

**QUARTERLY STATEMENT**

**OF THE**

**Vantage Health Plan, Inc.**

**Vantage Health Plan, Inc.**

**of**

**Sandusky**

**in the state of**

**Ohio**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF Ohio**

**FOR THE QUARTER ENDED**  
**March 31, 2002**

**HEALTH**

**2002**



## HEALTH QUARTERLY STATEMENT

95671200220100101

**AS OF MARCH 31, 2002**

## OF THE CONDITION AND AFFAIRS OF THE

## **Vantage Health Plan, Inc.**

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95671	Employer's ID Number	34-1817412		
Organized under the Laws of		Ohio	, State of Domicile or Port of Entry		Ohio			
Country of Domicile		US						
Licensed as business type: Life, Accident & Health		<input type="checkbox"/>	Property/Casualty	<input type="checkbox"/>	Health Service Corporation	<input type="checkbox"/>	Dental Service Corporation	<input type="checkbox"/>
Vision Service Corporation		<input type="checkbox"/>	Other	<input type="checkbox"/>	Health Maintenance Organization	<input checked="" type="checkbox"/>	Is HMO Federally Qualified? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	
Date Incorporated or Organized:		December 5, 1995		Date Commenced Business:		January 1, 1996		
Statutory Home Office:		4602 Timber Commons Drive	Sandusky, OH 44870					
Main Administrative Office:		4602 Timber Commons Drive	Sandusky, OH 44870	419-621-9858				
Mail Address:		2570 Technical Drive	Miamisburg, OH 45342					
Primary Location of Books and Records:		2570 Technical Drive	Miamisburg, OH 45342	937-866-6660				
Internet Website Address:		www.vantagehealthplan.com						
Statement Contact:		Anne Wassum	937-866-6660	129				
		annewassum@acmginc.com	937-866-8083					
		(E-Mail Address)	(Fax Number)					
Policyowner Relations Contact:		4602 Timber Commons Drive	Sandusky, OH 44870	419-621-9858	00000			

## OFFICERS

**President:** William Schuchardt, MD  
**Secretary:** Samuel Christian, MD  
**Treasurer:** Richard Keller, MD  
**Actuary:**

## **Vice-Presidents**

## **DIRECTORS OR TRUSTEES**

William Schuchardt, MD	Richard Keller, MD	Brian Baxter, MD	Bryan Kuns, DO
Jacqueline Forestall	Shavinder Ahluwalia, MD	Daniel Moncher	James Preston, DO
Charles Duncan	Kim Knight, MD	Harold Bischoff	Dennis Sokol
Douglas Talkington	Kyung Kim, MD	James Wible	Lee Wieber
Glenn McLaughlin, MD	Benjamin Murcek, MD	Lawrence McCormack, MD	Patrick McGuinn, MD

State of OH  
County of Erie ss

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

(Signature)

(Signature)

(Signature)

William Schuchardt, MD

Samuel Christian, MD

Richard Keller, MD

(Printed Name)  
President

Printed Name  
Secretary

Printed Name  
Treasurer

Subscribed and sworn to before me this

25th day of April , 2002

NOTARY PUBLIC (Seal)

## ASSETS

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds	2,270,318		2,270,318	1,949,341
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):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)			(a)	
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 899,759 ) and short-term investments (\$ 432,232 )	1,331,991		1,331,991	1,798,207
6. Other long-term invested assets				
7. Receivable for securities				
8. Aggregate write-ins for invested assets	497		497	878
9. Subtotal cash and invested assets (Lines 1 to 8)	3,602,806		3,602,806	3,748,426
10. Accident and health premiums due and unpaid	6,665		6,665	24,535
11. Health care receivables				
12. Amounts recoverable from reinsurers	38,027		38,027	
13. Net adjustment in assets and liabilities due to foreign exchange rates				
14. Investment income due and accrued	50,434		50,434	38,082
15. Amounts due from parent, subsidiaries and affiliates	32,817		32,817	35,054
16. Amounts receivable relating to uninsured accident and health plans				
17. Furniture and equipment	936		936	1,049
18. Amounts due from agents				
19. Federal and foreign income tax recoverable and interest thereon (including \$ 0 net deferred tax asset)				
20. Electronic data processing equipment and software				
21. Other nonadmitted assets				
22. Aggregate write-ins for other than invested assets	351,540	314,160	37,380	25,854
23. Total assets (Lines 9 plus 10 through 22)	4,083,225	314,160	3,769,065	3,873,000

DETAILS OF WRITE-INS				
0801. Investment in Vantage Occupational Health Plan	497		497	878
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above)	497		497	878
2201. Miscellaneous Receivable	29,880		29,880	13,854
2202. Note Receivable - OHP Inc.	7,500		7,500	12,000
2203. Note Receivable - ACMG Inc.	295,343	295,343		
2298. Summary of remaining write-ins for Line 22 from overflow page	18,817	18,817		
2299. Totals (Lines 2201 through 2203 plus 2298) (Line 22 above)	351,540	314,160	37,380	25,854

(a) \$ 0 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 \$ 0 reinsurance ceded)	1,373,581	48,356	1,421,937	1,315,605
2. Accrued medical incentive pool and bonus payments				
3. Unpaid claims adjustment expenses	38,605		38,605	38,605
4. Aggregate policy reserves				
5. Aggregate claim reserves				
6. Premiums received in advance	310,563		310,563	437,135
7. General expenses due or accrued	35,147		35,147	60,184
8. Federal and foreign income tax payable and interest thereon (including \$ 0 on realized capital gains (losses) (including \$ 0 net deferred tax liability)				
9. Amounts withheld or retained for the account of others				
10. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
11. Amounts due to parent, subsidiaries and affiliates				
12. Payable for securities				
13. Funds held under reinsurance treaties with (\$ 0 authorized reinsurers and \$ 0 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				
17. Aggregate write-ins for other liabilities (including \$ 0 current)	66,646		66,646	45,963
18. Total liabilities (Lines 1 to 17)	1,824,542	48,356	1,872,898	1,897,492
19. Common capital stock	XXX	XXX	3,160,290	3,160,290
20. Preferred capital stock	XXX	XXX		
21. Gross paid in and contributed surplus	XXX	XXX		
22. Surplus notes	XXX	XXX		
23. Aggregate write-ins for other than special surplus funds	XXX	XXX		
24. Unassigned funds (surplus)	XXX	XXX	(1,086,508)	(1,007,167)
25. Less treasury stock, at cost:				
25.1 0 shares common (value included in Line 19 \$ 0)	XXX	XXX	177,615	177,615
25.2 0 shares preferred (value included in Line 20 \$ 0)	XXX	XXX		
26. Total capital and surplus (Lines 19 to 24 less 25)	XXX	XXX	1,896,167	1,975,508
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	3,769,065	3,873,000

DETAILS OF WRITE-INS				
1701. PPO Claims Payable	26,548		26,548	5,976
1702. PPO Retention	8,598		8,598	8,487
1703. Premium Deficiency Reserve	31,500		31,500	31,500
1798. Summary of write-ins for Line 17 from overflow page				
1799. Totals (Lines 1701 through 1703 plus 1798) (Line 17 above)	66,646		66,646	45,963
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of write-ins for Line 23 from overflow page	XXX	XXX		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year
	1	2	3
	Uncovered	Total	Total
1. Member Months	X X X	16,589	52,348
2. Net premium income	X X X	3,107,068	8,798,493
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ 0 medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X		
7. Total revenues (Lines 2 to 6)	X X X	3,107,068	8,798,493
<b>Medical and Hospital:</b>			
8. Hospital/medical benefits	104,886	1,341,756	3,841,220
9. Other professional services	25,581	856,213	1,950,821
10. Outside referrals			
11. Emergency room and out-of-area	5,493	99,937	271,621
12. Prescription drugs		445,246	1,154,301
13. Aggregate write-ins for other medical and hospital	18,659	198,280	707,396
14. Incentive pool and withhold adjustments		(135,164)	(398,188)
15. Subtotal (Lines 8 to 14)	154,619	2,806,268	7,527,171
<b>Less:</b>			
16. Net reinsurance recoveries		38,026	31,599
17. Total medical and hospital (Lines 15 minus 16)	154,619	2,768,242	7,495,572
18. Claims adjustment expenses			22,605
19. General administrative expenses		506,768	1,510,304
20. Increase in reserves for accident and health contracts			31,500
21. Total underwriting deductions (Lines 17 through 20)	154,619	3,275,010	9,059,981
22. Net underwriting gain or (loss) (Lines 7 minus 21)	X X X	(167,942)	(261,488)
23. Net investment income earned		46,125	182,683
24. Net realized capital gains or (losses)			
25. Net investment gains or (losses) (Lines 23 plus 24)		46,125	182,683
26. Net gain or (loss) from agents' or premium balances charged off [( amount recovered \$ 0 ) ( amount charged off \$ 0 )]			
27. Aggregate write-ins for other income or expenses		37,702	146,497
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		(84,115)	67,692
29. Federal and foreign income taxes incurred	X X X		
30. Net income (loss) (Lines 28 minus 29)	X X X	(84,115)	67,692

DETAILS OF WRITE-INS			
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
1301. Other	18,659	198,280	707,396
1302.			
1303.			
1398. Summary of remaining write-ins for Line 13 from overflow page			
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	18,659	198,280	707,396
2701. PPO Revenue		6,976	27,887
2702. BWC Revenue		17,762	84,620
2703. Interest on Note Receivable		8,345	34,102
2798. Summary of remaining write-ins for Line 27 from overflow page		4,619	(112)
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		37,702	146,497

**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 period	1,975,508	1,819,205
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS</b>		
32. Net income or (loss) from Line 30	(84,115)	67,692
33. Change in valuation basis of aggregate policy and claim reserves		
34. Net unrealized capital gains and losses		931
35. Change in net unrealized foreign exchange capital gain or (loss)		
36. Change in net deferred income tax		
37. Change in nonadmitted assets	4,774	80,968
38. Change in unauthorized reinsurance		
39. Change in treasury stock		(2,478)
40. Change in surplus notes		
41. Cumulative effect of changes in accounting principles		
42. Capital Changes:		
42.1 Paid in		9,190
42.2 Transferred from surplus (Stock Dividend)		
42.3 Transferred to surplus		
43. Surplus adjustments:		
43.1 Paid in		
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		
46. Net change in capital & surplus (Lines 32 to 45)	(79,341)	156,303
47. Capital and surplus end of reporting period (Line 31 plus 46)	1,896,167	1,975,508

DETAILS OF WRITE-INS		
4501.		
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)		

**CASH FLOW**

		1 Current Year To Date	2 Prior Year
	<b>Cash from Operations</b>		
1.	Premiums and revenues collected net of reinsurance	2,998,366	9,041,506
2.	Claims and claims adjustment expenses	2,699,937	6,912,192
3.	General administrative expenses paid	531,805	1,576,754
4.	Other underwriting income (expenses)		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(233,376)	552,560
6.	Net investment income	37,701	176,418
7.	Other income (expenses)	54,364	168,555
8.	Federal and foreign income taxes (paid) recovered		
9.	Net cash from operations (Lines 5 to 8)	(141,311)	897,533
	<b>Cash from Investments</b>		
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds		350,000
10.2	Stocks		
10.3	Mortgage loans		
10.4	Real estate		
10.5	Other invested assets		
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)		350,000
11.	Cost of investments acquired (long-term only):		
11.1	Bonds	324,905	1,176,383
11.2	Stocks		
11.3	Mortgage loans		
11.4	Real estate		
11.5	Other invested assets		
11.6	Miscellaneous applications		
11.7	Total investments acquired (Lines 11.1 to 11.6)	324,905	1,176,383
12.	Net cash from investments (Line 10.8 minus Line 11.7)	(324,905)	(826,383)
	<b>Cash from Financing and Miscellaneous Sources</b>		
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in		9,190
13.2	Net transfers from affiliates		
13.3	Borrowed funds received		
13.4	Other cash provided		
13.5	Total (Lines 13.1 to 13.4)		9,190
14.	Cash applied:		
14.1	Dividends to stockholders paid		
14.2	Net transfers to affiliates		
14.3	Borrowed funds repaid		
14.4	Other applications		2,478
14.5	Total (Lines 14.1 to 14.4)		2,478
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)		6,712
	<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)	(466,216)	77,862
17.	Cash and short-term investments:		
17.1	Beginning of period	1,798,207	1,720,345
17.2	End of period (Line 16 plus Line 17.1)	1,331,991	1,798,207

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1	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	4,981		4,981							
2. First Quarter	5,588		5,588							
3. Second Quarter										
4. Third Quarter										
5. Current Year	5,588		5,588							
6. Current Year Member Months	16,589		16,589							
Total Member Ambulatory Encounters for Period:										
7. Physician	4,697		4,697							
8. Non-Physician	13,600		13,600							
9. Total	18,297		18,297							
10. Hospital Patient Days Incurred	355		355							
11. Number of Inpatient Admissions	101		101							
12. Premiums Collected	2,998,366		2,998,366							
13. Premiums Earned	3,107,068		3,107,068							
14. Amount Paid for Provision of Health Care Services	2,699,937		2,699,937							
15. Amount Incurred for Provision of Health Care Services	2,768,242		2,768,242							

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **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
0299999 Aggregate accounts not individually listed - uncovered	23,472	2,381	1,975	1,724	2,305	31,857
0399999 Aggregate accounts not individually listed - covered	457,328	41,000	5,747	6,939	(80)	510,934
0499999 Subtotals	480,800	43,381	7,722	8,663	2,225	542,791
0599999 Unreported claims and other claim reserves						879,146
0799999 Total claims payable						1,421,937
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)	1,053,242	1,646,695	101,095	1,320,842	1,154,337	1,315,605
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other						
9. Subtotal	1,053,242	1,646,695	101,095	1,320,842	1,154,337	1,315,605
10. Medical Incentive pools, accruals and disbursements						
11. Totals	1,053,242	1,646,695	101,095	1,320,842	1,154,337	1,315,605

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**NOTES TO FINANCIAL STATEMENTS**

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**GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since 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 chart since the prior quarter end?  Yes [ ]  No [ X ]  
If yes, attach an organizational chart.

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

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

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

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

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.  09/30/2000

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.  09/30/2000

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).  05/07/2001

7.4 By what department or departments? Office of Financial Regulation Services-Ohio Department of Insurance  
.....

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 change 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 [X] No [ ]

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 .....	\$ _____	\$ 497
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) .....	\$ 878	\$ 497
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 on 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
Robert W. Baird & Co., Incorporated	2525 West End Ave Suite 1000 Nashville, TN 37203
Merrill Lynch	4406 Timber Commons Dr. Suite 100 Sandusky, OH 44870

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)				

**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				
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount				
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/adjusted carrying value of long-term invested assets at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of long term invested assets at end of current period				

Statement as of March 31, 2002 of the

Vantage Health Plan, Inc.

**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	1,511,175			(108,807)	1,402,368			1,511,175
2. Class 2	525,784		324,905	102,230	952,919			525,784
3. Class 3	197,665			(46)	197,619			197,665
4. Class 4	149,487			157	149,644			149,487
5. Class 5								
6. Class 6								
7. Total Bonds	2,384,111	324,905		(6,466)	2,702,550			2,384,111
<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	2,384,111	324,905		(6,466)	2,702,550			2,384,111

**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	432,232	XXX	438,065	8,050

**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	434,770			704,601
2. Cost of short-term investments acquired				1,825,038
3. Increase (decrease) by adjustment	(2,538)			15,131
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				2,110,000
7. Book/adjusted carrying value, current period	432,232			434,770
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	432,232			434,770
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	432,232			434,770
12. Income collected during period	8,050			26,276
13. Income earned during period	7,248			53,488

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE DB - PART F - SECTION 1**

**SCHEDULE DB - PART F - SECTION 2**  
**Reconciliation of Replicated (Synthetic) Assets Open**

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	XXX									
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX									
7. Ending Inventory										

NONE

## **SCHEDULE S - CEDED REINSURANCE**

**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. Dist. 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	3,107,068		
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	3,107,068		

DETAILS OF WRITE-INS				
5701.				
5702.				
5703.				
5798. Summary of remaining write-ins for Line 57 from overflow page				
5799. Totals (Lines 5701 through 5703 plus 5798) (Line 57 above)				

(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**  
**PART 1 - ORGANIZATIONAL CHART**

**NONE**

## **SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplement 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.

	<u>RESPONSE</u>
1. Will the SVO Compliance Certification be filed with this statement?	YES .....

**EXPLANATION:**

**BARCODE:**

---

**OVERFLOW PAGE FOR WRITE-INS**

---

**OVERFLOW PAGE FOR WRITE-INS****Page 2 - Continuation****ASSETS**

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
<b>REMAINING WRITE-INS AGGREGATED AT LINE 08 FOR INVESTED ASSETS</b>				
0804.				
0805.				
0806.				
0807.				
0808.				
0809.				
0810.				
0811.				
0812.				
0813.				
0814.				
0815.				
0816.				
0817.				
0818.				
0819.				
0820.				
0821.				
0822.				
0823.				
0824.				
0825.				
0897. Totals (Lines 0804 through 0825) (Page 2, Line 0898)				
<b>REMAINING WRITE-INS AGGREGATED AT LINE 22 FOR OTHER THAN INVESTED ASSETS</b>				
2204. Prepaid Insurance and Expense	18,817	18,817		
2205.				
2206.				
2207.				
2208.				
2209.				
2210.				
2211.				
2212.				
2213.				
2214.				
2215.				
2216.				
2217.				
2218.				
2219.				
2220.				
2221.				
2222.				
2223.				
2224.				
2225.				
2297. Totals (Lines 2204 through 2225) (Page 2, Line 2298)	18,817	18,817		

## OVERFLOW PAGE FOR WRITE-INS

Page 4 - Continuation  
STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year
	1	2	3
	Uncovered	Total	Total
<b>REMAINING WRITE-INS AGGREGATED AT LINE 06 FOR OTHER HEALTH CARE RELATED REVENUES</b>			
0604.	XXX		
0605.	XXX		
0606.	XXX		
0607.	XXX		
0608.	XXX		
0609.	XXX		
0610.	XXX		
0611.	XXX		
0612.	XXX		
0613.	XXX		
0614.	XXX		
0615.	XXX		
0616.	XXX		
0617.	XXX		
0618.	XXX		
0619.	XXX		
0620.	XXX		
0621.	XXX		
0622.	XXX		
0623.	XXX		
0624.	XXX		
0625.	XXX		
0697. Totals (Lines 0604 through 0625) (Page 4, Line 0698)	XXX		
<b>REMAINING WRITE-INS AGGREGATED AT LINE 13 FOR OTHER MEDICAL AND HOSPITAL</b>			
1304.			
1305.			
1306.			
1307.			
1308.			
1309.			
1310.			
1311.			
1312.			
1313.			
1314.			
1315.			
1316.			
1317.			
1318.			
1319.			
1320.			
1321.			
1322.			
1323.			
1324.			
1325.			
1397. Totals (Lines 1304 through 1325) (Page 4, Line 1398)			
<b>REMAINING WRITE-INS AGGREGATED AT LINE 27 FOR OTHER INCOME OR EXPENSES</b>			
2704. Loss on Investment in Vantage Occupational Health Plan		(381)	
2705. Miscellaneous Income		5,000	
2706.			
2707.			
2708.			
2709.			
2710.			
2711.			
2712.			
2713.			
2714.			
2715.			
2716.			
2717.			
2718.			
2719.			
2720.			
2721.			
2722.			
2723.			
2724.			
2725.			
2797. Totals (Lines 2704 through 2725) (Page 4, Line 2798)		4,619	
			(112)

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE A - PART 2**

## Showing all Real Estate ACQUIRED During the Current Quarter

## **SCHEDULE A - PART 3**

Showing all Real Estate SOLD during the Quarter, including Payments during the Final Year on "Sales under Contract"

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE B - PART 1**

## Showing all Mortgage Loans ACQUIRED during the Current Quarter

## **SCHEDULE B - PART 2**

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE BA - PART 1**

### Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter

## **SCHEDULE BA - PART 2**

Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

**SCHEDULE D - PART 3**

Showing all Long-term Bonds and Stock Acquired by the Company During the 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)
017361-AA-4	Allegheny Energy Inc.	01/28/2002			160,635	150,000.00	5,716	2
3899999	Total Bonds Public Utilities			XXX	160,635	150,000.00	5,716	XXX
751025-AA-5	Ralcorp Holdings Inc.	01/28/2002			164,270	150,000.00	4,849	2
4599999	Total Bonds Industrial and Miscellaneous			XXX	164,270	150,000.00	4,849	XXX
6099997	Total Bonds Part 3			XXX	324,905	300,000.00	10,565	XXX
6099999	Total Bonds			XXX	324,905	300,000.00	10,565	XXX
7299999	Totals				324,905	XXX	10,565	XXX

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

0

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE D - PART 4**

#### Show All Long-term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues 0 .

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## SCHEDULE DB - PART A - SECTION 1

## Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

E  
0  
6

**SCHEDULE DB - PART B - SECTION 1**

## Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

Statement as of March 31, 2002 of the **Vantage Health Plan, Inc.**

## **SCHEDULE DB - PART C - SECTION 1**

Showing all Collar, Swap and Fowards Open at Current Statement Date

**NONE**

## SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date

**NONE**

E  
0  
7

## 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	
Open Depositories							
KeyBank	Sandusky, Ohio	1,200	1,505	182,206	250,642	312,558	
KeyBank	Sandusky, Ohio			9,668	9,668	9,543	
KeyBank (Certificate of Deposit-Mature 12/26/20	Sandusky, Ohio	6,160	6,026	405	400,000	400,000	
Robert Baird & Co.	Nashville, Tennessee	1,340	738	110,304	116,244	137,257	
Merrill Lynch	Sandusky, Ohio	1,650	154	37,726	40,350	40,401	
0199998 Deposits in ( 0 ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX						XXX
0199999 Total - Open Depositories	XXX	8,423	405	739,904	816,904	899,759	XXX
Suspended Depositories							
0299998 Deposits in ( 0 ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX						XXX
0299999 Total Suspended Depositories	XXX						XXX
0399999 Total Cash on Deposit	XXX	8,423	405	739,904	816,904	899,759	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX				XXX
0599999 Total	XXX	8,423	405	739,904	816,904	899,759	XXX