



NAIC #: MEWA12

NAIC Group Code: 000

Company Name: SOUTH LORAIN MERCHANTS ASSOC. HEALTH & WELFARE

Company Type: P&C Life HIC Frat Title MEWA HW MPA
 DOMESTIC FOREIGN

Form Type: **STATEMENTS**

Sub-form Type: QUARTERLY

Transaction # (if applicable):

Effective Date:

Additional Info: FIRST QUARTER, PERIOD ENDING MARCH 31, 2002

Date Scanned:

Scanned By (initials):

MULTIPLE EMPLOYER WELFARE ARRANGEMENT

FEIN Number 34-1492303

QUARTERLY STATEMENT

As of MARCH 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

SOUTH LORAIN MERCHANTS ASSOCIATION HEALTH + WELFARE TRUST

established under the Laws of the State of OHIO, made to the

INSURANCE DEPARTMENT OF THE STATE OF

RECEIVED

MAY 15 2002

PURSUANT TO THE LAWS THEREOF

Established 4-1-1989

Commenced Business 4-1-1989 4783

Statutory Home Office 222 SOUTH MAIN ST.
(Street and Number)

AKRON, OH 44303
(City or Town, State and Zip Code)

Main Administrative Office 33479 LAKE ROAD
(Street and Number)

440-930-7500
(Area Code) (Telephone Number)

Mail Address 33479 LAKE ROAD
(Street and Number or P.O. Box)

AVON LAKE, OH 44012
(City or Town, State and Zip Code)

Primary Location of Books and Records 33479 LAKE ROAD
(Street and Number)

440-930-7500
(Area Code) (Telephone Number)

AVON LAKE OH 44012

(City or Town, State and Zip Code)

Quarterly Statement Contact Person and Phone Number (include extension) Chad Buskirk 4222

OFFICERS

Chairperson _____

Vice-Presidents _____

Secretary _____

Treasurer _____

TRUSTEES

SANDRA KAISER

ROBERT ZELIWA

WALTER GLICK JR.

State of OHIO

County of LORAIN

ss

Chairperson _____ Secretary _____ Treasurer _____

of the S.M.A. HEALTH + WELFARE TRUST, being duly sworn, each deposes and says that they are the above described officers of the trust carrying on the business of a MEWA, and that on the quarter ending 3-31-02, all of the herein described assets were the absolute property of the MEWA, free and clear from any liens or claims thereon, except as herein stated, and that this quarterly statement, together with related exhibits, schedules and explanations therem 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 MEWA as of the quarter ending 3-31-02, and of its income and deductions therefrom for the calendar period ended on that date, and have been completed in accordance with the quarterly statement instructions and accounting practices and procedures prescribed by the Ohio Department of Insurance, according to the best of their information, knowledge and belief, respectively

X Robert A. Zelina
Chairperson TRUSTEE

Secretary

Treasurer

(a) Is this an original filing?

Yes No

(b) If no

(c) state the amendment number

(d) date filed

(e) number of pages attached

Subscribed and sworn to before me this

14 day of May, 2002
Kathy Jenene Wiesbrook
NOTARY PUBLIC (Seal)

KATHY JENENE WIESBROOK
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES 10/03/04

	1 Current Period	December 31, 2001
ASSETS		
1. Bonds.....		
2. Stocks.....		
2.1 Preferred Stocks.....		
2.2 Common Stocks.....	487,823	100,783
3. Mortgage loans on real estate.....		
4. Real estate, less \$.....encumbrances.....		
5. Collateral loans.....		
6.1 Cash on hand and on deposit.....	136,906	373,089
6.2 Short-term investments.....	1,496,819	1,471,013
7. Aggregate write-ins for invested assets.....		
7A. Subtotals, cash and invested assets (Lines 1 to 7).....	2,121,548	1,944,890
8. Premium due and unpaid.....	98,585	421,625
9. Funds held by or deposited with reinsurance companies.....		
10. Reinsurance recoverables on loss and loss adjustment payments.....		
10.1 Reinsurance recoverable on unpaid losses.....		
11. Federal income tax recoverable.....		
12. Interest and other investment income due and accrued.....	11,692	25,103
13. Receivable from parent, subsidiaries and affiliates.....		
14. Electronic data processing equipment.....		
15. Aggregate write-ins for other than invested assets.....	31,294	32,811
16. TOTALS (Lines 7A through 15).....	2,263,119	2,457,994
DETAILS OF WRITE-INS AGGREGATED AT LINE 7 FOR INVESTED ASSETS		
0701.....		
0702..... <u>N/A</u>		
0703.....		
0704.....		
0705.....		
0798 Summary of remaining write-ins for Line 7 from overflow page.....		
0799 Totals (Lines 0701 through 0705 plus 0798)(Page 2, Line 7).....		
DETAILS OF WRITE-INS AGGREGATED AT LINE 15 FOR OTHER THAN INVESTED ASSETS		
1501 <u>PROVIDER</u> <u>VOADS</u> / <u>REFUNDS</u>	13,735	13,735
1502 <u>CLAIM</u> <u>REIMBURSEMENTS</u>	17,559	11,901
1503 <u>LITIGATION</u> <u>SETTLEMENTS</u>	—	5,000
1504 <u>BANK</u> <u>CHARGE</u> <u>REIMBURSEMENT</u>	—	2,675
1505.....		
1598 Summary of remaining write-ins for Line 15 from overflow page.....		
1599 Totals (Lines 1501 through 1505 plus 1598)(Page 2, Line 15).....	31,294	32,811

NOTE: The lines on this page to agree with Exhibit 1, Column 4.

LIABILITIES, SURPLUS AND SPECIAL FUNDS	1	2
	Current Period	December 31, 2001
1. Claims unpaid (Part 2A, Col. 4, Line 5)	1,234,781	1,399,983
2. Unpaid claims adjustment expenses (Part 3, Line 22b, Col. 2)	24,696	28,000
3. Unearned premiums (Part 1, Line 5, Col. 8)	149,517	97,746
4. Unearned investment income (Part 4, Line 9, Col. 4) .....	.....	.....
5. (a) Taxes, licenses and fees due or accrued (excluding Federal income taxes) .....	.....	.....
(b) Federal income taxes (excluding deferred taxes) .....	.....	.....
(c) Stop loss, excess, or reinsurance premium due and unpaid	56,194	26,696
(d) Other expenses due or accrued .....	.....	.....
6. Premium deposits made by applicants rejected or not as yet accepted as members or subscribers .....	.....	.....
7. Borrowed money \$ and interest thereon \$ .....	.....	.....
8. Amounts withheld or retained for account of others .....	.....	.....
9. Stop loss, excess, or reinsurance received but not yet due .....	.....	.....
10. Provision for unauthorized reinsurance .....	.....	.....
11. Aggregate write-ins for other liabilities	84,434	99,818
12. Total liabilities (Lines 1 to 11)	154,962 ²	1,1652,243
SURPLUS AND SPECIAL FUNDS		
13. Surplus	713,497	805,751
14. Aggregate write-ins for surplus and special funds	713,497	805,751
15. Total (Line 13 plus Line 14; Page 4, Line 21)	713,497	805,751
16. TOTALS (Lines 12 plus 15)	2,263,119	2,457,994
DETAILS OF WRITE-INS AGGREGATED AT LINE 11 FOR OTHER LIABILITIES		
1101. HMO, LIFE & STD Premiums	—	—
1102. ACCRUED LEGAL / PROFESSIONAL	15,164	11,362
1103. AMOUNTS WITHHELD	37,042	49,532
1104. ACCRUED ADMIN. FEES	32,228	38,924
1105. .....	.....	.....
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.....	.....
1199. Totals (Lines 1101 through 1105 plus 1198)(Page 3, Line 11)	84,434	99,818
DETAILS OF WRITE-INS AGGREGATED AT LINE 14 FOR SURPLUS AND SPECIAL FUNDS		
1401. .....	.....	.....
1402. N/A .....	.....	.....
1403. .....	.....	.....
1404. .....	.....	.....
1405. .....	.....	.....
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.....	.....
1499. Totals (Lines 1401 through 1405 plus 1498)(Page 3, Line 14)	.....	.....

UNDERWRITING AND INVESTMENT EXHIBIT		1 Current Year To Date	2 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned (Part 1, Line 5, Col. 9) *		1,512,380	1,613,498
2. Claims incurred (Part 2, Line 5, Col. 5)		1,081,883	3,769,454
3. Expenses incurred (Part 3, Line 21, Col. 2, 3, 4):			
(a) Claim adjustment.....		314,774	1,097,578
(b) Administrative.....			
(c) Soliciting.....			
4. Individual stop loss, excess, or reinsurance expense (Net of incurred Recoveries)		324,847	431,498
5. Aggregate stop loss, excess, or reinsurance expense (Net of incurred Recoveries)			
5A Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)		1,121,504	5,298,230
7. Net underwriting gain or (loss) (Line 1 minus Line 6)		<109,124>	835,268
INVESTMENT INCOME			
8. Net investment income earned (Part 4, Line 14, Col. 8).....		16,870	72,796
9. Net realized capital gains or (losses) (Part 4A, Line 10, Col. 6).....			156
10. Net investment gain or (loss) (Line 8 plus Line 9)		16,870	72,952
OTHER INCOME			
11. Aggregate write-ins for other income			
12. Net gain or (loss) before federal income taxes (Lines 7 + 10 + 11).....		<92,254>	908,220
13. Federal income taxes incurred.....			
14. Net gain or (loss) (to Line 16) (Line 12 minus Line 13).....		<92,254>	908,220
SURPLUS AND SPECIAL FUNDS			
15. Surplus and special funds December 31, previous year (Page 4, Line 21, Col. 2).....		805,751	<102,469>
GAINS AND (LOSSES)			
16. Net gain or (loss) (from Line 14).....		<92,254>	908,220
17. Net unrealized capital gains or (losses) (Part 4A, Line 11, Col. 6).....			
18. Change in non-admitted assets (Exhibit 2, Line 9, Col. 3).....			
19. Aggregate write-ins for changes to surplus and special funds			
20. Change in surplus and special funds for the year (Lines 16 through 19).....		<92,254>	908,220
21. Surplus and special funds December 31, current year (Line 15 plus Line 20)		713,497	805,751
DETAILS OF WRITE-INS AGGREGATED AT LINE 11 FOR OTHER INCOME			
1101 <i>Amounts (in thousands)</i>		352,032	877,411
1102			
1103 <i>Amounts (in thousands)</i>		<352,032>	<877,411>
1104			
1198 Summary of remaining write-ins for Line 11 from overflow page			
1199 Totals (Lines 1101 through 1105 plus 1198) (Page 4, Line 11)		-0-	-0-
DETAILS OF WRITE-INS AGGREGATED AT LINE 19 FOR CHANGES TO RESERVES AND SPECIAL FUNDS			
1901 <i>N/A</i>			
1902			
1903			
1904			
1998 Summary of remaining write-ins for Line 19 from overflow page			
1999 Totals (Line 1901 through 1905 plus 1998) (Page 4, Line 19)			

* NET OF NON ADMITTED ASSETS FROM 2001 ASSESSMENT WHO IN 2002

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 A-CLAIMS UNPAID

1 Line of Business	2 Reported Claims in Process of Adjustment	3 Estimated Incurred But Unreported	4 Total Claims Unpaid
1. Hospital
2. Medical.....	1,234,781	1,234,781
3. Dental.....
4. Other.....
5. Totals.....	1,234,781	1,234,781

PART 2B-ANALYSIS OF CLAIMS UNPAID-PREVIOUS YEAR

1 Line of Business	Claims Paid Year to Date		Claims Unpaid as of Current Period		6 Total Claims Incurred to date on Claims Incurred in Prior Years (Columns 2 + 4)	7 Reported Liability on Unpaid Claims as of December 31 Previous Year
	2 On Claims Incurred Prior to January 1 of Current Year	3 On Claims Incurred During the Year	4 On Claims Unpaid Dec. 31 of Previous Year	5 On Claims Incurred During the Year		
1. Hospital .....	.....	.....	.....	.....	.....	.....
2. Medical.....	985,073	262,012	379,910	854,871	1,364,983	1,399,983
3. Dental.....	.....	.....	.....	.....	.....	.....
4. Other.....	.....	.....	.....	.....	.....	.....
5. Totals.....	985,073	262,012	379,910	854,871	1,364,983	1,399,983

* Part 2B, Column 4 and column 5 must equal Part 2A Total of column 4

EXHIBIT 1-ANALYSIS OF ASSETS

	1 Ledger Assets	2 Non-Ledger Including Excess of Market (or Amortized) Over Book Values	3 Assets Not Admitted Including Excess of Book Over Market (or Amortized Values)	4 Net Admitted Assets (Cols. 1 + 2 - 3)
1. Bonds (Schedule D).....				
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	487,823			487,823
2.2 Common stocks.....				
3. Mortgage loans on real estate (Schedule B):				
(a) First liens.....				
(b) Other than first liens.....				
4. Real estate, less encumbrances (Schedule A).....				
5. Collateral loans (Schedule C).....				
6.1 Cash on hand and on deposit:				
(a) Cash in company's office.....	136,906			136,906
(b) Cash on deposit (Schedule E).....	1,496,819			1,496,819
6.2 Short-term investments (Schedule DA).....				
7. Aggregate write-ins for invested assets.....				
7A. Subtotal, cash and invested assets.....	2,121,548			2,121,548
8. Premium due and unpaid.....	317,845			317,845
9. Funds held by or deposited with reinsurance companies.....				
10. Reinsurance recoverables on loss and loss adjustment payments (Schedule S, Col. 1).....				
10A. Reinsurance recoverable on unpaid losses.....				
11. Federal income tax recoverable.....	11,492			11,492
12. Interest and other investment income due and accrued.....				
13. Receivables from parent subsidiaries and affiliates.....				
14. Electronic data processing equipment.....				XXX
15. Equipment, furniture and supplies.....				XXX
16. Third party reimbursements receivable.....				XXX
17. Assessments and penalties due and unpaid.....				XXX
18. Prepaid expenses.....				XXX
19. Loans on personal security, endorsed or not.....	31,294			31,294
20. Aggregate write-ins for other than invested assets.....				
21. Totals (Lines 1 through 20).....	2,482,379		219,260	2,263,119
DETAILS OF WRITE-INS AGGREGATED AT LINE 7 FOR INVESTED ASSETS				
0701.....				
0702.....				
0703.....				
0704.....				
0705.....				
0798. Summary of remaining write-ins for Line 7 from overflow page.....				
0799. Totals (Lines 0701 through 0705 plus 0798)(Exhibit 1, Line 7).....				
DETAILS OF WRITE-INS AGGREGATED AT LINE 20 FOR OTHER THAN INVESTED ASSETS				
2001. PREMIUMS + RE.FUNDS	13,735			13,735
2002. CLAIM REIMBURSEMENTS	17,559			17,559
2003.....				
2004.....				
2005.....				
2098. Summary of remaining write-ins for Line 20 from overflow page.....	31,294			31,294
2099. Totals (Lines 2001 through 2005 plus 2098)(Exhibit 1, Line 20).....				

EXHIBIT 2-ANALYSIS OF NON-ADMITTED ASSETS
Excluding Excess of Book Over Market (or Amortized) Values and Exhibit 1, Line 12, Column 3

	1 End of Previous Year	2 End of Current Period	3 Change for Year (Increase) or Decrease (Column 1 minus Column 2)
1. Uncollected premiums.....			
2. Deposits in suspended depositories, less estimated amount recoverable.....			
3. Equipment, furniture and supplies.....			
4. Loans on personal security, endorsed or not.....			
5. Third Party reimbursements receivable.....			
6. Assessments and penalties due and unpaid.....			
7. Prepaid expenses.....			
8. Aggregate write-ins for assets not admitted.....			
9. Total change (Column 3)(Carry to Page 4, Line 18).....	XXX	XXX	
DETAILS OF WRITE-INS AGGREGATED AT LINE 8 FOR ASSETS NOT ADMITTED			
0801.....			
0802.....			
0803.....			
0804.....			
0805.....			
0898. Summary of remaining write-ins for Line 8 from overflow page.....			
0899. Totals (Lines 0801 through 0805 plus 0898) (Exhibit 2, Line 8).....			

S.L.M.A. H. & W. Trust

QUARTERLY STATEMENT AS OF 3-31-02 OF THE

GENERAL INTERROGATORIES

1. (a) Where any of the stocks, bonds or other assets of the MEWA loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No (b) If "yes", please give full and complete information relating thereto.
.....
.....

2. (a) Have any changes been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the MEWA? Yes No
(b) If "Yes", date of change: If not previously filed, furnish herewith a certified copy of the instrument as amended.

3. Have there been any substantial changes in the organizational chart, managers, officers or Trustees since year end? Yes No If "yes", attach an explanation.

4. (a) If the MEWA 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 since the last filed statement? Yes No
(b) If "yes", attach an explanation.

5. (a) Have any of the MEWA's primary reinsurance contracts been canceled since the last filed statement? Yes No
(b) If "yes", give full and complete information thereto.
.....
.....

6. (a) What is the number of employer groups as of the current period? 124
(b) What is the number of enrollees as of the current period? 5245 *

* INCLUDES PARTIALLY SELF-FUNDED Groups + HMO LIVES

QUARTERLY STATEMENT AS OF 2-31-02 OF THE S.L.M.A. H. & W. Trust

OVERFLOW PAGE FOR WRITE-INS
