95828200220100103

HEALTH QUARTERLY STATEMENT

As of September 30, 2002
of the Condition and Affairs of the

Medical Health Insuring Corporation of Ohio

NAIC Group Code..... 730, 730 (Current Period) (Prior Period) NAIC Company Code..... 95828 Employer's ID Number..... 34-1442712

Organized under the Laws of OHIO State of Domicile or Port of Entry OHIO

Country of Domicile USA

Licensed as Business Type Life, Accident & Health [ ] Property/Casualty [ ] Hospital, Medical & Dental Service or Indemnity [ ] Dental Service Corporation [ ] Vision Service Corporation [ ] Health Maintenance Organization [X] Other [ ]

Is HMO Federally Qualified? Yes [ ] No [X]
Date Incorporated or Organized..... July 13, 1984 Date Commenced Business..... January 1, 1985

Statutory Home Office	2060 E. 9th Street ..... Cleveland ..... Oh ..... 44115-1355 *(Street and Number) (City or Town, State and Zip Code)*	
Address of Main Administrative Office	2060 E. 9th Street ..... Cleveland ..... Oh ..... 44115-1355 *(Street and Number) (City or Town, State and Zip Code)*	216-687-7000 *(Area Code) (Telephone Number)*
Mail Address	2060 E. 9th Street ..... Cleveland ..... Oh ..... 44115-1355 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	2060 E. 9th Street ..... Cleveland ..... Oh ..... 44115-1355 *(Street and Number) (City or Town, State and Zip Code)*	216-687-7000 *(Area Code) (Telephone Number)*
Internet Website Address	www.mmoh.com	
Statement Contact	Meg Sommers *(Name)* *Meg.Sommers@mmoh.com* *(E-Mail Address)*	216-687-7390 *(Area Code) (Telephone Number) (Extension)* *216-687-1579* *(Fax Number)*
Policyowner Relations Contact	2060 E. 9th Street ..... Cleveland ..... Oh ..... 44115-1355 *(Street and Number) (City or Town, State and Zip Code)*	1-800-700-2583 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

President ..... KENT W CLAPP Treasurer ..... VACANT
Secretary ..... VACANT

VICE PRESIDENTS

SUSAN TYLER, EVP JOHN S DORRELL, ESQ

DIRECTORS OR TRUSTEES

Kent W. Clapp	Paul Beddia	Ralph E. Schey	Glenna E. Watson
Samuel H. Miller	James V. Patton	David Young	Charles A. Bryan

State of...OHIO
County of...CUYAHOGA

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the 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)	(Signature)	(Signature)
KENT W CLAPP	VACANT	SUSAN TYLER
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	EVP & CFO

Subscribed and sworn to before me this

.....day of ....., 2002

.....

ASSETS

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds	19,975,390		19,975,390	430,631
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			(a) 0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....24,976,230) and short-term investments ($.....0)	24,976,230		24,976,230	40,556,222
6. Other long-term invested assets			0	
7. Receivable for securities			0	
8. Aggregate write-ins for invested assets	0	0	0	0
9. Subtotal, cash and invested assets (Lines 1 to 8)	44,951,620	0	44,951,620	40,986,853
10. Accident and health premiums due and unpaid	9,478,314		9,478,314	6,245,127
11. Health care receivables	2,492,142	1,538,330	953,812	783,065
12. Amounts recoverable from reinsurers			0	
13. Net adjustment in assets and liabilities due to foreign exchange rates			0	
14. Investment income due and accrued	345,147		345,147	17,943
15. Amounts due from parent, subsidiaries and affiliates			0	2,632,392
16. Amounts receivable relating to uninsured accident and health plans			0	
17. Furniture and equipment			0	
18. Amounts due from agents			0	
19. Federal and foreign income tax recoverable and interest thereon (including $.....440,000 net deferred tax asset)	440,000		440,000	
20. Electronic data processing equipment and software			0	
21. Other nonadmitted assets			0	
22. Aggregate write-ins for other than invested assets	0	0	0	500,000
23. Total assets (Lines 9 plus 10 through 22)	57,707,223	1,538,330	56,168,893	51,165,380

DETAILS OF WRITE-INS

0801.			0	
0802.			0	
0803.			0	
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0
2201. Deposits			0	500,000
2202.			0	
2203.			0	
2298. Summary of remaining write-ins for Line 22 from overflow page	0	0	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above)	0	0	0	500,000

(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)	25,071,508		25,071,508	29,832,810
2. Accrued medical incentive pool and bonus payments	643,575		643,575	498,300
3. Unpaid claims adjustment expenses	984,168		984,168	974,365
4. Aggregate policy reserves			0	
5. Aggregate claim reserves			0	
6. Premiums received in advance	854,893		854,893	958,159
7. General expenses due or accrued			0	
8. Federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses)) (including $.....0 net deferred tax liability)	170,000		170,000	
9. Amounts withheld or retained for the account of others			0	
10. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
11. Amounts due to parent, subsidiaries and affiliates	2,728,701		2,728,701	
12. Payable for securities			0	
13. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)			0	
14. Reinsurance in unauthorized companies			0	
15. Net adjustments in assets and liabilities due to foreign exchange rates			0	
16. Liability for amounts held under uninsured accident and health plans			0	
17. Aggregate write-ins for other liabilities (including $.....0 current)	1,747,360	0	1,747,360	2,505,176
18. Total liabilities (Lines 1 to 17)	32,200,205	0	32,200,205	34,768,810
19. Common capital stock	XXX	XXX	4,000,000	4,000,000
20. Preferred capital stock	XXX	XXX		
21. Gross paid in and contributed surplus	XXX	XXX	76,757,163	76,757,163
22. Surplus notes	XXX	XXX		
23. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
24. Unassigned funds (surplus)	XXX	XXX	(56,788,475)	(64,360,593)
25. Less treasury stock at cost:				
25.1 .....0.000 shares common (value included in Line 19 $.....0)	XXX	XXX		
25.2 .....0.000 shares preferred (value included in Line 20 $.....0)	XXX	XXX		
26. Total capital and surplus (Lines 19 to 24 less 25)	XXX	XXX	23,968,688	16,396,570
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	56,168,893	51,165,380

DETAILS OF WRITE-INS

1701. Accrued Premium Taxes	1,181,404		1,181,404	
1702. Other Liabilities	491,956		491,956	756,863
1703. Risk Corridor Reserve	74,000		74,000	1,433,000
1798. Summary of remaining write-ins for Line 17 from overflow page	0	0	0	315,313
1799. Totals (Lines 1701 thru 1703 plus 1798) (Line 17 above)	1,747,360	0	1,747,360	2,505,176
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year-to-Date		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months	XXX	661,477	1,501,750
2. Net premium income	XXX	155,337,877	273,699,760
3. Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of $.....0 medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Total revenues (Lines 2 to 6)	XXX	155,337,877	273,699,760
Medical and Hospital:			
8. Hospital/medical benefits		56,925,763	115,922,176
9. Other professional services		8,833,308	17,118,781
10. Outside referrals			
11. Emergency room and out-of-area		3,925,915	12,347,304
12. Prescription Drugs		32,022,147	51,489,899
13. Aggregate write-ins for other medical and hospital	0	29,589,882	60,389,891
14. Incentive pool and withhold adjustments		643,575	356,570
15. Subtotal (Lines 8 to 14)	0	131,940,590	257,624,621
Less:			
16. Net reinsurance recoveries			282,406
17. Total medical and hospital (Lines 15 minus 16)	0	131,940,590	257,342,215
18. Claims adjustment expenses		4,538,541	8,222,049
19. General administrative expenses		9,744,470	17,653,144
20. Increase in reserves for accident and health contracts			
21. Total underwriting deductions (Lines 17 through 20)	0	146,223,601	283,217,408
22. Net underwriting gain or (loss) (Lines 7 minus 21)	XXX	9,114,276	(9,517,648)
23. Net investment income earned		775,015	1,220,096
24. Net realized capital gains or (losses)			
25. Net investment gains or (losses) (Lines 23 plus 24)	0	775,015	1,220,096
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	0	0	(340,198)
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)	0	9,889,291	(8,637,750)
29. Federal and foreign income taxes incurred	XXX	170,000	
30. Net income (loss) (Lines 28 minus 29)	XXX	9,719,291	(8,637,750)

DETAILS OF WRITE-INS

0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
1301. Outpatient		28,462,882	55,740,996
1302. Care management, Utilization Review and Other		1,127,000	4,648,895
1303.			
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	29,589,882	60,389,891
2701. Other Income			86,531
2702. Write-Off Intangible Assets			(426,729)
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0	(340,198)

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year-to-Date	2 Prior Year
31. Capital and surplus prior reporting period	16,396,570	15,953,831
GAINS AND LOSSES TO CAPITAL & SURPLUS		
32. Net income or (loss) from Line 30	9,719,291	(8,637,750)
33. Change in valuation basis of aggregate policy and claim reserves		
34. Net unrealized capital gains and losses		(1,406)
35. Change in net unrealized foreign exchange capital gain or (loss)		
36. Change in net deferred income tax	440,000	
37. Change in nonadmitted assets	1,042,752	2,581,895
38. Change in unauthorized reinsurance		
39. Change in treasury stock		
40. Change in surplus notes		
41. Cumulative effect of changes in accounting principles	(3,629,925)	
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		6,500,000
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	0	0
46. Net change in capital and surplus (Lines 32 to 45)	7,572,118	442,739
47. Capital and surplus end of reporting period (Line 31 plus 46)	23,968,688	16,396,570

DETAILS OF WRITE-INS

4501.		
4502.		
4503.		
4598. Summary of remaining write-ins for Line 45 from overflow page	0	0
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above)	0	0

CASH FLOW

		1 Current Year to Date	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums and revenues collected net of reinsurance	152,001,424	271,672,648
2.	Claims and claims adjustment expenses	142,759,668	259,300,873
3.	General administrative expenses paid	11,234,616	17,653,144
4.	Other underwriting income (expenses)	(351,279)	6,364,601
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(2,344,139)	1,083,232
6.	Net Investment income	483,340	1,215,563
7.	Other income (expenses)		(340,198)
8.	Federal and foreign income taxes (paid) recovered		
9.	Net cash from operations (Lines 5 to 8)	(1,860,799)	1,958,597
	CASH FROM INVESTMENTS		
10.	Proceeds from investments sold, matured or repaid:		
	10.1 Bonds	1,523,326	400,000
	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)	1,523,326	400,000
11.	Cost of investments acquired (long-term only):		
	11.1 Bonds	21,103,610	431,260
	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)	21,103,610	431,260
12.	Net cash from investments (Line 10.8 minus Line 11.7)	(19,580,284)	(31,260)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
13.	Cash provided:		
	13.1 Surplus notes, capital and surplus paid in		6,500,000
	13.2 Net transfers from affiliates	5,361,091	31,292,762
	13.3 Borrowed funds received		
	13.4 Other cash provided	500,000	736,123
	13.5 Total (Lines 13.1 to 13.4)	5,861,091	38,528,885
14.	Cash applied:		
	14.1 Dividends to stockholders paid		
	14.2 Net transfers to affiliates		
	14.3 Borrowed funds repaid		
	14.4 Other applications		
	14.5 Total (Lines 14.1 to 14.4)	0	0
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	5,861,091	38,528,885
	RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	(15,579,992)	40,456,222
17.	Cash and short-term investments:		
	17.1 Beginning of period	40,556,222	100,000
	17.2 End of period (Line 16 plus Line 17.1)	24,976,230	40,556,222

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plans	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year	100,860	505	86,902	81			7,417		5,955	
2. First Quarter	76,819	464	70,865	79			5,411			
3. Second Quarter	74,880	372	69,118	76			5,314			
4. Third Quarter	66,635	321	60,955	74			5,285			
5. Current Year	0									
6. Current Year Member Months	661,477	3,657	608,115	695			49,010			
Total Member Ambulatory Encounters for Period:										
7. Physician	366,510	3,853	329,961	906			26,518		5,272	
8. Non-Physician	104,150	1,049	93,249	130			8,174		1,548	
9. Total	470,660	4,902	423,210	1,036	0	0	34,692	0	6,820	0
10. Hospital Patient Days Incurred	25,150	474	22,665	186			1,825			
11. Number of Inpatient Admissions	5,730	104	5,223	32			371			
12. Premiums Collected	152,001,424	1,632,543	139,140,437	109,288			10,492,659		626,497	
13. Premiums Earned	155,337,877	1,669,578	142,825,460	112,149			10,730,690			
14. Amount Paid for Provision of Health Care Services	136,556,617	2,989,972	123,180,408	87,729			9,397,950		900,558	
15. Amount Incurred for Provision of Health Care Services	131,940,590	3,111,000	119,436,765	87,701			9,305,124			

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
Claims Payable (Reported)						
0599999. Unreported Claims and Other Claim Reserves						25,071,508
0799999. Total Claims Payable						25,071,508
0899999. Accrued Medical Incentive Pool						643,575

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	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (Hospital and Medical)	24,022,205	101,843,450	1,600,203	21,935,772	25,622,408	27,144,088
2. Medicare Supplement	29,194	58,535		19,687	29,194	19,715
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan Premiums	1,658,118	7,739,832	59,532	1,451,314	1,717,650	1,603,672
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid	900,558		5,000		905,558	1,065,335
8. Other					0	
9. Subtotal	26,610,075	109,641,817	1,664,735	23,406,773	28,274,810	29,832,810
10. Medical incentive pools, accruals and disbursements	304,725		193,575	450,000	498,300	498,300
11. Totals	26,914,800	109,641,817	1,858,310	23,856,773	28,773,110	30,331,110

2. Accounting Changes and Corrections of Errors

A. Describe material changes in accounting principles and/or correction of errors.

During 2002, the Company changed its method of accounting for premium taxes. Under the new policy, premium taxes are now accrued in the period in which the premiums on which they are based are earned, rather than in the period for which the tax is levied. As a result of this change, the Company recorded a charge to surplus of $1,490,146 in 2002, which was reported as a cumulative effect of a change in accounting principle on Page 5, Line 41.

B. Describe the cumulative effect of changes in accounting principles as a result of the initial implementation of Codification

Effective January 1, 2001, all domestic insurers were required under Ohio Administrative Code Rule 3901-3-18 to implement the codified statutory accounting guidance and the resulting cumulative effect adjustment to their January 1, 2001 surplus. However, accounting and financial reporting of admitted assets for Health Insuring Corporations as described in Ohio Revised Code (ORC) 1751.28 (A) (1) was allowed to be followed by a reporting entity during 2001. Accordingly, Medical Health Insurance Corporation of Ohio (the Company) elected to follow ORC 1751.28 (A) (1) in accounting and reporting of admitted assets and followed Codification for all other accounting and reporting.

As a result of accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedures Manual* , the Company reported a cumulative effect change in accounting principle as a reduction in surplus as regards policyholders of $2,139,779 as of January 1, 2002. The reduction is due to an increase in non-admitted assets.

17c. Wash Sales
The Company executed no wash sales in the third quarter of 2002.

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 [X] No [ ]

1.2 If yes, explain:..... See Notes to Financial Statements

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 [ ]

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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that 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. .....12/31/2000.....

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. .....12/31/2000.....

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). .....08/15/2001.....

7.4 By what department or departments?..... 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)

INVESTMENT

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

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: $N/A.....

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

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	$.....0	$.....0
13.22 Preferred Stock	$.....0	$.....0
13.23 Common Stock	$.....0	$.....0
13.24 Short-Term Investments	$.....0	$.....0
13.25 Mortgages, Loans or Real Estate	$.....0	$.....0
13.26 All Other	$.....0	$.....0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	$.....0	$.....0
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	$.....0	$.....0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	$.....2,632,392	$.....0

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 [ ]
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
FIFTH THIRD BANK	38 FOUNTAIN SQUARE PLAZA, CINCINNATI, OH. 45263

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 [X] No [ ]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
N/A	FIFTH THIRD BANK	MARCH 2002	NEW ACCOUNT OPENED

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
6790	FIFTH THIRD BANK	1404 E. 9TH ST. CLEVELAND OHIO 44114

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	0	0	0	
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	0	0	0	0
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	0	0	0	0
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	0	0	0	0

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	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period	0	0	0	0

NONE

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	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	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period	0	0	0	0

NONE

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
BONDS								
1. Class 1	18,968,966	1,026,750		(20,327)	947,323	18,968,966	19,975,390	40,885,909
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	18,968,966	1,026,750	0	(20,327)	947,323	18,968,966	19,975,390	40,885,909
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	18,968,966	1,026,750	0	(20,327)	947,323	18,968,966	19,975,390	40,885,909

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

NONE

	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		XXX			

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	40,455,278	(0)	(0)	
2. Cost of short-term investments acquired				40,455,278
3. Increase (decrease) by adjustment	(40,455,278)			
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				
7. Book/adjusted carrying value, current period	(0)	(0)	(0)	40,455,278
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	(0)	(0)	(0)	40,455,278
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	(0)	(0)	(0)	40,455,278
12. Income collected during period				689,003
13. Income earned during period				689,003

SCHEDULE DB - PART F - SECTION 1

Summary of Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
					Derivative Instruments Open		Cash Instrument(s) Held				
1 Replication RSAT Number	2 Description	3 NAIC Designation or Other Description	4 Statement Value	5 Fair Value	6 Description	7 Fair Value	8 CUSIP	9 Description	10 Statement Value	11 Fair Value	12 NAIC Designation or Other Description

NONE

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			0	0	0	0	0	0	0	0
2. Add: Opened or Acquired Transactions									0	0
3. Add: Increases in Replicated Asset Statement Value	XXX		XXX		XXX		XXX		XXX	0
4. Less: Closed or Disposed of Transactions									0	0
5. Less: Positions Disposed of for Failing Effectiveness Criteria									0	0
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX		XXX		XXX		XXX		XXX	0
7. Ending inventory	0	0	0	0	0	0	0	0	0	0

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)

NONE

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				
2. Alaska AK		No				
3. Arizona AZ		No				
4. Arkansas AR		No				
5. California CA		No				
6. Colorado CO		No				
7. Connecticut CT		No				
8. Delaware DE		No				
9. District of Columbia DC		No				
10. Florida FL		No				
11. Georgia GA		No				
12. Hawaii HI		No				
13. Idaho ID		No				
14. Illinois IL		No				
15. Indiana IN		No				
16. Iowa IA		No				
17. Kansas KS		No				
18. Kentucky KY		No				
19. Louisiana LA		No				
20. Maine ME		No				
21. Maryland MD		No				
22. Massachusetts MA		No				
23. Michigan MI		No				
24. Minnesota MN		No				
25. Mississippi MS		No				
26. Missouri MO		No				
27. Montana MT		No				
28. Nebraska NE		No				
29. Nevada NV		No				
30. New Hampshire NH		No				
31. New Jersey NJ		No				
32. New Mexico NM		No				
33. New York NY		No				
34. North Carolina NC		No				
35. North Dakota ND		No				
36. Ohio OH	No	Yes	144,607,187			10,730,690
37. Oklahoma OK		No				
38. Oregon OR		No				
39. Pennsylvania PA		No				
40. Rhode Island RI		No				
41. South Carolina SC		No				
42. South Dakota SD		No				
43. Tennessee TN		No				
44. Texas TX		No				
45. Utah UT		No				
46. Vermont VT		No				
47. Virginia VA		No				
48. Washington WA		No				
49. West Virginia WV		No				
50. Wisconsin WI		No				
51. Wyoming WY		No				
52. American Samoa AS		No				
53. Guam GU		No				
54. Puerto Rico PR		No				
55. U.S. Virgin Islands VI		No				
56. Canada CN		XXX				
57. Aggregate Other alien OT	XXX	XXX	0	0	0	0
58. Total (Direct Business)	XXX	(a) 1	144,607,187	0	0	10,730,690

DETAILS OF WRITE-INS

5701.					
5702.					
5703.					
5798. Summary of remaining write-ins for line 57 from overflow page	0	0	0	0	0
5799. Total (Lines 5701 thru 5703 plus 5798) (Line 57 above)	0	0	0	0	0

(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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

EXPLANATION:

BAR CODE:

Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1704. Capitation Payable			0	315,313
1797. Summary of remaining write-ins for Line 17 from Liabilities	0	0	0	315,313

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarte

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements

NONE

E01

SCHEDULE A - PART 3

Showing all Real Estate SOLD During the Quarter, Including Payments During the Final Year on "Sales Under Contract

1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16
	2	3													
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred

NONE

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9	10	11
	2	3				Book Value/Recorded Investment Excluding Accrued Interest		Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest		Increase (Decrease) by Adjustment			

NONE

E02

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, Transferred or Paid in Full During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12	13
	2	3			Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/ Recorded Investment Excluding Accrued Interest at Disposition		Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
Loan Number	City	State	Loan Type	Date Acquired					Consideration Received			

NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9	10
	2	3					Book/Adjusted		Increase (Decrease)
Number of Units and Description	City	State	Name of Vendor	Date Acquired	Actual Cost	Amount of Encumbrances	Carrying Value Less Encumbrances	Increase (Decrease) by Adjustment	by Foreign Exchange Adjustment

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12	13
	2	3			Book/Adjusted Carrying Value Less		Increase (Decrease) by Foreign	Book/ Adjusted Carrying Value		Foreign Exchange		Total
Number of Units and Description	City	State	Name of Purchaser or Nature of Disposition	Date Acquired	Encumbrances, Prior Year	Increase (Decrease) by Adjustment	Exchange Adjustment	Less Encumbrances at Disposition	Consideration Received	Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Profit (Loss) on Sale

NONE

SCHEDULE D - PART 3

Show 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)
Bonds - U.S. Government								
31359M-KE-2	FED NATL MTG ASSN	07/01/2002	5th 3rd		1,026,750	1,000,000	25,056	1
0399999.	Total - Bonds - U.S. Government				1,026,750	1,000,000	25,056	XXX
6099997.	Total - Bonds - Part 3				1,026,750	1,000,000	25,056	XXX
6099999.	Total - Bonds				1,026,750	1,000,000	25,056	XXX
7299999.	Total - Bonds, Preferred and Common Stocks				1,026,750	XXX	25,056	XXX

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

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarte

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value At Disposal 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 Designation (a)

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

NONE

SCHEDULE DB - PART A - SECTION 1

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

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Acquisition	6 Exchange or Counterparty	7 Cost/ Option Premium	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis of Hedged Item	14 Other Investment/ Miscellaneous Income

NONE

SCHEDULE DB - PART B - SECTION 1

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

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Issuance/ Purchase	6 Exchange or Counterparty	7 Consideration Received	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis	14 Other Investment/ Miscellaneous Income

NONE

SCHEDULE DB - PART C - SECTION 1

Showing All Collar, Swap and Forwards Open at Current Statement Date

1 Description	2 Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index Rec (Pay)	5 Date of Opening Position or Agreement	6 Exchange or Counterparty	7 Cost or (Consideration Received)	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis of Hedged Item	14 Other Investment/ Miscellaneous Income	15 Potential Exposure

NONE

E07

SCHEDULE DB - PART D - SECTION 1

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

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	Book Balance at End of Each Month During Current Quarter			8
		Amount of	Amount of	5	6	7	
Depository	Rate of Interest	Interest Received During Current Quarter	Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories							
National City Bank				82	82	82	
Dreyfus Cash Mangement Fund	1.570	81,209		20,540,549	20,567,664	24,429,267	
Fifth Third U.S. Treasury Money Market Fund	1.420	1,730	572	489,785	546,292	546,881	
0199999. Total Open Depositories	XXX	82,940	572	21,030,416	21,114,038	24,976,230	XXX
0399999. Total Cash on Deposit	XXX	82,940	572	21,030,416	21,114,038	24,976,230	XXX
0599999. Total Cash	XXX	82,940	572	21,030,416	21,114,038	24,976,230	XXX