

Changes made in response to NAIC letter dated October 20, 2005.

Revised pages include JURAT, page 4, 6, and 7.



QUARTERLY STATEMENT

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

THE WELLNESS PLAN

NAIC Group Code 1150 1150 NAIC Company Code 95471 Employer's ID Number 38-2008890
(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 11/08/1972 Commenced Business 02/28/1973

Statutory Home Office 7700 Second Avenue, DETROIT, MI 48202-2411
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 7700 Second Avenue DETROIT, MI 48202-2411 313-202-8500-28719
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 7700 Second Avenue, DETROIT, MI 48202-2411
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 7700 Second Avenue DETROIT, MI 48202-2411 313-202-8500-28719
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.wellplan.com

Statutory Statement Contact Joseph Bernard Miller 313-202-8500-28719
(Name) (Area Code) (Telephone Number) (Extension)
jmiller@wellplan.com 313-202-6870
(E-mail Address) (FAX Number)

Policyowner Relations Contact _____, _____, _____
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
<u>James Eric Gerber</u>	<u>Deputy Rehabilitator</u>		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

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.

James Eric Gerber
Deputy Rehabilitator

Subscribed and sworn to before me this
1 day of November, 2005

Polly J. Jones, Notary Public Wayne Co., Michigan
My commission expires August 17, 2007

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

b. If no,

1. State the amendment number 1

2. Date filed 11/01/2005

3. Number of pages attached 3

STATEMENT AS OF JUNE 30, 2005 OF THE THE WELLNESS PLAN

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	0	639,036
2. Net premium income (including non-health premium income).....	XXX	121,582	112,406,804
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$9,566,709 medical expenses)	XXX	(3,414,171)	15,110
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	(6,806,144)
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	(3,292,589)	105,615,770
Hospital and Medical:			
9. Hospital/medical benefits		(4,471)	53,303,115
10. Other professional services			2,738,001
11. Outside referrals			4,652,209
12. Emergency room and out-of-area			7,524,912
13. Prescription drugs			14,152,316
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		185,145	1,338,757
16. Subtotal (Lines 9 to 15)	0	180,674	83,709,310
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	180,674	83,709,310
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ cost containment expenses.....			761,900
21. General administrative expenses.....		3,970,437	11,075,478
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			(225,000)
23. Total underwriting deductions (Lines 18 through 22)	0	4,151,111	95,321,688
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(7,443,700)	10,294,082
25. Net investment income earned		395,247	344,263
26. Net realized capital gains (losses) less capital gains tax of \$		445,250	120,192
27. Net investment gains (losses) (Lines 25 plus 26)	0	840,497	464,455
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	0	0
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	(6,603,203)	10,758,537
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	(6,603,203)	10,758,537
DETAILS OF WRITE-INS			
0601. Other Miscellaneous Revenue.....	XXX		35,932
0602. QAAP Provider taxes.....	XXX		(6,842,076)
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	(6,806,144)
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.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.			
2902.			
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	0	0

STATEMENT AS OF JUNE 30, 2005 OF THE THE WELLNESS PLAN

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,681,162	160,981,501
2. Net investment income.....	390,665	992,991
3. Miscellaneous income.....	(3,414,171)	(16,167,384)
4. Total (Lines 1 to 3).....	(1,342,344)	145,807,108
5. Benefits and loss related payments.....	3,540,128	141,158,342
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	5,076,512	23,811,918
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).....	8,616,640	164,970,260
11. Net cash from operations (Line 4 minus Line 10).....	(9,958,984)	(19,163,152)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	0	0
12.2 Stocks.....	0	32,854,170
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	754,278	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.....	1,319,818	2,218,261
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,074,096	35,072,431
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	0	642,200
13.2 Stocks.....	0	20,604,547
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	627,003
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	21,873,750
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).....	2,074,096	13,198,681
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	0
16.6 Other cash provided (applied).....	641,539	27,529,955
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	641,539	27,529,955
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).....	(7,243,349)	21,565,484
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	54,914,343	33,348,859
19.2 End of period (Line 18 plus Line 19.1).....	47,670,994	54,914,343

STATEMENT AS OF JUNE 30, 2005 OF THE THE WELLNESS PLAN

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	0	0	0	0	0	0	0	0	0	0	0	0	0
2 First Quarter	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Second Quarter	0												
4. Third Quarter	0												
5. Current Year	0												
6 Current Year Member Months	0												
Total Member Ambulatory Encounters for Period:													
7. Physician	0												
8. Non-Physician	0												
9. Total	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0												
11. Number of Inpatient Admissions	0												
12. Health Premiums Written	0												
13. Life Premiums Direct.....	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	121,582		11,458						110,124				
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	3,354,983								3,354,983				
18. Amount Incurred for Provision of Health Care Services	180,674								180,674				

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