



QUARTERLY STATEMENT

AS OF MARCH 31, 2005
OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

NAIC Group Code 1311 1311 NAIC Company Code 95844 Employer's ID Number 38-2242827
(Current Period) (Prior Period)

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 [] Dental Service Corporation []
Vision Service Corporation [] Other [] Health Maintenance Organization [X]
Hospital, Medical & Dental Service or Indemnity [] Is HMO, Federally Qualified? Yes [X] No []

Incorporated/Organized 06/27/1978 Commenced Business 02/08/1979

Statutory Home Office 2850 West Grand Boulevard, Detroit, MI 48202
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 2850 West Grand Boulevard Detroit, MI 48202 313-872-8100
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 2850 West Grand Boulevard, Detroit, MI 48202
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 2850 West Grand Boulevard Detroit, MI 48202 248-443-1093
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.hap.org

Statutory Statement Contact Diana Ronan CPA 248-443-1093
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Policyowner Relations Contact 2850 West Grand Boulevard Detroit, MI 48202 313-872-8100
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
<u>Francine Parker</u>	<u>President and CEO</u>	<u>Maurice E. McMurray</u>	<u>Secretary</u>
<u>Ronald W. Berry</u>	<u>Treasurer</u>	<u>Colleen McClorey #</u>	<u>Assistant Secretary</u>

OTHER OFFICERS

DIRECTORS OR TRUSTEES

<u>Nicholas C. Anderson</u>	<u>Donald W. Boggs</u>	<u>Mary Beth Bolton M.D.</u>	<u>Herman W. Coleman</u>
<u>William A. Conway M.D. #</u>	<u>Dennis H. DePaulis</u>	<u>Mary C. Dickson</u>	<u>John T. Gargaro</u>
<u>Jethro Joseph</u>	<u>Francine Parker</u>	<u>William L. Peirce</u>	<u>Carol Quigley IHM</u>
<u>Catherine A. Roberts</u>	<u>Robin Scales-Wooten</u>	<u>Nancy Schlichting</u>	<u>Gerald K. Smith</u>
<u>Rebecca R. Smith M.D.</u>	<u>Daniel Watson</u>		

State of Michigan
County of Wayne 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.

Francine Parker
President and CEO

Maurice E. McMurray
Secretary

Ronald W. Berry
Treasurer

Subscribed and sworn to before me this
14th day of May, 2005

- 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 _____

Roderick I Curry CPA, Notary
August 14 2006

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds			0	0
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	213,333,153	17,083,497	196,249,656	169,819,134
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....	3,681,708	2,746,035	935,672	943,411
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ (5,903,734)), cash equivalents (\$ 106,258,671) and short-term investments (\$ 13,000,000)	113,354,937		113,354,937	163,765,513
6. Contract loans, (including \$ premium notes)			0	0
7. Other invested assets	0	0	0	0
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	469,469	0	469,469	467,102
10. Subtotals, cash and invested assets (Lines 1 to 9)	330,839,266	19,829,532	311,009,734	334,995,159
11. Title plants less \$ charged off (for Title insurers only)			0	
12. Investment income due and accrued	637,055		637,055	782,432
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	31,904,957		31,904,957	13,655,985
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
13.3 Accrued retrospective premiums			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	16,133,536	15,505,271	628,265	1,054,764
19. Furniture and equipment, including health care delivery assets (\$)	2,310,052	2,310,052	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	839,163		839,163	1,433,585
22. Health care (\$ 8,595,994) and other amounts receivable.....	8,595,994		8,595,994	2,418,873
23. Aggregate write-ins for other than invested assets	2,418,884	1,920,994	497,890	1,744,379
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	393,678,907	39,565,849	354,113,058	356,085,177
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	393,678,907	39,565,849	354,113,058	356,085,177
DETAILS OF WRITE-INS				
0901. Rabbi Trust.....	469,469		469,469	467,102
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	469,469	0	469,469	467,102
2301. Other Receivables.....	222,788		222,788	128,119
2302. Deferred Compensation.....	275,102		275,102	228,141
2303. Prepaid Expense.....	532,875	532,875	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	1,388,119	1,388,119	0	1,388,119
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	2,418,884	1,920,994	497,890	1,744,379

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	88,706,502	921,839	89,628,341	98,301,462
2. Accrued medical incentive pool and bonus amounts	3,064,112		3,064,112	3,027,572
3. Unpaid claims adjustment expenses	1,280,724		1,280,724	1,236,892
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	16,680,928		16,680,928	17,449,507
9. General expenses due or accrued	12,303,803		12,303,803	13,260,124
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	622,388		622,388	556,368
16. Payable for securities	795,914		795,914	536,216
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured accident and health plans			0	0
21. Aggregate write-ins for other liabilities (including \$ current)	6,571,445	0	6,571,445	5,229,317
22. Total liabilities (Lines 1 to 21)	130,025,817	921,839	130,947,656	139,597,457
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	0	0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	223,165,403	216,487,720
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24) \$)	XXX	XXX		0
30.2 shares preferred (value included in Line 25) \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	223,165,403	216,487,720
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	354,113,058	356,085,177
DETAILS OF WRITE-INS				
2101. Pension Liability - Long Term	5,263,383		5,263,383	3,982,265
2102. Retiree Health Benefits	1,032,960		1,032,960	1,018,911
2103. Deferred Compensation	275,102		275,102	228,141
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	6,571,445	0	6,571,445	5,229,317
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	1,372,739	1,401,818
2. Net premium income (including non-health premium income).....	XXX	374,737,933	358,231,015
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	374,737,933	358,231,015
Hospital and Medical:			
9. Hospital/medical benefits		140,532,981	145,023,332
10. Other professional services			0
11. Outside referrals		6,002,612	5,861,716
12. Emergency room and out-of-area		29,689,562	27,585,653
13. Prescription drugs		66,574,481	60,497,377
14. Aggregate write-ins for other hospital and medical.....	0	97,731,137	85,079,170
15. Incentive pool, withhold adjustments and bonus amounts.....		36,540	1,830,506
16. Subtotal (Lines 9 to 15)	0	340,567,313	325,877,754
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	340,567,313	325,877,754
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ 2,074,101 cost containment expenses.....		4,790,292	4,998,912
21. General administrative expenses.....		23,463,050	23,177,422
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			0
23. Total underwriting deductions (Lines 18 through 22)	0	368,820,655	354,054,088
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	5,917,278	4,176,927
25. Net investment income earned		1,729,004	1,814,300
26. Net realized capital gains (losses) less capital gains tax of \$.....		3,841,844	753,501
27. Net investment gains (losses) (Lines 25 plus 26)	0	5,570,848	2,567,801
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	141,350	144,336
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	11,629,476	6,889,064
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	11,629,476	6,889,064
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401. Outpatient.....		49,063,260	56,819,327
1402. Radiology/Lab.....		22,321,088	9,551,040
1403. Ambulance.....		1,599,498	1,385,837
1498. Summary of remaining write-ins for Line 14 from overflow page	0	24,747,291	17,322,966
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	97,731,137	85,079,170
2901. Gain/(Loss) on the Sale of Assets.....		(8,473)	1,759
2902. Miscellaneous Income.....		149,823	142,577
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	141,350	144,336

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year
CAPITAL AND SURPLUS ACCOUNT:			
33. Capital and surplus prior reporting year.....	216,487,720	192,819,741	192,819,741
GAINS AND LOSSES TO CAPITAL & SURPLUS:			
34. Net income or (loss) from Line 32.....	11,629,476	6,889,064	31,962,032
35. Change in valuation basis of aggregate policy and claim reserves.....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....	(4,011,309)	6,417,154	7,268,863
37. Change in net unrealized foreign exchange capital gain or (loss).....		0	0
38. Change in net deferred income tax.....		0	0
39. Change in nonadmitted assets.....	(940,484)	6,929,030	11,849,018
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....		0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....		0	0
44. Capital Changes:			
44.1 Paid in.....		0	0
44.2 Transferred from surplus (Stock Dividend).....		0	0
44.3 Transferred to surplus.....		0	0
45. Surplus adjustments:			
45.1 Paid in.....		0	0
45.2 Transferred to capital (Stock Dividend).....	0	0	0
45.3 Transferred from capital.....		0	0
46. Dividends to stockholders.....		0	(29,000,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	1,588,066
48. Net change in capital & surplus (Lines 34 to 47).....	6,677,683	20,235,248	23,667,979
49. Capital and surplus end of reporting period (Line 33 plus 48)	223,165,403	213,054,989	216,487,720
DETAILS OF WRITE-INS			
4701. Minimum Pension Liability Adjustment.....		0	1,588,066
4702.		0	0
4703.		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0	1,588,066

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	355,720,382	1,435,214,629
2. Net investment income	1,919,413	8,795,442
3. Miscellaneous income	(6,121,967)	1,122,021
4. Total (Lines 1 to 3)	351,517,829	1,445,132,092
5. Benefits and loss related payments	349,203,894	1,282,365,005
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	24,522,734	108,703,060
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)	373,726,628	1,391,068,065
11. Net cash from operations (Line 4 minus Line 10)	(22,208,799)	54,064,028
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	5,407,130
12.2 Stocks	129,837,453	13,038,380
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	257,331	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	130,094,784	18,445,510
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	156,482,473	14,522,666
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	79,832
13.7 Total investments acquired (Lines 13.1 to 13.6)	156,482,473	14,602,498
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)	(26,387,689)	3,843,012
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
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	29,000,000
16.6 Other cash provided (applied).....	(1,814,087)	(8,997,563)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,814,087)	(37,997,563)
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)	(50,410,576)	19,909,477
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	163,765,513	143,856,036
19.2 End of period (Line 18 plus Line 19.1)	113,354,937	163,765,513

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of 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	460,919	5,646	416,255	23,463	0	0	0	15,555	0	0	0	0	0
2. First Quarter	456,268	5,365	380,589	23,135			31,073	16,106					
3. Second Quarter	0												
4. Third Quarter	0												
5. Current Year	0												
6. Current Year Member Months	1,372,739	16,342	1,145,819	69,181			93,565	47,832					
Total Member Ambulatory Encounters for Period:													
7. Physician	422,022												422,022
8. Non-Physician	212,712												212,712
9. Total	634,734	0	0	0	0	0	0	0	0	0	0	0	634,734
10. Hospital Patient Days Incurred	46,845		26,824	12,023				7,575					423
11. Number of Inpatient Admissions	10,325		6,703	2,087				1,428					107
12. Health Premiums Written	355,720,380	3,119,896	267,970,550	26,232,207			19,808,298	38,589,429					
13. Life Premiums Direct	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	374,737,931	3,710,398	285,971,382	26,232,207			20,234,515	38,589,429					
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	349,203,894	3,435,467	264,781,612	23,084,157			21,043,390	36,779,046	80,222				
18. Amount Incurred for Provision of Health Care Services	340,567,313	3,367,757	259,563,024	23,454,904			18,252,941	35,928,687					

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STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan

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 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec. 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)	55,013,229	213,203,850	31,126,692	52,667,216	86,139,921	89,116,746
2. Medicare Supplement	3,070,869	20,013,288	1,351,709	3,407,842	4,422,578	4,388,804
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	3,784,334	17,259,056	407,980	660,577	4,192,314	3,859,006
6. Title XVIII - Medicare	850,359	35,928,687	3,674	2,651	854,033	856,684
7. Title XIX - Medicaid	80,222				80,222	80,222
8. Other Health					0	0
9. Health Subtotal (Lines 1 to 8).....	62,799,013	286,404,881	32,890,055	56,738,286	95,689,068	98,301,462
10. Healthcare receivables (a)	0		0	0	0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	0		2,500,391	563,721	2,500,391	3,027,572
13. Totals	62,799,013	286,404,881	35,390,446	57,302,007	98,189,459	101,329,034

(a) Excludes \$ loans and advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Practices – No change.
- B. Use of Estimates in the Preparation of the Financial Statements – No change.
- C. Accounting Policy – No change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

- A. Material changes in accounting principles and/or correction of errors – No change.
- B. The cumulative effect of changes in accounting principles – No change.

3. BUSINESS COMBINATIONS AND GOODWILL

- A. Statutory Purchase Method – No change.
- B. Statutory Merger – Not applicable.
- C. Assumption Reinsurance – Not applicable.
- D. Impairment Loss – Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans – Not applicable.
- B. Debt Restructuring – Not applicable.
- C. Reverse Mortgages – Not applicable.
- D. Loan-Backed Securities – Not applicable.
- E. Repurchase Agreements – Not applicable.
- F. Real Estate – Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable.

7. INVESTMENT INCOME

- A. The bases for excluding (nonadmitting) any investment income due and accrued – Not applicable.
- B. The total amount of investment excluded – Not applicable.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No change.

11. DEBT

Not applicable.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No change.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS.

A. The Corporation has no common stock.

B. The Corporation has no preferred stock.

C. The Corporation has no restrictions on unassigned funds (surplus).

D. The Corporation holds 1,500,000 shares of AHLIC stock with a par value of \$1,500,000.

E. The Corporation has no surplus notes outstanding.

E. The Corporation has no quasi-reorganization to report.

14. CONTINGENCIES

No change.

15. LEASES

No change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales – Not applicable.

B. Transfer and Servicing of Financial Assets – Not applicable.

C. Wash sales – Not applicable.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans – Not applicable.

B. ASC Plans – Not applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract – Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable.

20. SEPTEMBER 11 EVENTS

Not applicable.

NOTES TO FINANCIAL STATEMENTS

21. OTHER ITEMS

- A. Extraordinary Items – Not applicable.
- B. Troubled Debt Restructuring – Not applicable.
- C. Other Disclosures – Not applicable.
- D. Uncollectible Portions of Premium Balances, Bills Receivable for Premiums, Amounts Due From Agents And Brokers, Uninsured Plans and Retrospectively Rated Contracts – Not applicable.
- E. Business Interruption Insurance Recoveries – Not applicable.

22. EVENTS SUBSEQUENT

Not applicable.

23. REINSURANCE

- A. Ceded Reinsurance Report – Not applicable.
- B. Uncollectible Reinsurance – Not applicable.
- C. Commutation of Ceded Reinsurance – Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

Not applicable.

25. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Not applicable.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

27. STRUCTURED SETTLEMENTS

Not applicable.

28. HEALTH CARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables (dollars in thousands)

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 days after Billing
3/31/2005	937	1,154			
12/31/2004	923	1,129	927		
9/30/2004	878	1,096	1,049	28	
6/30/2004	876	1,352	1,221	12	
3/31/2004	924	1,223	1,139	113	
12/31/2003	942	1,304	943	114	117
9/30/2003	943	1,289	976	132	127
6/30/2003	953	1,196	971	17	6
3/31/2003	961	1,032	759	185	134

NOTES TO FINANCIAL STATEMENTS

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

Not applicable.

31. ANTICIPATED SALVAGE AND SUBROGATION

Not applicable.

**STATEMENT AS OF MARCH 31, 2005 OF THE
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GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**PART 1 - COMMON INTERROGATORIES
GENERAL**

- 1.1 Did the reporting entity implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements? Yes [] No [X]
- 1.2 If yes, explain:
.....
- 2.1 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]
- 2.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 3.1 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]
- 3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. 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.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 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

6. 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] NA []
If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002
- 7.2 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. 12/31/2002
- 7.3 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). 05/11/2004
- 7.4 By what department or departments?
The Michigan Office of Financial and Insurance Services.....
- 8.1 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]
- 8.2 If yes, give full information:
.....
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
.....
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 9.4 If response to 9.3 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 Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC

**STATEMENT AS OF MARCH 31, 2005 OF THE
Health Alliance Plan of Michigan**

GENERAL INTERROGATORIES

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? Yes No
- 11.2 If yes, explain:
.....

- 12.1 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

- 12.2 If yes, give full and complete information relating thereto:
.....

13. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$

14. Amount of real estate and mortgages held in short-term investments:\$

- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

- 15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21 Bonds	\$	\$
15.22 Preferred Stock	\$	\$
15.23 Common Stock	\$58,698,629	\$58,961,869
15.24 Short-Term Investments	\$	\$
15.25 Mortgage Loans on Real Estate	\$	\$
15.26 All Other	\$	\$
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$58,698,629	\$58,961,869
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$	\$

- 16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

- 16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No

If no, attach a description with this statement.

17. Excluding items in Schedule E, 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 Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

- 17.1 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
Comerica Bank, NA.....	Detroit, Michigan.....
The Northern Trust Company.....	Chicago, Illinois.....

- 17.2 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)

- 17.3 Have there been any changes, including name changes in the custodian(s) identified in 17.1 during the current quarter? Yes No

- 17.4 If yes, give full and complete information relating thereto:

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

**STATEMENT AS OF MARCH 31, 2005 OF THE
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GENERAL INTERROGATORIES

17.5 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
107247.....	Joe Wich.....	Detroit, Michigan.....
70923.....	Calvin Johnson.....	Chicago, Illinois.....
Not applicable.....	Brian Gamble.....	Detroit, Michigan.....
7691.....	Susan Renaud.....	Detroit, Michigan.....
110441.....	Sandy Goodman.....	Pasadena, California.....
126292.....	Joe Gasky.....	Charlotte, North Carolina.....

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [] No [X]

18.2 If no, list exceptions:

The fair values of the Company's affiliate common stock have been analytically determined by the Company and the fair values of the Company's mutual funds classified as common stock have been provided by the fund managers.....

STATEMENT AS OF MARCH 31, 2005 OF THE
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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	3,890,907	4,573,591
2. Increase (decrease) by adjustment	(209,199)	(1,007,936)
3. Cost of acquired		0
4. Cost of additions to and permanent improvements		325,251
5. Total profit (loss) on sales		0
6. Increase (decrease) by foreign exchange adjustment		0
7. Amount received on sales		0
8. Book/adjusted carrying value at end of current period	3,681,708	3,890,907
9. Total valuation allowance		0
10. Subtotal (Lines 8 plus 9)	3,681,708	3,890,907
11. Total nonadmitted amounts	2,746,035	2,947,496
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	935,672	943,411

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions		0
2.2. Additional investment made after acquisitions		0
3. Accrual of discount and mortgage interest points and commitment fees		0
4. Increase (decrease) by adjustment		0
5. Total profit (loss) on sale		0
6. Amounts paid on account or in full during the period		0
7. Amortization of premium		0
8. Increase (decrease) by foreign exchange adjustment		0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0	0
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts		0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0	0

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions		0
2.2. Additional investment made after acquisitions		0
3. Accrual of discount		0
4. Increase (decrease) by adjustment		0
5. Total profit (loss) on sale		0
6. Amounts paid on account or in full during the period		0
7. Amortization of premium		0
8. Increase (decrease) by foreign exchange adjustment		0
9. Book/adjusted carrying value of long-term invested assets at end of current period	0	0
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts		0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	0	0

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	187,624,468	186,412,302
2. Cost of bonds and stocks acquired	156,482,473	14,522,666
3. Accrual of discount		0
4. Increase (decrease) by adjustment	(5,001,022)	4,381,510
5. Increase (decrease) by foreign exchange adjustment		0
6. Total profit (loss) on disposal	3,796,811	753,501
7. Consideration for bonds and stocks disposed of	129,837,453	18,445,510
8. Amortization of premium		0
9. Book/adjusted carrying value, current period	213,065,278	187,624,468
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	213,065,278	187,624,468
12. Total nonadmitted amounts	17,083,497	17,805,335
13. Statement value	195,981,781	169,819,134

**STATEMENT AS OF MARCH 31, 2005 OF THE
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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	13,000,000				13,000,000	0	0	13,000,000
2. Class 2	0				0	0	0	0
3. Class 3	0				0	0	0	0
4. Class 4	0				0	0	0	0
5. Class 5	0				0	0	0	0
6. Class 6	0				0	0	0	0
7. Total Bonds	13,000,000	0	0	0	13,000,000	0	0	13,000,000
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	13,000,000	0	0	0	13,000,000	0	0	13,000,000

STATEMENT AS OF MARCH 31, 2005 OF THE
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SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999 Totals	13,000,000	XXX	13,000,000	63,165	

SCHEDULE DA - PART 2- VERIFICATION

Short-Term Investments Owned

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	13,000,000	19,935,486
2. Cost of short-term investments acquired		42,909,310
3. Increase (decrease) by adjustment0
4. Increase (decrease) by foreign exchange adjustment0
5. Total profit (loss) on disposal of short-term investments0
6. Consideration received on disposal of short-term investments		49,844,796
7. Book/adjusted carrying value, current period	13,000,000	13,000,000
8. Total valuation allowance0
9. Subtotal (Lines 7 plus 8)	13,000,000	13,000,000
10. Total nonadmitted amounts0
11. Statement value (Lines 9 minus 10)	13,000,000	13,000,000
12. Income collected during period	57,605	258,321
13. Income earned during period	63,165	244,484

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

**STATEMENT AS OF MARCH 31, 2005 OF THE
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SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed? (Yes or No)	Direct Business Only Year-to-Date					
			3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefit Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
1. Alabama	AL	No						
2. Alaska	AK	No						
3. Arizona	AZ	No						
4. Arkansas	AR	No						
5. California	CA	No						
6. Colorado	CO	No						
7. Connecticut	CT	No						
8. Delaware	DE	No						
9. District of Columbia	DC	No						
10. Florida	FL	No						
11. Georgia	GA	No						
12. Hawaii	HI	No						
13. Idaho	ID	No						
14. Illinois	IL	No						
15. Indiana	IN	No						
16. Iowa	IA	No						
17. Kansas	KS	No						
18. Kentucky	KY	No						
19. Louisiana	LA	No						
20. Maine	ME	No						
21. Maryland	MD	No						
22. Massachusetts	MA	No						
23. Michigan	MI	No	Yes	315,913,987	38,589,429		20,234,515	
24. Minnesota	MN	No	No					
25. Mississippi	MS	No	No					
26. Missouri	MO	No	No					
27. Montana	MT	No	No					
28. Nebraska	NE	No	No					
29. Nevada	NV	No	No					
30. New Hampshire	NH	No	No					
31. New Jersey	NJ	No	No					
32. New Mexico	NM	No	No					
33. New York	NY	No	No					
34. North Carolina	NC	No	No					
35. North Dakota	ND	No	No					
36. Ohio	OH	No	No					
37. Oklahoma	OK	No	No					
38. Oregon	OR	No	No					
39. Pennsylvania	PA	No	No					
40. Rhode Island	RI	No	No					
41. South Carolina	SC	No	No					
42. South Dakota	SD	No	No					
43. Tennessee	TN	No	No					
44. Texas	TX	No	No					
45. Utah	UT	No	No					
46. Vermont	VT	No	No					
47. Virginia	VA	No	No					
48. Washington	WA	No	No					
49. West Virginia	WV	No	No					
50. Wisconsin	WI	No	No					
51. Wyoming	WY	No	No					
52. American Samoa	AS	No	No					
53. Guam	GU	No	No					
54. Puerto Rico	PR	No	No					
55. U.S. Virgin Islands	VI	No	No					
56. Canada	CN	No	No					
57. Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0
58. Subtotal	XXX	XXX		315,913,987	38,589,429	0	20,234,515	0
59. Reporting entity contributions for Employee Benefit Plans	XXX	XXX						
60. Total (Direct Business)	XXX	(a) 1		315,913,987	38,589,429	0	20,234,515	0
DETAILS OF WRITE-INS								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0	0

(a) Insert the number of yes responses except for Canada and other Alien.

Schedule Y - Part 1

NONE

**STATEMENT AS OF MARCH 31, 2005 OF THE
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OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 23.

*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2304. Intangible Asset.....	1,388,119	1,388,119	0	1,388,119
2397. Summary of remaining write-ins for Line 23 from Page 02	1,388,119	1,388,119	0	1,388,119

MQ004 Additional Aggregate Lines for Page 04 Line 14.

*REVEX1

	1	2	3
	Uncovered	Total	Total
1404. Mental Health and Substance Abuse.....		10,100,202	10,412,507
1405. Other.....		14,647,089	6,910,459
1497. Summary of remaining write-ins for Line 14 from Page 04	0	24,747,291	17,322,966

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

**STATEMENT AS OF MARCH 31, 2005 OF THE
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SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company 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)
6099999 - Total - Bonds						0	0	0	XXX
6599999 - Total - Preferred Stocks						0	XXX	0	XXX
000000-00-0	MFO 1 GROUP BD CL 1		03/31/2005	The Northern Trust Company	9,824,836.420	98,262,623		0	U
000000-00-0	MFO LM INSTL FD		03/31/2005	The Northern Trust Company	3,251,727.260	33,219,850		0	U
000000-00-0	WESTERN L DUR FD		03/31/2005	The Northern Trust Company	2,433,326.840	25,000,000		0	U
7099999 - Total - Common Stocks - Mutual Fund						156,482,473	XXX	0	XXX
7299997 - Total - Common Stocks - Part 3						156,482,473	XXX	0	XXX
7299999 - Total - Common Stocks						156,482,473	XXX	0	XXX
7399999 - Total - Preferred and Common Stocks						156,482,473	XXX	0	XXX
7499999 - Totals						156,482,473	XXX	0	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues15,509,891 .

E04

**STATEMENT AS OF MARCH 31, 2005 OF THE
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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company 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	Maturity Date	NAIC Designation or Market Indicator (a)	
6099999	- Total - Bonds					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
6599999	- Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
000000-00-0	MFO 1 GROUP BD CL I		02/07/2005	Not Applicable	8,826,643.210	96,740,010		93,454,657	95,976,200	(2,932,299)			(2,932,299)		93,454,657		3,285,352	3,285,352		1,095,222		U
000000-00-0	MFO LM INSTL FD		02/15/2005	Not Applicable	2,878,038.530	33,097,443		32,585,985	32,949,639	(453,898)			(453,898)		32,585,985		511,458	511,458		238,592		U
7099999	- Common Stocks - Mutual Fund					129,837,452	XXX	126,040,642	128,925,839	(3,386,196)			(3,386,196)		126,040,642		3,796,810	3,796,810		1,333,813		XXX
7299997	- Common Stocks - Part 4					129,837,452	XXX	126,040,642	128,925,839	(3,386,196)			(3,386,196)		126,040,642		3,796,810	3,796,810		1,333,813		XXX
7299999	- Total - Common Stocks					129,837,452	XXX	126,040,642	128,925,839	(3,386,196)	0	0	(3,386,196)	0	126,040,642	0	3,796,810	3,796,810		1,333,813		XXX
7399999	- Total - Preferred and Common Stocks					129,837,452	XXX	126,040,642	128,925,839	(3,386,196)	0	0	(3,386,196)	0	126,040,642	0	3,796,810	3,796,810		1,333,813		XXX
7499999	Totals					129,837,452	XXX	126,040,642	128,925,839	(3,386,196)	0	0	(3,386,196)	0	126,040,642	0	3,796,810	3,796,810		1,333,813		XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues11,704,682 .

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

