



QUARTERLY STATEMENT
AS OF JUNE 30, 2014
OF THE CONDITION AND AFFAIRS OF THE
HealthPlus of Michigan, Inc.

NAIC Group Code 3409 , 3409 NAIC Company Code 95580 Employer's ID Number 38-2160688
(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[] Hospital, Medical & Dental Service or Indemnity[]
 Dental Service Corporation[] Vision Service Corporation[] Health Maintenance Organization[X]
 Other[] Is HMO Federally Qualified? Yes[X] No[] N/A[]

Incorporated/Organized 08/09/1977 Commenced Business 10/15/1979

Statutory Home Office 2050 South Linden Road , Flint, MI, 48532
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2050 South Linden Road
(Street and Number)

Flint, MI, 48532 (800)332-9161
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 2050 South Linden Road, P.O. Box 1700 , Flint, MI, 48501-1700
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2050 South Linden Road
(Street and Number)

Flint, MI, 48532 (800)332-9161
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.healthplus.org

Statutory Statement Contact Ryan Joseph O'Roark (810)230-2179
(Name) (Area Code)(Telephone Number)(Extension)

roroak@healthplus.com (810)733-8966
(E-Mail Address) (Fax Number)

OFFICERS

<u>Name</u>	<u>Title</u>
Bruce Roberts Hill	President
Ryan Joseph O'Roark	Chief Financial Officer
Roger LaVerne Sharp	Treasurer

OTHERS

Nancy Susan Jenkins, Vice President - Comm. Prog. & Customer Experience
 Michael Genord M.D., M.B.A., Vice President and Chief Medical Officer
 Graham Spaulding Smith, Vice President - Sales and Marketing #

Milton Patrick McClurkan Jr., Vice President and Chief Operating Officer
 Antoinette Camarda Geyer, Vice President - Provider Network & Contracting #

DIRECTORS OR TRUSTEES

Jack Louis Barry MD
 Duane Edward Zuckschwerdt
 Steven Craig Worden
 Christopher John Flores
 Larry Leigh Carr DO
 Miles Conrad Owens
 Franz Michael Jaggi DO
 Thomas Svitkovich

Vernon Lee Burns
 Peggy Joyce Tortorice
 Stephanie Lynn Whisiker-Lewis DO
 Patrick Allen Campbell
 Roger LaVerne Sharp
 Norwood Heselbach Jewell
 Randy D. Hicks MD

State of Michigan
 County of Genesee ss

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

(Signature)
 Bruce Roberts Hill

(Printed Name)
 1.
 President

(Title)

(Signature)
 Ryan Joseph O'Roark

(Printed Name)
 2.
 Chief Financial Officer

(Title)

(Signature)
 Roger LaVerne Sharp

(Printed Name)
 3.
 Treasurer

(Title)

Subscribed and sworn to before me this _____ day of _____, 2014

- a. Is this an original filing?
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes[X] No[]

0

0

(Notary Public Signature)

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	0	0
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	74,540,829	0	74,540,829	72,747,334
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)	3,854,252	0	3,854,252	4,069,666
4.2 Properties held for the production of income (less \$.....0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances)	0	0	0	0
5. Cash (\$.....1,351,546), cash equivalents (\$.....0) and short-term investments (\$.....39,727,604)	41,079,150	0	41,079,150	59,845,363
6. Contract loans (including \$.....0 premium notes)	0	0	0	0
7. Derivatives	0	0	0	0
8. Other invested assets	0	0	0	0
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	119,474,231	0	119,474,231	136,662,363
13. Title plants less \$.....0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	375,818	0	375,818	335,866
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,524,777	0	7,524,777	4,177,580
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums	8,624,081	0	8,624,081	4,000,000
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	0	0	0	14,939
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	592,039	0	592,039	592,039
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2 Net deferred tax asset	0	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	6,180,020	5,375,137	804,883	1,040,957
21. Furniture and equipment, including health care delivery assets (\$.....0)	808,475	808,475	0	0
22. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	31,934	0	31,934	1,055,886
24. Health care (\$.....7,657,399) and other amounts receivable	7,764,752	23,807	7,740,945	7,657,641
25. Aggregate write-ins for other than invested assets	3,192,108	3,192,108	0	0
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	154,568,235	9,399,527	145,168,708	155,537,271
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. TOTAL (Lines 26 and 27)	154,568,235	9,399,527	145,168,708	155,537,271
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid Expenses	3,192,108	3,192,108	0	0
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,192,108	3,192,108	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	40,376,190	0	40,376,190	45,982,524
2. Accrued medical incentive pool and bonus amounts	6,307,721	0	6,307,721	11,854,251
3. Unpaid claims adjustment expenses	663,248	0	663,248	618,022
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	58,444	0	58,444	58,444
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserve	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	4,919,699	0	4,919,699	2,026,306
9. General expenses due or accrued	10,944,763	0	10,944,763	6,673,318
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	0	0	0	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	79,942	0	79,942	121,287
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	355,061	0	355,061	3,377,154
16. Derivatives	0	0	0	0
17. Payable for securities	0	0	0	0
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified (\$.....0) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	157,974	0	157,974	108,925
23. Aggregate write-ins for other liabilities (including \$.....0 current)	236,861	0	236,861	258,013
24. Total liabilities (Lines 1 to 23)	64,099,903	0	64,099,903	71,078,244
25. Aggregate write-ins for special surplus funds	X X X	X X X	1,500,000	0
26. Common capital stock	X X X	X X X	0	0
27. Preferred capital stock	X X X	X X X	0	0
28. Gross paid in and contributed surplus	X X X	X X X	170,511	170,511
29. Surplus notes	X X X	X X X	0	0
30. Aggregate write-ins for other than special surplus funds	X X X	X X X	0	0
31. Unassigned funds (surplus)	X X X	X X X	79,398,294	84,288,516
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0)	X X X	X X X	0	0
32.2 .....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	81,068,805	84,459,027
34. Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	145,168,708	155,537,271
DETAILS OF WRITE-INS				
2301. Other Current Liabilities	0	0	0	21,152
2302. Other Post-employment Benefits Obligation	236,861	0	236,861	236,861
2303.	0	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	236,861	0	236,861	258,013
2501. Special Surplus Fund for 2015 ACA HIT	X X X	X X X	1,500,000	0
2502.	X X X	X X X	0	0
2503.	X X X	X X X	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	1,500,000	0
3001.	X X X	X X X	0	0
3002.	X X X	X X X	0	0
3003.	X X X	X X X	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X	0	0
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X	460,791	450,151	911,335
2. Net premium income (including \$.....0 non-health premium income)	X X X	252,951,645	243,981,993	490,400,752
3. Change in unearned premium reserves and reserves for rate credits	X X X	0	0	0
4. Fee-for-service (net of \$.....0 medical expenses)	X X X	0	0	0
5. Risk revenue	X X X	0	0	0
6. Aggregate write-ins for other health care related revenues	X X X	0	0	0
7. Aggregate write-ins for other non-health revenues	X X X	0	0	0
8. Total revenues (Lines 2 to 7)	X X X	252,951,645	243,981,993	490,400,752
Hospital and Medical:				
9. Hospital/medical benefits	0	180,725,689	180,552,863	365,405,260
10. Other professional services	0	0	0	0
11. Outside referrals	0	0	0	0
12. Emergency room and out-of-area	0	11,515,211	10,366,246	20,791,752
13. Prescription drugs	0	26,680,425	24,289,627	47,579,143
14. Aggregate write-ins for other hospital and medical	0	2,694	4,217	4,562
15. Incentive pool, withhold adjustments and bonus amounts	0	5,490,720	4,755,735	12,517,787
16. Subtotal (Lines 9 to 15)	0	224,414,739	219,968,688	446,298,504
Less:				
17. Net reinsurance recoveries	0	0	0	(90,993)
18. Total hospital and medical (Lines 16 minus 17)	0	224,414,739	219,968,688	446,389,497
19. Non-health claims (net)	0	0	0	0
20. Claims adjustment expenses, including \$.....2,555,842 cost containment expenses	0	4,589,156	4,441,697	9,267,265
21. General administrative expenses	0	27,339,023	18,103,235	45,850,278
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)	0	0	0	58,444
23. Total underwriting deductions (Lines 18 through 22)	0	256,342,918	242,513,620	501,565,484
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(3,391,273)	1,468,373	(11,164,732)
25. Net investment income earned	0	702,556	846,300	1,695,610
26. Net realized capital gains (losses) less capital gains tax of \$.....0	0	2,409,511	313,725	2,250,829
27. Net investment gains or (losses) (Lines 25 plus 26)	0	3,112,067	1,160,025	3,946,439
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]	0	0	0	0
29. Aggregate write-ins for other income or expenses	0	6,004	15,963	253,143
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(273,202)	2,644,361	(6,965,150)
31. Federal and foreign income taxes incurred	X X X	0	0	0
32. Net income (loss) (Lines 30 minus 31)	X X X	(273,202)	2,644,361	(6,965,150)
DETAILS OF WRITE-INS				
0601.	X X X	0	0	0
0602.	X X X	0	0	0
0603.	X X X	0	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X	0	0	0
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	0	0	0
0701.	X X X	0	0	0
0702.	X X X	0	0	0
0703.	X X X	0	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X	0	0	0
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X	0	0	0
1401. Other Medical Expense	0	2,694	4,217	4,562
1402.	0	0	0	0
1403.	0	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	2,694	4,217	4,562
2901. Other Revenue	0	6,004	15,963	253,143
2902.	0	0	0	0
2903.	0	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	6,004	15,963	253,143

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	84,459,027	95,921,771	95,921,771
34. Net income or (loss) from Line 32	(273,202)	2,644,361	(6,965,150)
35. Change in valuation basis of aggregate policy and claim reserves	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(786,956)	(8,946,914)	(2,479,969)
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38. Change in net deferred income tax	0	0	0
39. Change in nonadmitted assets	(2,330,064)	(1,567,814)	(1,432,641)
40. Change in unauthorized and certified reinsurance	0	0	0
41. Change in treasury stock	0	0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles	0	0	0
44. Capital Changes:			
44.1 Paid in	0	0	0
44.2 Transferred from surplus (Stock Dividend)	0	0	0
44.3 Transferred to surplus	0	0	0
45. Surplus adjustments:			
45.1 Paid in	0	0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital	0	0	0
46. Dividends to stockholders	0	0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	(439,442)	(584,984)
48. Net change in capital and surplus (Lines 34 to 47)	(3,390,222)	(8,309,809)	(11,462,744)
49. Capital and surplus end of reporting period (Line 33 plus 48)	81,068,805	87,611,962	84,459,027
DETAILS OF WRITE-INS			
4701. Unrecognized Other Post-employment Benefit Obligation	0	0	(145,542)
4702. Correction to prior-years EDP Equipment and Operating System Software depreciation	0	(439,442)	(439,442)
4703.	0	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	(439,442)	(584,984)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	247,875,085	238,238,003	491,044,496
2. Net investment income	662,604	904,515	1,794,609
3. Miscellaneous income	0	0	0
4. TOTAL (Lines 1 to 3)	248,537,689	239,142,518	492,839,105
5. Benefit and loss related payments	235,552,422	229,433,802	456,564,322
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	27,831,146	22,525,148	53,114,539
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	0	0	0
10. TOTAL (Lines 5 through 9)	263,383,568	251,958,950	509,678,861
11. Net cash from operations (Line 4 minus Line 10)	(14,845,879)	(12,816,432)	(16,839,756)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	0	0	0
12.2 Stocks	13,251,806	2,955,429	15,157,261
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	759	25,354	32,474
12.7 Miscellaneous proceeds	0	0	0
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	13,252,565	2,980,783	15,189,735
13. Cost of investments acquired (long-term only):			
13.1 Bonds	0	0	0
13.2 Stocks	13,423,505	13,265,459	15,174,621
13.3 Mortgage loans	0	0	0
13.4 Real estate	160,869	93,402	457,911
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	13,584,374	13,358,861	15,632,532
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(331,809)	(10,378,078)	(442,797)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	(3,588,525)	(4,619,352)	(2,697,775)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(3,588,525)	(4,619,352)	(2,697,775)
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)	(18,766,213)	(27,813,862)	(19,980,328)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	59,845,363	79,825,691	79,825,691
19.2 End of period (Line 18 plus Line 19.1)	41,079,150	52,011,829	59,845,363

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001	0	0	0
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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 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	79,157	341	55,628	0	0	0	3,718	19,470	0	0
2. First Quarter	76,840	1,344	52,410	0	0	0	3,595	19,491	0	0
3. Second Quarter	76,587	2,400	50,854	0	0	0	3,596	19,737	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	460,791	9,246	312,758	0	0	0	21,618	117,169	0	0
Total Member Ambulatory Encounters for Period:										
7. Physician	111,565	0	67,380	0	0	0	4,794	39,391	0	0
8. Non-Physician	275,974	0	135,333	0	0	0	11,322	129,319	0	0
9. Total	387,539	0	202,713	0	0	0	16,116	168,710	0	0
10. Hospital Patient Days Incurred	24,064	0	7,853	0	0	0	997	15,214	0	0
11. Number of Inpatient Admissions	4,897	0	1,746	0	0	0	165	2,986	0	0
12. Health Premiums Written (a)	253,298,156	2,509,982	128,001,244	0	0	0	9,656,996	113,129,934	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	253,298,156	2,509,982	128,001,244	0	0	0	9,656,996	113,129,934	0	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	236,714,824	2,854,409	121,785,238	0	0	0	10,312,618	101,762,559	0	0
18. Amount Incurred for Provision of Health Care Services	224,414,739	2,602,387	111,116,037	0	0	0	9,689,533	101,006,782	0	0

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....113,129,934.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid	0	0	0	0	0	0
0399999 Aggregate Accounts Not Individually Listed - Covered	12,887,474	1,002,977	55,727	22,266	64,539	14,032,983
0499999 Subtotals	12,887,474	1,002,977	55,727	22,266	64,539	14,032,983
0599999 Unreported claims and other claim reserves						24,231,970
0699999 Total Amounts Withheld						2,111,237
0799999 Total Claims Unpaid						40,376,190
0899999 Accrued Medical Incentive Pool And Bonus Amounts						6,307,721

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	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)	20,744,850	98,591,545	2,691,555	17,831,417	23,436,405	23,436,405
2. Medicare Supplement	0	0	0	0	0	0
3. Dental only	0	0	0	0	0	0
4. Vision only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	1,511,462	8,268,568	290,615	1,252,587	1,802,077	1,802,077
6. Title XVIII - Medicare	18,493,440	83,766,801	2,250,602	16,059,414	20,744,042	20,744,042
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	40,749,752	190,626,914	5,232,772	35,143,418	45,982,524	45,982,524
10. Healthcare receivables (a)	5,628,160	70,931	1,838,844	5,768,193	7,467,004	6,459,816
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	10,255,407	781,843	1,598,831	4,708,890	11,854,238	11,854,250
13. Totals (Lines 9 - 10 + 11 + 12)	45,376,999	191,337,826	4,992,759	34,084,115	50,369,758	51,376,958

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of HealthPlus of Michigan, Inc. (the Company) have been prepared in conformity with the 2014 NAIC Quarterly Statement Instructions and the NAIC Accounting Practices and Procedures Manual as of March 2014, to the extent that the accounting practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or the 2013 Forms and Instructions for Required Filings in Michigan. The Company has no prescribed or permitted practices that affect net income, statutory surplus or risk-based capital to report.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premium revenue is recognized in the month that members are entitled to health care services. The liability for incurred medical and hospital claims is accrued in the period during which the services are provided and includes estimates of services performed, which have not been reported to the Company.

The Company reports the value of its home office building at depreciated cost on Schedule A - Part 1.

In addition, the company uses the following accounting policies:

- 1) Short Term Investments are stated at amortized cost.
- 2) Bonds not backed by other loans are stated at amortized cost.
- 3) Common Stocks are reported at market value.
- 4) The Company has no Preferred Stocks to report.
- 5) The Company has no mortgage loans to report.
- 6) Loan Backed Securities are stated at amortized cost.
- 7) The Company carries its investment in HealthPlus Partners, Inc. and HealthPlus Insurance Company at Statutory Equity, and its investment in HealthPlus Options at audited GAAP equity.
- 8) The Company has no ownership interests in joint ventures, partnerships, or limited liability companies.
- 9) The Company has no derivatives to report.
- 10) The Company uses anticipated investment income in the calculation of premium deficiency reserves.
- 11) Unpaid claims include amounts determined from individual case estimates and amounts based on past experiences, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- 12) The Company has not modified its capitalization policy from the prior period.
- 13) Estimated pharmaceutical rebate receivables are based primarily on historical trends.

2. Accounting Changes and Corrections of Errors - None

3. Business Combinations and Goodwill

A. Statutory Purchase Method – None

Notes to Financial Statement

- B. Statutory Merger – None
- C. Assumption Reinsurance – None
- D. Impairment Loss – None

4. Discontinued Operations - None

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans – None
- B. Debt Restructuring – None
- C. Reverse Mortgages – None
- D. Loan-Backed Securities – None
- E. Repurchase Agreements and/or Securities Lending Transactions – None
- F. Real Estate – None
- G. Investments in Low-Income Housing Tax Credits (LIHTC) - None

6. Joint Ventures, Partnerships and Limited Liability Companies - None

7. Investment Income

- A. The Company has not excluded from surplus any investment income due and accrued.
- B. Total amount excluded was \$0

8. Derivative Instruments

None.

9. Income Taxes

- A. Components of Deferred Tax Assets and Deferred Tax Liabilities – None
- B. Unrecognized Deferred Tax Liabilities – None
- C. Components of income tax incurred – The Company is exempt from Federal income tax under Internal Revenue Code Section 501(c)(4).
- D. Book to tax adjustments – None
- E. Loss carry forwards and credit carry forwards – None
- F. Consolidated tax return - None

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B. & C.

HealthPlus of Michigan, Inc. has three wholly owned subsidiaries.

HealthPlus Options, Inc. (HPO) began operations in 1990 as a third party administrator. The Company reports its investment in HPO at audited GAAP equity, which amounted to \$2,021,801 at June 30, 2014 and \$1,606,260 at December 31, 2013 and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPO for the provision of administrative services. These services amounted to \$1,990,409 at June 30, 2014 and \$5,511,650 at December 31, 2013.

HealthPlusPartners, Inc. (HPP) is a state licensed Health Maintenance Organization serving Medicaid members in the greater Flint and Saginaw regions and began operations on January 1, 2003. The Company reports its investment in HPP at statutory equity, which amounted to \$28,694,149 at June 30, 2014 and \$30,058,719 at December 31, 2013 and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPP for the provision of administrative services. These services amounted to \$9,356,627 and \$17,851,073 at June 30, 2014 and December 31, 2013, respectively.

HealthPlus Insurance Company (HPI) is a state licensed Insurance Company and began operations January 1, 2007 offering a PPO product. The Company reports its investment

Notes to Financial Statement

in HPI at statutory equity, which amounted to \$22,165,194 at June 30, 2014 and \$20,334,561 at December 31, 2013, and is reported as a subsidiary stock investment on Schedule D-Part 6, Section 1. The Company has entered into agreements with HPI for the provision of administrative services. These services amounted to \$6,640,623 at June 30, 2014 and \$8,661,397 at December 31, 2013.

- D. The Company reported receivables from subsidiaries of \$31,934 and \$1,055,886 and payables to subsidiaries of \$355,061 and \$3,377,154 as of June 30, 2014 and December 31, 2013 respectively. These amounts are settled monthly.
- E. Affiliate guarantees – None
- F. The Company has entered into agreements with its subsidiaries for the provision of administrative services. Administrative expenses are allocated based primarily on adjusted premium revenue.
- G. The nature of the control relationship does not result in the operating results or financial position being significantly different than those that would have been obtained if the enterprises were autonomous.
- H. Ownership in an upstream Parent or Affiliate - None
- I. The Company's investments in its wholly-owned subsidiaries HealthPlus Partners, Inc. and HealthPlus Insurance Company exceeds 10% of the Company's admitted assets. HPP is reported at statutory equity, which amounted to \$28,694,149 as of June 30, 2014. HPP's admitted assets and liabilities at June 30, 2014 were \$60,145,121 and \$31,450,972 respectively. HPP reported net income/(loss) of (\$2,355,853) as of June 30, 2014. HPI is reported at statutory equity, which amounted to \$22,165,194 as of June 30, 2014. HPI's admitted assets and liabilities at June 30, 2014 were \$46,776,425 and \$24,611,231 respectively. HPI reported net income/(loss) of \$2,151,584 as of June 30, 2014.
- J. Investments in Impaired Subsidiaries – None
- K. Investments in Foreign Insurance Subsidiary – None
- L. Investment in Downstream Non-insurance Holding Company – None

11. Debt

- A. Debt, including Capital Notes and Holding Company Obligations – None
- B. Federal Home Loan Bank (FHLB) agreements - None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

The Company has a retiree health insurance program. To be eligible, the participant must have retired from active employment, attained the age of 62 and have 15 years of full-time service. The Company currently funds the cost of these benefits as they are incurred. There has been no changes to the amounts reported on the December 31, 2013 Annual Statement for this plan.

- B. Investment Policies and Strategies – Not applicable
- C. Fair Value of Plan Assets – Not applicable
- D. Rate of Return on Plan Assets – Not applicable
- E. Defined Contribution Plans

Notes to Financial Statement

A contributory defined contribution plan is provided to substantially all employees of the Company. Participating employees are eligible to contribute up to 15% of their annual compensation to the plan. The Company contributes 7% of participating employees' annual compensation into the benefit plan. Company contributions were approximately \$1,169,000 at June 30, 2014 and \$2,187,000 as of December 31, 2013.

- F. Multiemployer Plans – Not applicable
- G. Consolidated/Holding Company Plans – Not applicable
- H. Postemployment Benefits and Compensated Absences

HPM employees accrue Paid Time Off (PTO) bi-weekly based on years of service. These amounts are accrued as they are earned. The PTO liability was \$2,360,149 and \$1,997,005 as of June 30, 2014 and December 31, 2013 respectively.

- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

On December 8, 2003, the Prescription Drug, Improvement, and Modernization Act of 2003 (the Act) was signed into law. The Act introduces a prescription drug benefit under Medicare as well as a federal subsidy to certain sponsors of postretirement health care benefit plans that provide a prescription drug benefit to their enrollees. The Company believes its postretirement benefit plan may qualify for subsidy under the Act.

In accordance with Financial Accounting Standards Board (FASB) Staff Position 106-1, *Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003*, the accumulated postretirement benefit obligation and net periodic postretirement benefit cost do not include the effect of the Act as the Company has elected to defer the accounting for the impact of the Act until pending authoritative guidance is issued. Once issued, such authoritative literature may require the Company to modify previously reported information.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- 1) Capital Stock – None
- 2) Preferred Stock – None
- 3) Dividend Restrictions – Distributions of earnings is prohibited by the Company's bylaws.
- 4) Dividends Paid – None
- 5) Portion of profits that may be paid as dividends – Distribution of earnings is prohibited by the Company's bylaws.
- 6) Restrictions on Unassigned Funds (Surplus) – None
- 7) Advances to Surplus – Not Applicable
- 8) Stock held for special purposes – None
- 9) Changes in special surplus funds – Special surplus funds increased by \$1,500,000 for the accrual of 2015 Affordable Care Act Health Insurance Tax.
- 10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is (\$20,116,149).
- 11) Surplus debentures or similar obligations – None
- 12) Impact of prior quasi-reorganizations – None
- 13) Effective dates of quasi-reorganizations in the prior ten years - None

14. Contingencies

- A. Contingent Commitments – None
- B. Assessments – None
- C. Gain Contingencies – None
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None
- E. All Other Contingencies - In the normal course of business, HealthPlus of Michigan, Inc. is a party to certain legal matters. Management is of the opinion that resolution of these matters will not have a material effect on the Company's financial position or results of operations. The Company has no assets that it considers to be impaired.

Notes to Financial Statement

15. Leases

A. Lessee Operating Leases

- 1) The Company leases office equipment and space under various operating lease agreements. Total rental expense for all operating leases was approximately \$278,000 and \$504,000 as of June 30, 2014 and December 31, 2013 respectively.
- 2) Minimum aggregate rental commitments – no change from 2013 Annual Statement.
- 3) Sales-leaseback transactions – None

B. Lessor Leases and Leveraged Leases - None

16. Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

None.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales – None
- B. Transfer and Servicing of Financial Assets – None
- C. Wash Sales - None

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

- A. ASO Plans – None
- B. ASC Plans – None
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract
 - a. Revenue from the Company's Medicare Part D cost based reimbursement portion of its contract with the Centers for Medicare and Medicaid Services (CMS) consisted of \$1,578,532 and \$1,569,136 for the reinsurance subsidy and \$233,354 and \$115,929 for the low-income cost sharing subsidy at June 30, 2014 and December 31, 2013 respectively.
 - b. The Company has recorded receivables from CMS related to this program of \$0 and \$510,512 as of June 30, 2014 and December 31, 2013 respectively.
 - c. Recorded allowances and reserves for adjustment of recorded revenue – None
 - d. Adjustments to revenue resulting from audit of receivable related to revenues recorded in the prior period - None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None.

20. Fair Value Measurements

A.

1) Fair Value Measurements at Reporting Date

Description	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Common Stocks	\$21,659,684	\$0	\$0	\$21,659,684
b. Liabilities at fair value	\$0	\$0	\$0	\$0

2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – None

B. Other Fair Value Measurements – None

Notes to Financial Statement

C. Aggregate Fair Value and Admitted Value for all Invested Assets

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Common Stock	\$21,659,684	\$21,659,684	\$21,659,684	\$0	\$0	\$0

D. Not Practicable to Estimate Fair Value – None

21. Other Items

A. Extraordinary Items – None

B. Troubled Debt Restructuring: Debtors – None

C. Other Disclosures

Statutory Reserve: As a condition of licensure with the State of Michigan, The Company maintains a deposit in the amount of \$1,000,000 in a segregated account and can only be used by the Company at the discretion of the Insurance Commissioner. These funds are invested in an exempt money market mutual fund and reported in short-term investments. Interest on these funds accrues to the Company.

D. The Company had admitted premiums receivable of \$7,524,777 and \$4,177,580 at June 30, 2013 and December 31, 2013 respectively. The Company routinely assesses the collectability of these receivables and amounts over 90 days past due are non-admitted.

E. Business Interruption Insurance Recoveries – None

F. State Transferable Tax Credits – None

G. Subprime-Mortgage-Related Risk Expense – None

H. Retained Assets – Not applicable

22. Events Subsequent

Type I – None.

Type II – No change from Annual Statement.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company?

Yes () No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (x)

Section 2 – Ceded Reinsurance Report – Part A

Notes to Financial Statement

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes (x) No ()

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.

\$ 0.

- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?

\$ 0.

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (x)

Section 3 – Ceded Reinsurance – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$ 0.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (x)

- (3) Uncollectible Reinsurance

None.

- C. Commutation of Ceded Reinsurance

None.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. HealthPlus provides health coverage to approximately 3,600 members under the Federal Employees Health Benefits Program (FEHBP) and is subject to rate redetermination. Under the terms of the contract with the Office of Personnel Management (OPM) HealthPlus is to provide health coverage at the lowest rate charged to Similar Sized Subscriber Groups.

Notes to Financial Statement

The Company provides Medicare Advantage health coverage to approximately 19,700 members. Retrospective premiums are estimated based on members risk score adjustments submitted to CMS.

- B. The Company records accrued retrospective premiums as an adjustment to earned premiums.
- C. The amount of premiums written by the Company at June 30, 2014 that are subject to retrospective rating features was \$9,656,996 or 3.8% of total premiums for the FEHBP program and \$113,129,934 or 44.7% of total premiums for the Medicare Advantage program. The amount of premiums written by the Company that are subject to medical loss ratio rebate requirements pursuant to the Public Health Service Act are \$135,185,632 or 53.4% of total premiums.
- D. Medical loss rebates required pursuant to the Public Health Service Act - None

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves for unpaid claims as of June 30, 2014 were \$40,376,190. As of June 30, 2014, \$40,749,752 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are now \$5,232,772. There has been no changes to reserves attributable to insured events of prior years as a result of re-estimation of unpaid claims as of the Quarter Ended June 30, 2014.

26. Intercompany Pooling Arrangements

None.

27. Structured Settlements

Not applicable.

28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

Pharmaceutical rebate receivables consist of actual amounts billed for the previous quarter, based on actual prescriptions filled, and estimates of rebates for the current quarter. Estimated rebates are based primarily on historical trends.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/ Confirmed	Actual rebates Collected Within 90 Days of Invoicing/ Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation
06/30/2014	1,991,500	0	0	0	0
03/31/2014	1,928,000	1,579,845	70,930	0	0
12/31/2013	1,181,000	1,615,500	1,196,836	400,964	0
09/30/2013	1,101,000	1,222,136	790,640	391,312	0
06/30/2013	1,091,000	1,140,517	509,326	594,304	0
03/31/2013	1,378,000	1,111,633	782,484	273,570	9,974
12/31/2012	1,354,000	1,402,168	1,124,275	263,322	0
09/30/2012	1,261,000	1,368,898	1,115,532	205,882	0
06/30/2012	1,151,000	1,318,060	1,106,380	209,733	0
03/31/2012	1,009,000	1,185,661	921,650	0	0
12/31/2011	0	1,137,554	969,103	163,685	0
09/30/2011	0	1,004,790	734,235	270,555	0
06/30/2011	0	968,507	804,240	164,267	0
03/31/2011	0	959,330	844,157	115,173	0

B. Risk Sharing Receivables

Notes to Financial Statement

The Company has agreements, which provide the basis of payments to different provider groups for the delivery of health care services. The groups include hospitals, physician hospital organizations, and physicians. The agreements include provisions for the sharing of surplus or deficits calculated by the comparison of total expense to funding reported for the Company's members served by the physicians affiliated with each contracting provider group. The funding levels are primarily based on a percentage of the premium, which the Company receives for providing health insurance coverage to employer groups. Certain of these providers have entered into separate agreements with affiliated hospitals to share any surplus or deficit associated with services to physician members.

The following table details risk sharing receivables recorded in accordance with the provisions of the aforementioned agreements.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated And Reported in the Prior Year	Risk Sharing Receivable as Estimated And Reported in the Current Year	Risk Sharing Receivable Invoiced	Risk Sharing Receivable Not Invoiced	Actual Risk Sharing Amounts Collected in Year Invoiced	Actual Risk Sharing Amounts Collected First Year Subsequent	Actual Risk Sharing Amounts Collected Second Year Subsequent	Actual Risk Sharing Amounts Collected – All Other
2014	2014	0	1,826,527	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0	0
2013	2013	0	4,380,495	2,541,656	1,838,844	2,541,656	0	0	0
	2014	0	0	0	0	0	0	0	0
2012	2012	0	2,574,130	1,704,212	869,918	1,704,212	0	0	0
	2013	0	0	0	0	0	0	0	0
2011	2011	0	1,073,664	1,073,664	0	1,073,664	0	0	0
	2012	0	0	0	0	0	0	0	0
2010	2010	0	2,292,879	2,292,879	0	2,292,879	0	0	0
	2011	0	0	0	0	0	0	0	0

29. Participating Policies

None.

30. Premium Deficiency Reserves

- | | |
|---|------------|
| 1. Liability carried for premium deficiency reserves | \$0 |
| 2. Date of the most recent evaluation of this liability | 12/31/2013 |
| 3. Was anticipated investment income utilized in the calculation? | Yes |

31. Anticipated Salvage and Subrogation

The Company has not specifically identified any anticipated salvage and subrogation amounts in its calculation of loss reserves.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 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]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 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]
- 2.2 If yes, date of change:

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 4.2 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
.....

- 5. 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] N/A[]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012
- 6.2 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. 12/31/2012
- 6.3 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). 01/08/2014
- 6.4 By what department or departments?
Department of Insurance and Financial Services, Office of Insurance Evaluation
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]

- 7.1 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? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 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 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 FDIC	6 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

INVESTMENT

- 11.1 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[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
 14.2 If yes, please complete the following:

Yes[X] No[]

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	0	0
14.22 Preferred Stock	0	0
14.23 Common Stock	51,999,540	52,881,144
14.24 Short-Term Investments	0	0
14.25 Mortgages Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	51,999,540	52,881,144
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	0	0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement.

Yes[] No[X]
 Yes[] No[] N/A[X]

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.3 Total payable for securities lending reported on the liability page

\$ 0
 \$ 0
 \$ 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, 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 Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Asset Management	611 Woodward Avenue, Detroit, MI, 48226
FirstMerit PrivateBank	328 S. Saginaw Street, Flint, MI 48502

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

Yes[] No[X]

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

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
111223	FirstMerit PrivateBank	328 S. Saginaw St., Flint, MI 48502
104234	JP Morgan Asset Management	611 Woodward Ave., Detroit, MI, 48226

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
 18.2 If no, list exceptions:

Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	..... 89.729%
1.2 A&H cost containment percent	..... 1.010%
1.3 A&H expense percent excluding cost containment expenses	..... 11.612%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Accident and Health - Non-affiliates								
11835	04-1590940	01/01/2014	PARTNERRE AMER INS CO	DE	SSL/A/I	Authorized		

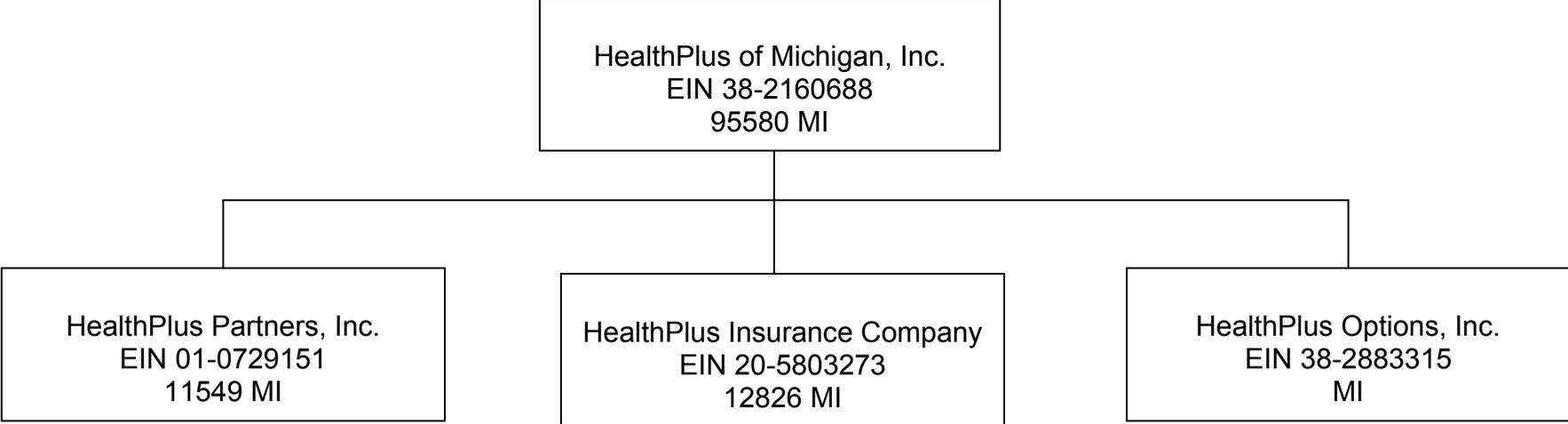
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**Current Year to Date - Allocated by States and Territories**

		Direct Business Only								
State, Etc.		1	2	3	4	5	6	7	8	9
		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N	0	0	0	0	0	0	0	0
2.	Alaska (AK)	N	0	0	0	0	0	0	0	0
3.	Arizona (AZ)	N	0	0	0	0	0	0	0	0
4.	Arkansas (AR)	N	0	0	0	0	0	0	0	0
5.	California (CA)	N	0	0	0	0	0	0	0	0
6.	Colorado (CO)	N	0	0	0	0	0	0	0	0
7.	Connecticut (CT)	N	0	0	0	0	0	0	0	0
8.	Delaware (DE)	N	0	0	0	0	0	0	0	0
9.	District of Columbia (DC)	N	0	0	0	0	0	0	0	0
10.	Florida (FL)	N	0	0	0	0	0	0	0	0
11.	Georgia (GA)	N	0	0	0	0	0	0	0	0
12.	Hawaii (HI)	N	0	0	0	0	0	0	0	0
13.	Idaho (ID)	N	0	0	0	0	0	0	0	0
14.	Illinois (IL)	N	0	0	0	0	0	0	0	0
15.	Indiana (IN)	N	0	0	0	0	0	0	0	0
16.	Iowa (IA)	N	0	0	0	0	0	0	0	0
17.	Kansas (KS)	N	0	0	0	0	0	0	0	0
18.	Kentucky (KY)	N	0	0	0	0	0	0	0	0
19.	Louisiana (LA)	N	0	0	0	0	0	0	0	0
20.	Maine (ME)	N	0	0	0	0	0	0	0	0
21.	Maryland (MD)	N	0	0	0	0	0	0	0	0
22.	Massachusetts (MA)	N	0	0	0	0	0	0	0	0
23.	Michigan (MI)	L	130,511,226	113,129,934	0	9,656,996	0	0	253,298,156	0
24.	Minnesota (MN)	N	0	0	0	0	0	0	0	0
25.	Mississippi (MS)	N	0	0	0	0	0	0	0	0
26.	Missouri (MO)	N	0	0	0	0	0	0	0	0
27.	Montana (MT)	N	0	0	0	0	0	0	0	0
28.	Nebraska (NE)	N	0	0	0	0	0	0	0	0
29.	Nevada (NV)	N	0	0	0	0	0	0	0	0
30.	New Hampshire (NH)	N	0	0	0	0	0	0	0	0
31.	New Jersey (NJ)	N	0	0	0	0	0	0	0	0
32.	New Mexico (NM)	N	0	0	0	0	0	0	0	0
33.	New York (NY)	N	0	0	0	0	0	0	0	0
34.	North Carolina (NC)	N	0	0	0	0	0	0	0	0
35.	North Dakota (ND)	N	0	0	0	0	0	0	0	0
36.	Ohio (OH)	N	0	0	0	0	0	0	0	0
37.	Oklahoma (OK)	N	0	0	0	0	0	0	0	0
38.	Oregon (OR)	N	0	0	0	0	0	0	0	0
39.	Pennsylvania (PA)	N	0	0	0	0	0	0	0	0
40.	Rhode Island (RI)	N	0	0	0	0	0	0	0	0
41.	South Carolina (SC)	N	0	0	0	0	0	0	0	0
42.	South Dakota (SD)	N	0	0	0	0	0	0	0	0
43.	Tennessee (TN)	N	0	0	0	0	0	0	0	0
44.	Texas (TX)	N	0	0	0	0	0	0	0	0
45.	Utah (UT)	N	0	0	0	0	0	0	0	0
46.	Vermont (VT)	N	0	0	0	0	0	0	0	0
47.	Virginia (VA)	N	0	0	0	0	0	0	0	0
48.	Washington (WA)	N	0	0	0	0	0	0	0	0
49.	West Virginia (WV)	N	0	0	0	0	0	0	0	0
50.	Wisconsin (WI)	N	0	0	0	0	0	0	0	0
51.	Wyoming (WY)	N	0	0	0	0	0	0	0	0
52.	American Samoa (AS)	N	0	0	0	0	0	0	0	0
53.	Guam (GU)	N	0	0	0	0	0	0	0	0
54.	Puerto Rico (PR)	N	0	0	0	0	0	0	0	0
55.	U.S. Virgin Islands (VI)	N	0	0	0	0	0	0	0	0
56.	Northern Mariana Islands (MP)	N	0	0	0	0	0	0	0	0
57.	Canada (CAN)	N	0	0	0	0	0	0	0	0
58.	Aggregate other alien (OT)	XXX	0	0	0	0	0	0	0	0
59.	Subtotal	XXX	130,511,226	113,129,934	0	9,656,996	0	0	253,298,156	0
60.	Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61.	Total (Direct Business)	(a) 1	130,511,226	113,129,934	0	9,656,996	0	0	253,298,156	0
DETAILS OF WRITE-INS										
5801.		XXX	0	0	0	0	0	0	0	0
5802.		XXX	0	0	0	0	0	0	0	0
5803.		XXX	0	0	0	0	0	0	0	0
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
3409	95580	38-2160688 ..	.....	.....	.....	HealthPlus of Michigan, Inc. ....	.. MI ..	... RE ..	.....	.....	..... 0.0	.....	.....
3409	11549	01-0729151 ..	.....	.....	.....	HealthPlus Partners, Inc. ....	.. MI ..	... DS ..	HealthPlus of Michigan, Inc.	Ownership .....	..... 100.0	HealthPlus of Michigan, Inc. ..	.....
3409	12826	20-5803273 ..	.....	.....	.....	HealthPlus Insurance Company .....	.. MI ..	... DS ..	HealthPlus of Michigan, Inc.	Ownership .....	..... 100.0	HealthPlus of Michigan, Inc. ..	.....
.....	00000	38-2883315 ..	.....	.....	.....	HealthPlus Options, Inc. ....	.. MI ..	... DS ..	HealthPlus of Michigan, Inc.	Ownership .....	..... 100.0	HealthPlus of Michigan, Inc. ..	.....

Asterisk	Explanation
0000001

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95580201436500002

2014

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION**Real Estate**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,069,666	4,359,391
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	160,869	457,911
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	376,283	747,636
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	3,854,252	4,069,666
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	3,854,252	4,069,666

SCHEDULE B - VERIFICATION**Mortgage Loans**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and mortgage interest paid	0	0
9. Total foreign exchange change in book value/recorded investment	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	0	0
12. Total valuation allowance	0	0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA - VERIFICATION**Other Long-Term Invested Assets**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D - VERIFICATION**Bonds and Stocks**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	72,747,334	72,991,588
2. Cost of bonds and stocks acquired	13,423,505	15,174,621
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	(786,956)	(2,479,969)
5. Total gain (loss) on disposals	2,408,752	2,218,355
6. Deduct consideration for bonds and stocks disposed of	13,251,806	15,157,261
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	74,540,829	72,747,334
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	74,540,829	72,747,334

SCHEDULE D - PART 1B**Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	62,982,398	84,725,949	107,716,273	(264,474)	62,982,398	39,727,600	0	48,092,217
2. NAIC 2 (a)	0	0	0	0	0	0	0	0
3. NAIC 3 (a)	0	0	0	0	0	0	0	0
4. NAIC 4 (a)	0	0	0	0	0	0	0	0
5. NAIC 5 (a)	0	0	0	0	0	0	0	0
6. NAIC 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	62,982,398	84,725,949	107,716,273	(264,474)	62,982,398	39,727,600	0	48,092,217
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	62,982,398	84,725,949	107,716,273	(264,474)	62,982,398	39,727,600	0	48,092,217

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....25,115,821; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	39,727,604	X X X	40,258,049	375,253	33,619

SCHEDULE DA - Verification**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	48,092,219	83,445,772
2. Cost of short-term investments acquired	207,597,241	439,149,667
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	759	32,476
6. Deduct consideration received on disposals	215,409,185	473,335,133
7. Deduct amortization of premium	553,430	1,200,563
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	39,727,604	48,092,219
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	39,727,604	48,092,219

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

SCHEDULE A - PART 2

Showing all Real Estate **ACQUIRED AND ADDITIONS MADE** During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
Acquired by Purchase								
Home Office Building - 2050 South Linden Road	Flint	MI	06/30/2014	Various contractors	0	0	0	160,869
0199999 Subtotal - Acquired by Purchase					0	0	0	160,869
0399999 Totals					0	0	0	160,869

SCHEDULE A - PART 3

Showing All Real Estate **DISPOSED** During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B/A C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B/A C.V.							
NONE																			
0399999 Totals					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

QE01

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired 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)
Common Stocks - Mutual Funds									
233203413	DFA US CORE EQUITY 1 PORTFOLIO		04/23/2014	CITIZEN BANK LONG TERM	119,047.619	2,000,000	X X X	0	1
4812C0381	JPMORGAN CORE BOND FUND		06/02/2014	JP MORGAN MANAGEMENT FUND	1,634.598	19,080	X X X	0	L
4812C1553	JPMORGAN EQUITY INDEX FUND		04/15/2014	JP MORGAN MANAGEMENT FUND	1,048.251	41,281	X X X	0	L
922040100	VANGUARD INSTL INDEX FD		04/24/2014	CITIZEN BANK LONG TERM	15,701.326	2,700,000	X X X	0	L
922031836	VANGUARD SHTTTERM INVT GRADE ADM539		06/02/2014	CITIZEN BANK LONG TERM	515.673	5,545	X X X	0	L
921937868	VANGUARD TOTAL BOND MARKET INDEX		06/02/2014	CITIZEN BANK LONG TERM	4,686.748	50,470	X X X	0	L
9299999 Subtotal - Common Stocks - Mutual Funds					X X X	4,816,376	X X X	0	X X X
9799997 Subtotal - Common Stocks - Part 3					X X X	4,816,376	X X X	0	X X X
9799999 Subtotal - Common Stocks					X X X	4,816,376	X X X	0	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	4,816,376	X X X	0	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	4,816,376	X X X	0	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.							
Common Stocks - Mutual Funds																					
4812C0381	JPMORGAN CORE BOND FUND		04/15/2014	JP MORGAN MANAGEMENT FUND	2,812.157	32,846	XXX	32,836	32,284	552	0	0	552	0	32,836	0	10	10	0	XXX	L
921921300	VANGUARD EQUITY INCOME FUND ADM		04/25/2014	CITIZEN BANK LONG TERM	73,427.234	4,681,721	XXX	3,747,117	4,545,095	(833,535)	0	0	(833,535)	0	3,747,117	0	934,604	934,604	35,556	XXX	L
922031836	VANGUARD SHITTERM INVNT GRADE ADM539		04/01/2014	CAPITAL GAIN	0.000	285	XXX	0	0	0	0	0	0	0	0	0	285	285	0	XXX	L
921937868	VANGUARD TOTAL BOND MARKET INDEX		04/01/2014	CAPITAL GAIN	0.000	796	XXX	0	0	0	0	0	0	0	0	0	796	796	0	XXX	L
9299999 Subtotal - Common Stocks - Mutual Funds					XXX	4,715,648	XXX	3,779,953	4,577,379	(832,983)	0	0	(832,983)	0	3,779,953	0	935,695	935,695	35,556	XXX	XXX
9799997 Subtotal - Common Stocks - Part 4					XXX	4,715,648	XXX	3,779,953	4,577,379	(832,983)	0	0	(832,983)	0	3,779,953	0	935,695	935,695	35,556	XXX	XXX
9799999 Subtotal - Common Stocks					XXX	4,715,648	XXX	3,779,953	4,577,379	(832,983)	0	0	(832,983)	0	3,779,953	0	935,695	935,695	35,556	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	4,715,648	XXX	3,779,953	4,577,379	(832,983)	0	0	(832,983)	0	3,779,953	0	935,695	935,695	35,556	XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	4,715,648	XXX	3,779,953	4,577,379	(832,983)	0	0	(832,983)	0	3,779,953	0	935,695	935,695	35,556	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
.....	.....		0.000	0	0	0	0	0	X X X
First Merit Bank	Flint, MI		0.000	0	0	(2,345,022)	(2,289,593)	8,680,312	X X X
First Merit Bank	Flint, MI		0.000	0	0	(2,083,954)	(2,278,826)	(2,187,617)	X X X
First Merit Bank	Flint, MI		0.000	0	0	(6,699,345)	(6,583,126)	(5,141,899)	X X X
JP Morgan Chase Bank	Detroit, MI		0.000	0	0	0	0	0	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X	0	0	0	0	0	X X X
0199999 Totals - Open Depositories		X X X	X X X	0	0	(11,128,321)	(11,151,545)	1,350,796	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X	0	0	0	0	0	X X X
0299999 Totals - Suspended Depositories		X X X	X X X	0	0	0	0	0	X X X
0399999 Total Cash On Deposit		X X X	X X X	0	0	(11,128,321)	(11,151,545)	1,350,796	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X	750	750	750	X X X
0599999 Total Cash		X X X	X X X	0	0	(11,127,571)	(11,150,795)	1,351,546	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total - Cash Equivalents					0	0	0

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