,534	11,141,292
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	46,312,159	99,077,720
11. Net cash from operations (Line 4 minus Line 10)	4,707,810	(3,745,622)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	96,000
12.2 Stocks	38,584	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	38,584	96,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	32,828
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	32,828
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	38,584	63,172
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	(1,050,000)	7,000,000
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	15,678	3,518
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,034,322)	7,003,518
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)	3,712,072	3,321,068
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	25,473,944	22,152,876
19.2 End of period (Line 18 plus Line 19.1)	29,186,016	25,473,944

STATEMENT AS OF JUNE 30, 2005 OF THE Community Choice Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	49,047	.0	.0	.0	.0	.0	.0	.0	49,047	.0	.0	.0	.0
2. First Quarter	47,815	.0	.0	.0	.0	.0	.0	.0	47,815	.0	.0	.0	.0
3. Second Quarter	50,515								50,515				
4. Third Quarter0												
5. Current Year	0												
6. Current Year Member Months	291,782								291,782				
Total Member Ambulatory Encounters for Period:													
7. Physician	93,609								93,609				
8. Non-Physician	115,922								115,922				
9. Total	209,531	0	0	0	0	0	0	0	209,531	0	0	0	0
10. Hospital Patient Days Incurred	8,770								8,770				
11. Number of Inpatient Admissions	2,129								2,129				
12. Health Premiums Written	51,962,960								51,962,960				
13. Life Premiums Direct0												
14. Property/Casualty Premiums Written0												
15. Health Premiums Earned	51,832,673								51,832,673				
16. Property/Casualty Premiums Earned0												
17. Amount Paid for Provision of Health Care Services	41,816,625								41,816,625				
18. Amount Incurred for Provision of Health Care Services	41,673,416								41,673,416				

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