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2002

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# HEALTH QUARTERLY STATEMENT

AS OF March 31, 2002  
 OF THE CONDITION AND AFFAIRS OF THE  
**Paramount Health Care**

NAIC Group Code	<u>1212</u> (Current Period)	NAIC Company Code	<u>95189</u>	Employer's ID Number	<u>341549926</u>
Organized under the Laws of	<u>Ohio</u>	State of Domicile or Port of Entry			<u>Ohio</u>
Country of Domicile	<u>United States of America</u>				
Licensed as business type:	Life, Accident & Health[ <input type="checkbox"/> ] Dental Service Corporation[ <input type="checkbox"/> ] Other[ <input type="checkbox"/> ]	Property/Casualty[ <input type="checkbox"/> ] Vision Service Corporation[ <input type="checkbox"/> ] Is HMO Federally Qualified? Yes[X] No[ <input type="checkbox"/> ]	Hospital, Medical & Dental Service or Indemnity[ <input type="checkbox"/> ] Health Maintenance Organization[X]		
Date Incorporated or Organized	<u>04/22/1987</u>		Date Commenced Business	<u>01/01/1988</u>	
Statutory Home Office	<u>1901 Indian Wood Circle</u> (Street and Number)		<u>Maumee, OH 43537</u> (City, or Town, State and Zip Code)		
Main Administrative Office	<u>1901 Indian Wood Circle</u> (Street and Number)		<u>Maumee, OH 43537</u> (City or Town, State and Zip Code)		
Mail Address	<u>1901 Indian Wood Circle</u> (Street and Number or P.O. Box)		<u>(419)887-2500 x</u> (Area Code) (Telephone Number)		
Primary Location of Books and Records	<u>1901 Indian Wood Circle</u> (Street and Number)		<u>Maumee, OH 43537</u> (City, or Town, State and Zip Code)		
Internet Website Address	<u>www.paramounthealthcare.com</u>		<u>(419)887-2500 x</u> (Area Code) (Telephone Number)		
Statutory Statement Contact	<u>Ronald Peter Barba, Mr.</u> (Name) <u>ron.barba@promedica.org</u> (E-Mail Address)		<u>(419)887-2939 x</u> (Area Code)(Telephone Number)(Extension) <u>(419)887-2020 x</u> (Fax Number)		
Policyowner Relations Contact	<u>1901 Indian Wood Circle</u> (Street and Number)		<u>Maumee, OH 43537</u> (City, or Town, State and Zip Code)		
			<u>(419)887-2525-</u> (Area Code) (Telephone Number)(Extension)		

## OFFICERS

President John Charles Randolph Mr.  
 Secretary Jeffrey Craig Kuhn Mr.

## VICE PRESIDENTS

Robert James Kolodgy Mr.  
Mark Henry Moser Mr. Neeraj Kumar Kanwal Dr.

## DIRECTORS OR TRUSTEES

<u>Frederick Lurcott Yocom Mr.</u>	<u>Alan William Brass Mr.</u>
<u>Thomas Henry Gross Dr.</u>	<u>Robert Henry Hartwig Dr.</u>
<u>Harley Jay Kripke Mr.</u>	<u>Ronald Richard Langenderfer Mr.</u>
<u>Jeffrey Ray Lewis Dr.</u>	<u>Jane M. Miller Ms.</u>
<u>Christopher Kane Smitley Mr.</u>	

State of Ohio  
 County of Lucas 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 manuals 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.

(Signature)  
John Charles Randolph  
 (Printed Name)  
 President

(Signature)  
Jeffery Craig Kuhn  
 (Printed Name)  
 Secretary

(Signature)  
Robert James Kolodgy  
 (Printed Name)  
 Senior Vice President

Subscribed and sworn to before me this  
       day of       , 2002

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[  ]

(Notary Public Signature)

**ASSETS**

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds .....	30,324,855		30,324,855	29,899,361
2. Stocks: .....				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate: .....				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A): .....				(a) .....
4.1 Properties occupied by the company (less \$..... encumbrances) .....				
4.2 Properties held for the production of income (less \$..... encumbrances) .....				
4.3 Properties held for sale (less \$..... encumbrances) .....				
5. Cash (\$.....29,471,485) and short-term investments (\$.....2,016,777) .....	31,488,263		31,488,263	41,413,353
6. Other long-term invested assets .....	24,820,687		24,820,687	23,073,775
7. Receivable for securities .....	2,757,098		2,757,098	4,147,637
8. Aggregate write-ins for invested assets .....	751,436		751,436	751,436
9. Subtotal cash and invested assets (Lines 1 to 8) .....	90,142,339		90,142,339	99,285,562
10. Accident and health premiums due and unpaid .....	5,192,605		5,192,605	3,328,441
11. Health care receivables .....	3,682,877	2,809,387	873,490	746,023
12. Amounts recoverable from reinsurers .....	340,448		340,448	670,560
13. Net adjustment in assets and liabilities due to foreign exchange rates .....				
14. Investment income due and accrued .....	471,363		471,363	479,581
15. Amounts due from parent, subsidiaries and affiliates .....	4,385,111	2,441,796	1,943,315	1,728,088
16. Amounts receivable relating to uninsured accident and health plans .....	1,076,430		1,076,430	850,636
17. Furniture and equipment .....	715,344	715,344		
18. Amounts due from agents .....				
19. Federal and foreign income tax recoverable and interest thereon (including \$.....3,370,298 net deferred tax asset) .....	3,801,000	430,702	3,370,298	2,000,000
20. Electronic data processing equipment and software .....	2,449,797	1,438,707	1,011,090	1,049,797
21. Other nonadmitted assets .....	8,860,886	8,860,886		
22. Aggregate write-ins for other than invested assets .....	3,003,663		3,003,663	4,566,393
23. Total assets (Lines 9 plus 10 through 22) .....	124,121,863	16,696,822	107,425,041	114,705,081
<b>DETAILS OF WRITE-INS</b>				
0801. Certificate of Deposit .....	400,000		400,000	400,000
0802. CD - Allianz Life Insurance Company .....	351,436		351,436	351,436
0803 .....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. <b>TOTALS</b> (Lines 0801 through 0803 plus 0898) (Line 8 above) .....	751,436		751,436	751,436
2201. Collateral Receivable .....	2,819,345		2,819,345	4,230,754
2202. Current Receivables .....	184,318		184,318	335,639
2203. Other Assets .....				
2298. Summary of remaining write-ins for Line 22 from overflow page .....				
2299. <b>TOTALS</b> (Lines 2201 through 2203 plus 2298) (Line 22 above) .....	3,003,663		3,003,663	4,566,393

(a) \$..... health care delivery assets included in Line 4.1, Column 3.

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....1,302,997 reinsurance ceded) .....	39,834,662		39,834,662	38,462,930
2. Accrued medical incentive pool and bonus payments .....				
3. Unpaid claims adjustment expenses .....				
4. Aggregate policy reserves .....				
5. Aggregate claim reserves .....				
6. Premiums received in advance .....	5,825,618		5,825,618	15,478,969
7. General expenses due or accrued .....	149,757		149,757	724,974
8. Federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses) (including \$..... net deferred tax liability) .....	1,190,711		1,190,711	(500)
9. Amounts withheld or retained for account of others .....	3,176		3,176	(35,971)
10. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current) .....				
11. Amounts due to parent, subsidiaries and affiliates .....	13,713,376		13,713,376	12,133,530
12. Payable for securities .....				
13. Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers) .....				
14. Reinsurance in unauthorized companies .....				
15. Net adjustments in assets and liabilities due to foreign exchange rates .....				
16. Liability for amounts held under uninsured accident and health plans .....	2,545		2,545	2,545
17. Aggregate write-ins for other liabilities (including \$..... current) .....	8,620,827		8,620,827	9,895,562
18. Total liabilities (Lines 1 to 17) .....	69,340,672		69,340,672	76,662,039
19. Common capital stock .....	XXX	XXX	4,700,000	4,700,000
20. Preferred capital stock .....	XXX	XXX		
21. Gross paid in and contributed surplus .....	XXX	XXX	40,619,246	40,619,246
22. Surplus notes .....	XXX	XXX		
23. Aggregate write-ins for other surplus funds .....	XXX	XXX	(17,188,684)	(17,249,845)
24. Unassigned funds (surplus) .....	XXX	XXX	9,953,804	9,973,641
25. Less treasury stock, at cost:				
25.1 ..... shares common (value included in Line 19 \$.....) .....	XXX	XXX		
25.2 ..... shares preferred (value included in Line 20 \$.....) .....	XXX	XXX		
26. Total capital and surplus (Lines 19 to 24, Less 25) .....	XXX	XXX	38,084,366	38,043,042
27. Total liabilities, capital and surplus (Lines 18 and 26) .....	XXX	XXX	107,425,038	114,705,081
<b>DETAILS OF WRITE-INS</b>				
1701. Collateral Payable .....	2,819,345		2,819,345	4,230,754
1702. Loss Adjustment Expense Reserves .....	1,850,000		1,850,000	1,850,000
1703. Accrued Other .....	754,324		754,324	998,814
1798. Summary of remaining write-ins for Line 17 from overflow page .....	3,197,158		3,197,158	2,815,994
1799. TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above) .....	8,620,827		8,620,827	9,895,562
2301. Nonadmitted Assets .....	XXX	XXX	(16,696,822)	(16,847,004)
2302. Market Value Adjustment .....	XXX	XXX	(491,862)	(402,841)
2303 .....	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	XXX	XXX		
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	XXX	XXX	(17,188,684)	(17,249,845)

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year to Date		Prior Year
	1 Uncovered	2 Total	3 Total
	XXX	507,068	1,920,197
1. Member Months .....	XXX	507,068	1,920,197
2. Net premium income .....	XXX	107,451,623	374,295,029
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	.....	.....
4. Fee-for-service (net of \$..... medical expenses) .....	XXX	.....	.....
5. Risk revenue .....	XXX	3,422	12,811
6. Aggregate write-ins for other health care related revenues .....	XXX	.....	.....
7. <b>TOTAL REVENUES (Lines 2 to 6)</b> .....	XXX	107,455,045	374,307,840
<b>Medical and Hospital:</b>			
8. Hospital/medical benefits .....	.....	80,199,444	279,020,131
9. Other professional services .....	.....	.....	.....
10. Outside referrals .....	.....	.....	.....
11. Emergency room and out-of-area .....	.....	2,497,302	7,683,389
12. Prescription drugs .....	.....	15,395,706	50,602,925
13. Aggregate write-ins for other medical and hospital .....	.....	(307,409)	(1,126,441)
14. Incentive pool and withhold adjustments .....	.....	.....	.....
15. Subtotal (Lines 8 to 14) .....	.....	97,785,043	336,180,004
<b>LESS:</b>			
16. Net reinsurance recoveries .....	.....	164,084	1,904,491
17. Total medical and hospital (Lines 15 minus 16) .....	.....	97,620,959	334,275,513
18. Claims adjustment expenses .....	.....	.....	.....
19. General administrative expenses .....	.....	9,367,756	30,948,984
20. Increase in reserves for accident and health contracts .....	.....	.....	.....
21. Total underwriting deductions (Lines 17 through 20) .....	.....	106,988,715	365,224,497
22. Net underwriting gain or (loss) (Lines 7 minus 21) .....	XXX	466,330	9,083,343
23. Net investment income earned .....	.....	704,532	3,503,396
24. Net realized capital gains or (losses) .....	.....	.....	(11,658)
25. Net investment gains or (losses) (Lines 23 plus 24) .....	.....	704,532	3,491,738
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....), (amount charged off \$.....)] .....	.....	.....	.....
27. Aggregate write-ins for other income or expenses .....	.....	512	2,616
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27) .....	.....	1,171,374	12,577,697
29. Federal and foreign income taxes incurred .....	XXX	1,191,211	4,066,000
30. Net income (loss) (Lines 28 minus 29) .....	XXX	(19,837)	8,511,697
<b>DETAILS OF WRITE-INS</b>			
0601 .....	XXX	.....	.....
0602 .....	XXX	.....	.....
0603 .....	XXX	.....	.....
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	.....	.....
0699. <b>TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)</b> .....	XXX	.....	.....
1301. Subrogation Recoveries .....	.....	(307,409)	(1,126,441)
1302 .....	.....	.....	.....
1303 .....	.....	.....	.....
1398. Summary of remaining write-ins for Line 13 from overflow page .....	.....	.....	.....
1399. <b>TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)</b> .....	.....	(307,409)	(1,126,441)
2701. Other Income .....	.....	512	2,616
2702 .....	.....	.....	.....
2703 .....	.....	.....	.....
2798. Summary of remaining write-ins for Line 27 from overflow page .....	.....	.....	.....
2799. <b>TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)</b> .....	.....	512	2,616

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1 Current Year to Date	2 Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
31.	Capital and surplus prior reporting year .....	38,043,042	27,651,002
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS</b>			
32.	Net income or (loss) from Line 30 .....	(19,837)	8,511,697
33.	Change in valuation basis of aggregate policy and claim reserves .....		
34.	Net unrealized capital gains and losses .....		
35.	Change in net unrealized foreign exchange capital gain or (loss) .....		
36.	Change in net deferred income tax .....		
37.	Change in nonadmitted assets .....	150,181	(2,288,665)
38.	Change in unauthorized reinsurance .....		
39.	Change in treasury stock .....		
40.	Change in surplus notes .....		
41.	Cumulative effect of changes in accounting principles .....		
42.	Capital Changes:		
42.1	Paid in .....		
42.2	Transferred from surplus (Stock Dividend) .....		
42.3	Transferred to surplus .....		
43.	Surplus adjustments:		
43.1	Paid in .....		4,900,000
43.2	Transferred to capital (Stock Dividend) .....		
43.3	Transferred from capital .....		
44.	Dividends to stockholders .....		
45.	Aggregate write-ins for gains or (losses) in surplus .....	(89,021)	(730,990)
46.	Net change in capital and surplus (Lines 32 to 45) .....	41,323	10,392,042
47.	Capital and surplus end of reporting period (Line 31 plus 46) .....	38,084,365	38,043,044
<b>DETAILS OF WRITE-INS</b>			
4501.	Change in Market Value .....	(89,021)	(730,990)
4502	.....		
4503	.....		
4598.	Summary of remaining write-ins for Line 45 from overflow page .....		
4599.	TOTALS (Lines 4501 through 4503 plus 4598) (Line 45 above) .....	(89,021)	(730,990)

**CASH FLOW**

		1 Current Year To Date	2 Prior Year
<b>Cash from Operations</b>			
1.	Premiums and revenues collected net of reinsurance .....	96,740,707	377,838,719
2.	Claims and claims adjustment expenses .....	97,052,404	324,473,661
3.	General administrative expenses paid .....	10,294,342	30,498,039
4.	Other underwriting income (expenses) .....		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	(10,606,039)	22,867,019
6.	Net investment income .....	712,750	3,465,210
7.	Other income (expenses) .....	512	2,616
8.	Federal and foreign income taxes (paid) recovered .....		(5,384,771)
9.	Net cash from operations (Lines 5 to 8) .....	(9,892,777)	20,950,074
<b>Cash from Investments</b>			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds .....	2,422,178	5,736,544
10.2	Stocks .....		
10.3	Mortgage loans .....		
10.4	Real estate .....		
10.5	Other invested assets .....	384,019	(228,654)
10.6	Net gains or (losses) on cash and short-term investments .....		
10.7	Miscellaneous proceeds .....		
10.8	TOTAL investment proceeds (Lines 10.1 to 10.7) .....	2,806,197	5,507,890
11.	Cost of investments acquired (long-term only):		
11.1	Bonds .....	3,277,394	13,893,064
11.2	Stocks .....		
11.3	Mortgage loans .....		
11.4	Real estate .....		
11.5	Other invested assets .....	496,665	1,943,057
11.6	Miscellaneous applications .....		
11.7	TOTAL investments acquired (Lines 11.1 to 11.6) .....	3,774,059	15,836,121
12.	Net cash from investments (Line 10.8 minus Line 11.7) .....	(967,862)	(10,328,232)
<b>Cash from Financing and Miscellaneous Sources</b>			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in .....		4,900,000
13.2	Net transfers from affiliates .....	1,364,619	
13.3	Borrowed funds received .....		
13.4	Other cash provided .....	1,640,584	9,691,160
13.5	TOTAL (Lines 13.1 to 13.4) .....	3,005,203	14,591,160
14.	Cash applied:		
14.1	Dividends to stockholders paid .....		
14.2	Net transfers to affiliates .....		5,622,305
14.3	Borrowed funds repaid .....		
14.4	Other applications .....	2,069,654	5,457,753
14.5	TOTAL (Lines 14.1 to 14.4) .....	2,069,654	11,080,058
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5) .....	935,549	3,511,102
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15) .....	(9,925,090)	14,132,945
17.	Cash and short-term investments:		
17.1	Beginning of period .....	41,413,353	27,280,408
17.2	End of period (Line 16 plus Line 17.1) .....	31,488,263	41,413,353

**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 .....	164,381	225	124,837	.....	.....	.....	.....	15,090	24,229	.....
2. First Quarter .....	170,113	189	127,127	.....	.....	.....	.....	17,635	25,162	.....
3. Second Quarter .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. Third Quarter .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. Current Year .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6. Current Year Member Months .....	507,068	566	379,869	.....	.....	.....	.....	52,187	74,446	.....
Total Member Ambulatory Encounters for Period:										
7. Physician .....	382,806	384	236,308	.....	.....	.....	.....	92,818	53,296	.....
8. Non-Physician .....	159,397	62	41,552	.....	.....	.....	.....	106,880	10,903	.....
9. Total .....	542,203	446	277,860	.....	.....	.....	.....	199,698	64,199	.....
10. Hospital Patient Days Incurred .....	14,788	9	6,085	.....	.....	.....	.....	6,866	1,828	.....
11. Number of Inpatient Admissions .....	3,392	3	1,600	.....	.....	.....	.....	1,131	658	.....
12. Premiums Collected .....	96,740,707	188,455	59,622,286	.....	.....	.....	1,236,745	22,637,128	13,056,093	.....
13. Premiums Earned .....	108,258,222	219,336	62,106,662	.....	.....	.....	1,288,212	32,329,737	12,314,275	.....
14. Amount Paid for Provision of Health Care Services .....	97,052,405	35,864	33,039,319	.....	.....	.....	705,723	48,884,531	14,386,968	.....
15. Amount Incurred for Provision of Health Care Services .....	98,424,137	35,933	31,418,960	.....	.....	.....	666,254	51,178,727	15,124,263	.....

**CLAIMS PAYABLE (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
<b>Individually Listed Claims Payable</b>						
Express Scripts .....	3,168,982					3,168,982
0199999 Individually Listed Claims Payable .....	3,168,982					3,168,982
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	16,296,453					16,296,453
0499999 Subtotals .....	19,465,435					19,465,435
0599999 Unreported claims and other claim reserves .....						21,672,224
0699999 Total Amounts Withheld .....						
0799999 Total Claims Payable .....						41,137,659
0899999 Accrued Medical Incentive Pool .....						

# UNDERWRITING AND INVESTMENT EXHIBIT

## ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1+3)	6  Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec.31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (Hospital & Medical) .....	16,623,500	38,774,870	3,108,063	17,304,899	19,731,563	22,033,153
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan Premiums .....	352,107	1,465,901	65,833	366,540	417,940	471,941
6. Title XVIII - Medicare .....	8,754,652	20,774,879	2,333,345	11,640,224	11,087,997	11,679,373
7. Title XIX - Medicaid .....	2,727,070	6,776,249	811,358	4,204,401	3,538,428	4,278,464
8. Other .....						
9. Subtotal .....	28,457,329	67,791,899	6,318,598	33,516,064	34,775,927	38,462,931
10. Medical incentive pools, accruals and disbursements .....						
11. TOTALS .....	28,457,329	67,791,899	6,318,598	33,516,064	34,775,927	38,462,931

## **Notes to Financial Statement**

**GENERAL INTERROGATORIES**

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

**PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes[ ] No[X]

1.2 If yes, explain:

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]

2.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[X]

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]

3.2 If yes, date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational since the prior quarter end?  
If yes attach an organizational chart. Yes[ ] No[X]

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

5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation. Yes[ ] No[X] N/A[ ]

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1997

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1997

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

7.4 By what department or departments?  
NA

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes[ ] No[X]

8.2 If yes, give full information

**GENERAL INTERROGATORIES (continued)**

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

**INVESTMENT**

9.1 Has there been any changes in the reporting entity's own preferred or common stock? Yes[ ] No[X]

9.2 If yes, explain:

10.1 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]

10.2 If yes, give full and complete information relating thereto:

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

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

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....	.....	.....
13.22 Preferred Stock .....	.....	.....
13.23 Common Stock .....	.....	.....
13.24 Short-Term Investments .....	.....	.....
13.25 Mortgages, Loans or Real Estate .....	.....	.....
13.26 All Other .....	.....	.....
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	.....	.....
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	.....	.....
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	.....	.....

14.1 Does the reporting entity have any hedging transactions reported in Schedule DB? Yes[ ] No[X]

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[X]

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[ ]

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Sky Trust .....	519 Madison Avenue, 3rd Floor, Toledo, OH 43604 ..
Mellon Trust .....	Three Mellon Center, Suite 153-3925, Pittsburgh, PA 15259-0001 ..

15.2 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)
.....	.....	.....

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes[ ] No[X]

15.4 If yes, give full and complete information relating thereto:

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

15.5 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
.....	.....	.....

**SCHEDULE A - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	.....	.....	.....	.....
2. Increase (decrease) by adjustment .....	.....	.....	.....	.....
3. Cost of acquired .....	.....	.....	.....	.....
4. Cost of additions to and permanent improvements .....	.....	.....	.....	.....
5. Total profit (loss) on sales .....	.....	.....	.....	.....
6. Increase (decrease) by foreign exchange adjustment .....	.....	.....	.....	.....
7. Amount received on sales .....	.....	.....	.....	.....
8. Book/adjusted carrying value at end of current period .....	.....	.....	.....	.....
9. Total valuation allowance .....	.....	.....	.....	.....
10. Subtotal (Lines 8 plus 9) .....	.....	.....	.....	.....
11. Total nonadmitted amounts .....	.....	.....	.....	.....
12. Statement value, current period (Page 2, real estate lines, current period) .....	.....	.....	.....	.....

**NONE****SCHEDULE B - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period .....	.....	.....	.....	.....
2. Amount loaned during period:	.....	.....	.....	.....
2.1 Actual cost at time of acquisitions .....	.....	.....	.....	.....
2.2 Additional investment made after acquisitions .....	.....	.....	.....	.....
3. Accrual of discount and mortgage interest points and commitment fees .....	.....	.....	.....	.....
4. Increase (decrease) by adjustment .....	.....	.....	.....	.....
5. Total profit (loss) on sale .....	.....	.....	.....	.....
6. Amounts paid on account or in full during the period .....	.....	.....	.....	.....
7. Amortization of premium .....	.....	.....	.....	.....
8. Increase (decrease) by foreign exchange adjustment .....	.....	.....	.....	.....
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	.....	.....	.....	.....
10. Total valuation allowance .....	.....	.....	.....	.....
11. Subtotal (Lines 9 plus 10) .....	.....	.....	.....	.....
12. Total nonadmitted amounts .....	.....	.....	.....	.....
13. Statement value of mortgages owned at end of current period .....	.....	.....	.....	.....

**SCHEDULE BA - VERIFICATION****Other Invested Assets Included in Schedule BA**

Description	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period .....	23,073,776	.....	.....	26,920,489
2. Cost of acquisitions during period:	.....	.....	.....	.....
2.1 Actual cost at time of acquisitions .....	388,288	.....	.....	.....
2.2 Additional investment made after acquisitions .....	108,377	.....	.....	1,943,057
3. Accrual of discount .....	.....	.....	.....	.....
4. Increase (decrease) by adjustment .....	1,659,594	.....	.....	(5,465,728)
5. Total profit (loss) on sale .....	(25,329)	.....	.....	(228,654)
6. Amounts paid on account or in full during the period .....	384,019	.....	.....	95,389
7. Amortization of premium .....	.....	.....	.....	.....
8. Increase (decrease) by foreign exchange adjustment .....	.....	.....	.....	.....
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	24,820,687	.....	.....	23,073,776
10. Total valuation allowance .....	.....	.....	.....	.....
11. Subtotal (Lines 9 plus 10) .....	24,820,687	.....	.....	23,073,776
12. Total nonadmitted amounts .....	.....	.....	.....	.....
13. Statement value of long-term invested assets at end of current period .....	24,820,687	.....	.....	23,073,776

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

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1	29,899,361	3,277,394	2,422,178	(429,722)	30,324,855			29,899,361
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	29,899,361	3,277,394	2,422,178	(429,722)	30,324,855			29,899,361
<b>PREFERRED STOCK</b>								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. TOTAL Preferred Stock								
15. TOTAL Bonds & Preferred Stock	29,899,361	3,277,394	2,422,178	(429,722)	30,324,855			29,899,361

**SCHEDULE DA - PART 1****Short - Term Investments Owned End of Current Quarter**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999. TOTALS .....	2,016,778	XXX .....	2,020,313	10,500	

**SCHEDULE DA - PART 2 - Verification****Short-Term Investments Owned**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	2,401,166			885,516
2. Cost of short-term investments acquired .....	2,685,720			1,517,418
3. Increase (decrease) by adjustment .....	(1,768)			(1,767)
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....				
6. Consideration received on disposal of short-term investments .....	3,068,341			
7. Book/adjusted carrying value, current period .....	2,016,777			2,401,167
8. Total valuation allowance .....				
9. Subtotals (Lines 7 plus 8) .....	2,016,777			2,401,167
10. Total nonadmitted amounts .....				
11. Statement value (Lines 9 minus 10) .....	2,016,777			2,401,167
12. Income collected during period .....	10,500			111,798
13. Income earned during period .....	9,976			108,036

**16 Schedule DB Part F Section 1.....NONE**

**17 Schedule DB Part F Section 2.....NONE**

**SCHEDULE S - CEDED REINSURANCE****Showing all new reinsurers-Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
<b>Accident and health - non-affiliates</b>				
90611 .....	41-1366075 .....	Allianz Life Ins Co Of North Amer .....	Minneapolis, Minnesota .....	Yes[X] No[ ] .....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Allocated by States and Territories**

	State, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date			
				3 Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums
1.	Alabama	AL	No	No			
2.	Alaska	AK	No	No			
3.	Arizona	AZ	No	No			
4.	Arkansas	AR	No	No			
5.	California	CA	No	No			
6.	Colorado	CO	No	No			
7.	Connecticut	CT	No	No			
8.	Delaware	DE	No	No			
9.	District of Columbia	DC	No	No			
10.	Florida	FL	No	No			
11.	Georgia	GA	No	No			
12.	Hawaii	HI	No	No			
13.	Idaho	ID	No	No			
14.	Illinois	IL	No	No			
15.	Indiana	IN	No	No			
16.	Iowa	IA	No	No			
17.	Kansas	KS	No	No			
18.	Kentucky	KY	No	No			
19.	Louisiana	LA	No	No			
20.	Maine	ME	No	No			
21.	Maryland	MD	No	No			
22.	Massachusetts	MA	No	No			
23.	Michigan	MI	No	No			
24.	Minnesota	MN	No	No			
25.	Mississippi	MS	No	No			
26.	Missouri	MO	No	No			
27.	Montana	MT	No	No			
28.	Nebraska	NE	No	No			
29.	Nevada	NV	No	No			
30.	New Hampshire	NH	No	No			
31.	New Jersey	NJ	No	No			
32.	New Mexico	NM	No	No			
33.	New York	NY	No	No			
34.	North Carolina	NC	No	No			
35.	North Dakota	ND	No	No			
36.	Ohio	OH	No	Yes	61,795,264	32,214,866	11,937,367
37.	Oklahoma	OK	No	No			
38.	Oregon	OR	No	No			
39.	Pennsylvania	PA	No	No			
40.	Rhode Island	RI	No	No			
41.	South Carolina	SC	No	No			
42.	South Dakota	SD	No	No			
43.	Tennessee	TN	No	No			
44.	Texas	TX	No	No			
45.	Utah	UT	No	No			
46.	Vermont	VT	No	No			
47.	Virginia	VA	No	No			
48.	Washington	WA	No	No			
49.	West Virginia	WV	No	No			
50.	Wisconsin	WI	No	No			
51.	Wyoming	WY	No	No			
52.	American Samoa	AS	No	No			
53.	Guam	GU	No	No			
54.	Puerto Rico	PR	No	No			
55.	U.S. Virgin Islands	VI	No	No			
56.	Canada	CN	No	No			
57.	Aggregate other alien	OT	XXX	XXX			
58.	TOTAL (Direct Business)		XXX	(a) 1	61,795,264	32,214,866	11,937,367
							1,288,212

**DETAILS OF WRITE-INS**

5701	XXX	XXX					
5702	XXX	XXX					
5703	XXX	XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX	XXX					
5799. TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)	XXX	XXX					

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

## **SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

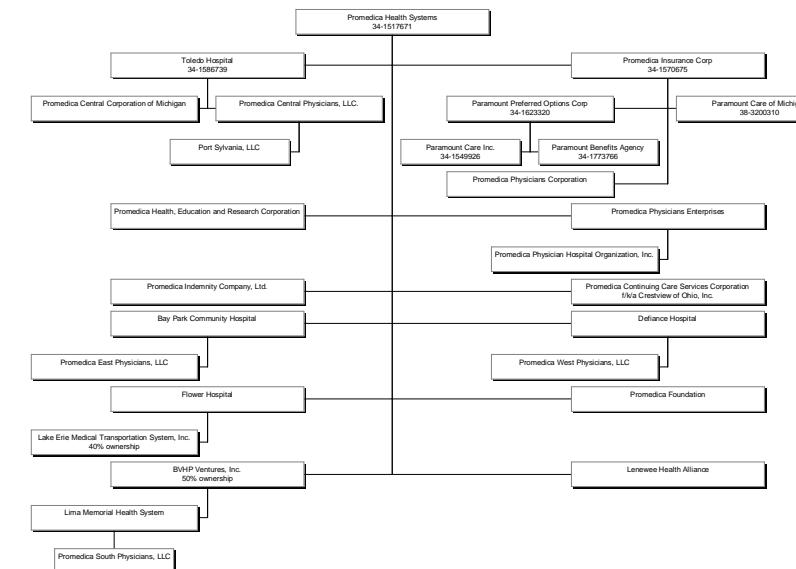
All insurer members of a Holding Company Group that has acquired and/or disposed of any domestic insurer (s) since filing the last annual or quarterly statement shall prepare a common schedule for inclusion in each of the individual quarterly statements

## PART 1 - ORGANIZATIONAL CHART

STATEMENT AS OF MARCH 31, 2002 OF PARAMOUNT HEALTH CARE INC.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATION CHART



## **SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

---

**RESPONSES**

No

1. Will the SVO Compliance Certification be filed with this statement?

Explanation:

Bar Code:



**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1704. Deferred Revenue .....	1,150,000		1,150,000	910,000
1705. Accrued Compensation .....	390,665		390,665	873,033
1706. Accrued Broker Commissions .....	842,555		842,555	703,990
1707. Security Deposits .....	157,107		157,107	157,107
1708. Accrued Dental .....	61,902		61,902	82,170
1709. Education Grant .....	44,807		44,807	45,163
1710. Accrued Sales Tax .....	64,126		64,126	44,531
1711. Accrued Franchise Tax .....	485,996		485,996	
1797. Summary of remaining write-ins for Line 17 .....	3,197,158		3,197,158	2,815,994

**E01 Schedule A Part 2.....NONE**

**E01 Schedule A Part 3.....NONE**

**E02 Schedule B Part 1.....NONE**

**E02 Schedule B Part 2.....NONE**

**SCHEDULE BA - PART 1****Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter**

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							
<b>Any Other Class of Admitted Assets</b>									
87,233.924 DOMESTIC EQUITY UNIT .....	PITTSBURGH .....	PA .....	MELLON TRUST (MELLON BANK, N.A.) .....	03/22/2002 .....	115,350 .....				
276,727,192 INTERNATIONAL EQUITY UNIT .....	PITTSBURGH .....	PA .....	MELLON TRUST (MELLON BANK, N.A.) .....	03/22/2002 .....	268,669 .....				
3,133.846 PHS SHORT TERM MASTER TRUST UNIT .....	PITTSBURGH .....	PA .....	MELLON TRUST (MELLON BANK, N.A.) .....	03/26/2002 .....	4,270 .....				
1499999 Subtotal - Any Other Class of Admitted Assets .....					388,288 .....				
9999999 Totals .....					388,288 .....				

**SCHEDULE BA - PART 2****Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter**

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book Adjusted/Carrying Value Less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
<b>Any Other Class of Admitted Assets</b>												
203,182.760 DOMESTIC EQUITY UNIT .....	PITTSBURGH .....	PA .....	MELLON TRUST (MELLON BANK, N.A.) .....		309,580 .....			268,669 .....			(40,911) .....	(40,911) .....
94,801.696 REAL ESTATE UNIT .....	PITTSBURGH .....	PA .....	MELLON TRUST (MELLON BANK, N.A.) .....		99,768 .....			115,350 .....			15,582 .....	15,582 .....
1499999 Subtotal - Any Other Class of Admitted Assets .....					409,348 .....			384,019 .....			(25,329) .....	(25,329) .....
9999999 Totals .....					409,348 .....			384,019 .....			(25,329) .....	(25,329) .....

E03

**SCHEDULE D - PART 3****Showing All Long-Term Bonds and Stocks ACQUIRED During Current Quarter**

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
<b>Bonds - U.S. Governments</b>								
3133MGVU7	FHLB 4.875% DUE 08/15/2005	01/07/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	252,500	250,000	4,807	1
3133MKVF1	FHLB 5.200% DUE 01/16/2007 CALL DATE 01/16/2003 @ 100	01/30/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	249,688	250,000	506	1
31331H7B7	FFCB 6.250% DUE 12/02/2002	01/07/2002	FIRST TENNESSEE CAPITAL MARKETS	XXX	259,108	250,000	1,563	1
3134A4HG2	FHLMC 3.500% DUE 09/15/2003	01/07/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	251,590	250,000	2,674	1
31364FRE3	FNMA 5.990% DUE 02/04/2003 CALLABLE	01/07/2002	FIRST TENNESSEE CAPITAL MARKETS	XXX	259,850	250,000	6,364	1
3133MJM98	FHLB 4.650% DUE 05/21/2007 CALL DATE 05/21/2002 @ 100	02/08/2002	MESIROW FINANCIAL INC	XXX	247,563	250,000	2,486	1
3136F07J5	FNMA 6.000% DUE 06/11/2010 CALL DATE 12/11/2002 @ 100	02/08/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	250,391	250,000	2,375	1
3136F1LE8	FNMA 4.250% DUE 02/11/2005 CALL DATE 02/11/2003 @ 100	02/11/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	499,844	500,000	1	
31359MJX2	FNMA 5.250% DUE 06/15/2006	03/21/2002	G.X. CLARKE, NYC-ROBERT LAFORTE	XXX	252,050	250,000	3,500	1
0399999 Subtotal - Bonds - U.S. Governments						2,522,582	2,500,000	24,275
<b>Bonds - Public Utilities</b>								
637432CR4	NATIONAL RURAL UTILITIES 5.250% DUE 07/15/2004	03/22/2002	FIRST TENNESSEE CAPITAL MARKETS	XXX	507,000	500,000	4,885	1
3899999 Subtotal - Bonds - Public Utilities						507,000	500,000	4,885
<b>Bonds - Industrial and Miscellaneous</b>								
59018YLN9	MERRILL LYNCH & CO 5.360% DUE 02/01/2007	03/28/2002	FIRST TENNESSEE CAPITAL MARKETS	XXX	247,813	250,000	2,122	1
4599999 Subtotal - Bonds - Industrial and Miscellaneous						247,813	250,000	2,122
6099997 Subtotal - Bonds - Part 3						3,277,394	3,250,000	31,282
6099998 Summary Item for Bonds Bought and Sold This Quarter								
6099999 Subtotal - Bonds						3,277,394	3,250,000	31,282
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter								
7099998 Summary Item for Common Stock Bought and Sold This Quarter							XXX	
7199999 Subtotal - Preferred and Common Stock							XXX	
7299999 Total - Bonds, Preferred and Common Stock						3,277,394	XXX	31,282

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues .....

**SCHEDULE D - PART 4****Showing All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of  
by the Company During the Current Quarter**

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Book/Adjusted Carrying Value at Disposal	9 Increase (Decrease) by Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) On Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Design- ation (a)	
<b>Bonds - U.S. Governments</b>																	
31364K3D0	FNMA 6.400% DUE 09/15/2008	03/15/2002	FULL CALL @ 100	XXX	250,000	250,000	250,000	252,188							8,000	XXX	1
31364K5E6	FNMA 6.150% DUE 03/15/2011	03/15/2002		XXX	250,000	250,000	248,828	251,641					1,172		7,688	XXX	1
3133MAQJ1	FHLB 6.750% DUE 02/01/2002	02/01/2002	MATURITY	XXX	199,375	200,000	199,375	200,813							6,750	XXX	1
31364CZH4	FNMA 6.490% DUE 03/19/2002	03/19/2002	MATURITY	XXX	250,000	250,000	249,054	252,475					946		8,113	XXX	1
3134A1RK8	FHLMC 6.624% DUE 03/26/2020	03/26/2002	MATURITY	XXX	250,000	250,000	250,000	252,656							8,280	XXX	1
31344WWQ8	FHLMC 8.000% DUE 03/01/2008	03/15/2002	PRINCIPAL	XXX	10,590	10,590	10,590	10,590								XXX	1
31347BCT7	FNMA 9.000% DUE 10/01/2005	03/15/2002	PRINCIPAL	XXX	7,565	7,565	7,565	7,565								XXX	1
31361W7J0	FNMA 6.500% DUE 12/01/2003	03/25/2002	PRINCIPAL	XXX	12,015	12,015	12,015	12,015								XXX	1
0399999 Subtotal - Bonds - U.S. Governments					1,229,545	1,230,170	1,227,428	1,239,943					2,117		38,830	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																	
364760AA6	GAP, INC 6.900% DUE 09/15/2007	03/28/2002	MESIROW FINANCIAL INC	XXX	216,250	250,000	253,650	203,100					(37,400)		9,248	XXX	1
524908BS8	LEHMAN BROS HLDG 6.200% DUE 01/15/2002	01/15/2002	MATURITY	XXX	491,531	500,000	491,531	500,550							15,500	XXX	1
147444AJ2	CASE EQUIPMENT LOAN TRUST 5.610% DUE 04/15/2005	03/18/2002	PRINCIPAL	XXX	42,064	42,064	42,064	42,064								XXX	1
16675HAF9	CHEVRON TRST FND 8.110% DUE 12/04/200	01/03/2002	PRINCIPAL	XXX	66,667	66,667	66,667	66,667								XXX	1
595494AE5	MID-STATE TRUST 9.625% DUE 04/01/2003	01/03/2002	PRINCIPAL	XXX	22,500	22,500	22,500	22,500								XXX	1
705220AJ0	PECO ENERGY CAP TR 7.300% DUE 09/01/2004	03/04/2002	PRINCIPAL	XXX	253,828	253,828	253,828	253,828								XXX	1
750755AA8	RAILCAR TRUST 7.750% DUE 06/01/2004	03/04/2002	PRINCIPAL	XXX	20,339	20,339	20,339	20,339								XXX	1
91530LAA9	UPJOHN CO ESOT 9.790% DUE 02/01/2004	02/04/2002	PRINCIPAL	XXX	79,455	79,455	79,455	298,394								XXX	1
4599999 Subtotal - Bonds - Industrial and Miscellaneous					1,192,633	1,234,852	1,230,033	1,407,442					(37,400)		24,748	XXX	XXX
6099997 Subtotal - Bonds - Part 4					2,422,178	2,465,022	2,457,461	2,647,385					(35,283)		63,578	XXX	XXX
6099998 Summary Item for Bonds Bought and Sold This Quarter																XXX	XXX
6099999 Subtotal - Bonds					2,422,178	2,465,022	2,457,461	2,647,385					(35,283)		63,578	XXX	XXX
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter																XXX	XXX
7099998 Summary Item for Common Stock Bought and Sold This Quarter																XXX	XXX
7199999 Subtotal - Preferred and Common Stock																XXX	XXX
7299999 Total - Bonds, Preferred and Common Stock					2,422,178	XXX	2,457,461	2,647,385					(35,283)		63,578	XXX	XXX

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues .....

**E06 Schedule DB Part A Section 1.....NONE**

**E06 Schedule DB Part B Section 1.....NONE**

**E07 Schedule DB Part C Section 1.....NONE**

**E07 Schedule DB Part D Section 1.....NONE**

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

1 Depository		2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			8 *
					5 First Month	6 Second Month	7 Third Month	
<b>open depositories</b>								
Sky Bank (Mid Am Region) .....	Maumee, OH .....	2.020	220,066		32,050,198	35,133,410	29,470,735	
0199998 Deposits in ..... depositories which do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....		X X X .....						
0199999 Totals - Open Depositories .....		X X X .....	220,066		32,050,198	35,133,410	29,470,735	
0299998 Deposits in ..... depositories which do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....		X X X .....						
0299999 Totals - Suspended Depositories .....		X X X .....						
0399999 Total Cash On Deposit .....		X X X .....	220,066		32,050,198	35,133,410	29,470,735	
0499999 Cash in Company's Office .....		X X X .....	X X X .....	X X X .....	750	750	750	
0599999 Total Cash .....		X X X .....	220,066		32,050,948	35,134,160	29,471,485	

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