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QUARTERLY STATEMENT
OF THE
UNITED CONCORDIA DENTAL PLANS
OF THE MIDWEST, INC.

of
Harrisburg
in the state of
Pennsylvania

TO THE
Insurance Department
OF THE STATE OF
Ohio

RECEIVED
NOV 15 2002
C.P.R.S.

FOR THE QUARTER ENDED
September 30, 2002

HEALTH

2002

2002

HEALTH QUARTERLY STATEMENT
AS OF September 30, 2002
OF THE CONDITION AND AFFAIRS OF THE
UNITED CONCORDIA DENTAL PLANS OF THE MIDWEST, INC.

NAIC Group Code	0812 (Current Period)	0812 (Prior Period)	NAIC Company Code	96150	Employer's ID Number	38-2289438
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	USA					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[X] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Date Incorporated or Organized	01/30/1980		Date Commenced Business	02/01/1980		
Statutory Home Office	4401 Deer Path Road (Street and Number)		Harrisburg, PA 17110 (City, or Town, State and Zip Code)			
Main Administrative Office	Harrisburg, PA 17110 (City or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(800)972-4191 x (Area Code) (Telephone Number)	
Mail Address	4401 Deer Path Road (Street and Number or P.O. Box)		Harrisburg, PA 17110 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	Harrisburg, PA 17110 (City, or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(717)260-7081 x (Area Code) (Telephone Number)	
Internet Website Address	ucci.com					
Statutory Statement Contact	Joseph W. Seygal (Name) joseph.seygal@ucci.com (E-Mail Address)		(717)260-7081 x (Area Code)(Telephone Number)(Extension) (717)260-7067 x (Fax Number)			
Policyowner Relations Contact	Harrisburg, PA 17110 (City, or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(866)357-3304- (Area Code) (Telephone Number)(Extension)	

OFFICERS

President and Chairman of the Board	Thomas Anthony Dzuryachko
Secretary	Richard Joseph Enterline, Esq.
Treasurer and Assistant Secretary	Daniel Joseph Wright
Assistant Treasurer	Timothy Dale Billow

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Thomas Anthony Dzuryachko	Walter Fredric Froh, Esq.
David William Kempken	

State of Pennsylvania
County of Dauphin 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.

Thomas A. Dzuryachko
(Signature)
Thomas Anthony Dzuryachko
(Printed Name)
President and Chairman of the Board

Richard J. Enterline
(Signature)
Richard Joseph Enterline, Esq.
(Printed Name)
Secretary

Daniel J. Wright
(Signature)
Daniel Joseph Wright
(Printed Name)
Treasurer and Assistant Secretary

Subscribed and sworn to before me this
12 day of Nov, 2002

Joan M. Fertenbaugh
(Notary Public Signature)

Notarial Seal
Joan M. Fertenbaugh, Notary Public
Susquehanna Twp, Dauphin County
My Commission Expires Oct. 29, 2005
Member, Pennsylvania Association Of Notaries

- 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[]

ASSETS

		Current Period			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets	Net Admitted Assets
1.	Bonds	616,833		616,833	1,013,728
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 \$..... encumbrances)			(a).....	
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....1,126,581) and short-term investments (\$.....1,017,540)	2,144,121		2,144,121	2,107,132
6.	Other long-term invested assets				
7.	Receivable for securities				
8.	Aggregate write-ins for invested assets				
9.	Subtotal cash and invested assets (Lines 1 to 8)	2,760,954		2,760,954	3,120,860
10.	Accident and health premiums due and unpaid	780,808		780,808	775,555
11.	Health care receivables	10,293	10,293		
12.	Amounts recoverable from reinsurers				
13.	Net adjustment in assets and liabilities due to foreign exchange rates				
14.	Investment income due and accrued	13,241		13,241	8,787
15.	Amounts due from parent, subsidiaries and affiliates				
16.	Amounts receivable relating to uninsured accident and health plans				
17.	Furniture and equipment				
18.	Amounts due from agents				
19.	Federal and foreign income tax recoverable and interest thereon (including \$.....57,993 net deferred tax asset)	64,984	(2,702)	67,686	67,716
20.	Electronic data processing equipment and software				
21.	Other nonadmitted assets				
22.	Aggregate write-ins for other than invested assets	30,655	146	30,509	
23.	Total assets (Lines 9 plus 10 through 22)	3,660,935	7,737	3,653,198	3,972,918
DETAILS OF WRITE-INS					
0801	.....			
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)				
2201.	Other Assets	146	146		
2202.	State Tax - Receivable	30,509		30,509	
2203	.....			
2298.	Summary of remaining write-ins for Line 22 from overflow page				
2299.	TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above)	30,655	146	30,509	

(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 \$..... reinsurance ceded)	1,658,807	122,941	1,781,748	1,962,875
2.	Accrued medical incentive pool and bonus payments				
3.	Unpaid claims adjustment expenses	59,526	4,412	63,938	75,426
4.	Aggregate policy reserves				
5.	Aggregate claim reserves				
6.	Premiums received in advance	269,950		269,950	319,693
7.	General expenses due or accrued	16,532		16,532	13,940
8.	Federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses) (including \$..... net deferred tax liability)				85,261
9.	Amounts withheld or retained for account of others	147		147	23,043
10.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
11.	Amounts due to parent, subsidiaries and affiliates	14,852		14,852	57,836
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				
17.	Aggregate write-ins for other liabilities (including \$..... current)	134,773		134,773	113,368
18.	Total liabilities (Lines 1 to 17)	2,154,587	127,353	2,281,940	2,651,442
19.	Common capital stock	X X X	X X X	1,000	1,000
20.	Preferred capital stock	X X X	X X X		
21.	Gross paid in and contributed surplus	X X X	X X X	49,000	49,000
22.	Surplus notes	X X X	X X X		
23.	Aggregate write-ins for other surplus funds	X X X	X X X		
24.	Unassigned funds (surplus)	X X X	X X X	1,321,258	1,271,476
25.	Less treasury stock, at cost:	X X X	X X X		
25.1	..... shares common (value included in Line 19 \$.....)	X X X	X X X		
25.2	..... shares preferred (value included in Line 20 \$.....)	X X X	X X X		
26.	Total capital and surplus (Lines 19 to 24, Less 25)	X X X	X X X	1,371,258	1,321,476
27.	Total liabilities, capital and surplus (Lines 18 and 26)	X X X	X X X	3,653,198	3,972,918
DETAILS OF WRITE-INS					
1701.	Escheats Payable	134,773		134,773	113,393
1702.	Broker Commissions				(25)
1703	.....			
1798.	Summary of remaining write-ins for Line 17 from overflow page				
1799.	TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above)	134,773		134,773	113,368
2301	.....	X X X	X X X		
2302	.....	X X X	X X X		
2303	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year to Date		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	974,323	1,389,364
2.	Net premium income	X X X	14,468,513	19,317,347
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$..... 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	14,468,513	19,317,347
Medical and Hospital:				
8.	Hospital/medical benefits	987,048	14,305,048	18,785,134
9.	Other professional services			
10.	Outside referrals			
11.	Emergency room and out-of-area			
12.	Prescription drugs			
13.	Aggregate write-ins for other medical and hospital			
14.	Incentive pool and withhold adjustments			
15.	Subtotal (Lines 8 to 14)	987,048	14,305,048	18,785,134
LESS:				
16.	Net reinsurance recoveries			
17.	Total medical and hospital (Lines 15 minus 16)	987,048	14,305,048	18,785,134
18.	Claims adjustment expenses	2,394	41,935	75,876
19.	General administrative expenses		132,521	194,862
20.	Increase in reserves for accident and health contracts			
21.	Total underwriting deductions (Lines 17 through 20)	989,442	14,479,504	19,055,872
22.	Net underwriting gain or (loss) (Lines 7 minus 21)	X X X	(10,991)	261,475
23.	Net investment income earned		37,752	110,660
24.	Net realized capital gains or (losses)			
25.	Net investment gains or (losses) (Lines 23 plus 24)		37,752	110,660
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			
28.	Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		26,761	372,135
29.	Federal and foreign income taxes incurred	X X X	(9,694)	142,853
30.	Net income (loss) (Lines 28 minus 29)	X X X	36,455	229,282
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	.....		
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)			
2701	.....		
2702	.....		
2703	.....		
2798.	Summary of remaining write-ins for Line 27 from overflow page			
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year to Date	Prior Year
CAPITAL & SURPLUS ACCOUNT			
31.	Capital and surplus prior reporting year	1,321,476	1,005,377
GAINS AND LOSSES TO CAPITAL & SURPLUS			
32.	Net income or (loss) from Line 30	36,455	229,282
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	(9,723)	(27,540)
37.	Change in nonadmitted assets	23,050	65,918
38.	Change in unauthorized reinsurance		
39.	Change in treasury stock		
40.	Change in surplus notes		
41.	Cumulative effect of changes in accounting principles		48,439
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		
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 and surplus (Lines 32 to 45)	49,782	316,099
47.	Capital and surplus end of reporting period (Line 31 plus 46)	1,371,258	1,321,476
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	2
		Current Year To Date	Prior Year
Cash from Operations			
1.	Premiums and revenues collected net of reinsurance	14,413,517	18,688,253
2.	Claims and claims adjustment expenses	14,562,494	18,674,276
3.	General administrative expenses paid	160,411	288,009
4.	Other underwriting income (expenses)		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(309,388)	(274,032)
6.	Net investment income	41,240	118,357
7.	Other income (expenses)		
8.	Federal and foreign income taxes (paid) recovered	(85,260)	(108,663)
9.	Net cash from operations (Lines 5 to 8)	(353,408)	(264,338)
Cash from Investments			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds	552,900	
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)	552,900	
11.	Cost of investments acquired (long-term only):		
11.1	Bonds	163,947	504,844
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)	163,947	504,844
12.	Net cash from investments (Line 10.8 minus Line 11.7)	388,953	(504,844)
Cash from Financing and Miscellaneous Sources			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in		
13.2	Net transfers from affiliates		
13.3	Borrowed funds received		
13.4	Other cash provided	44,429	231,231
13.5	TOTAL (Lines 13.1 to 13.4)	44,429	231,231
14.	Cash applied:		
14.1	Dividends to stockholders paid		
14.2	Net transfers to affiliates	42,985	335,539
14.3	Borrowed funds repaid		
14.4	Other applications		
14.5	TOTAL (Lines 14.1 to 14.4)	42,985	335,539
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	1,444	(104,308)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	36,989	(873,490)
17.	Cash and short-term investments:		
17.1	Beginning of period	2,107,132	2,980,622
17.2	End of period (Line 16 plus Line 17.1)	2,144,121	2,107,132

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	112,337					112,337				
2. First Quarter	108,990					108,990				
3. Second Quarter	108,038					108,038				
4. Third Quarter	107,026					107,026				
5. Current Year										
6. Current Year Member Months	974,323					974,323				
Total Member Ambulatory Encounters for Period:										
7. Physician	117,226					117,226				
8. Non-Physician										
9. Total	117,226					117,226				
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected	14,413,517					14,413,517				
13. Premiums Earned	14,463,260					14,463,260				
14. Amount Paid for Provision of Health Care Services	14,486,175					14,486,175				
15. Amount Incurred for Provision of Health Care Services	14,305,048					14,305,048				

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
0199999 Individually Listed Claims Payable						
0299999 Aggregate Accounts Not Individually Listed - Uncovered	4,452	1,105	1,692	1,758	6,317	15,324
0399999 Aggregate Accounts Not Individually Listed - Covered	60,065	14,911	22,833	23,724	85,234	206,767
0499999 Subtotals	64,517	16,016	24,525	25,482	91,551	222,091
0599999 Unreported claims and other claim reserves						1,559,657
0699999 Total Amounts Withheld						
0799999 Total Claims Payable						1,781,748
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)						
2. Medicare Supplement						
3. Dental only	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875
4. Vision only						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other						
9. Subtotal	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875
10. Medical incentive pools, accruals and disbursements						
11. TOTALS	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875

Notes to Financial Statement

There are no material changes to the notes of the Financial Statements from the 2001 Annual 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] N/A[]
- 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?
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	2	3
Name of Entity	NAIC Company Code	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.

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).

06/29/2001
- 7.4 By what department or departments?
Michigan Office of Financial and Insurance Services
- 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] N/A[]
- 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[] No[X]
- 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

- 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	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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				

NONE

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

		1	2	3	4
Description		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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				

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	617,226			(393)	1,038,110	617,226	616,833	1,013,728
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	617,226			(393)	1,038,110	617,226	616,833	1,013,728
PREFERRED STOCK								
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	617,226			(393)	1,038,110	617,226	616,833	1,013,728

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	1,017,540	X X X	1,017,540	3,900	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter CurrentYear	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period		1,598,826	1,301,278	180,025
2. Cost of short-term investments acquired	1,598,826			125,270
3. Increase (decrease) by adjustment				(270)
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				(125,000)
6. Consideration received on disposal of short-term investments		297,548	283,738	180,025
7. Book/adjusted carrying value, current period	1,598,826	1,301,278	1,017,540	
8. Total valuation allowance				
9. Subtotals (Lines 7 plus 8)	1,598,826	1,301,278	1,017,540	
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	1,598,826	1,301,278	1,017,540	
12. Income collected during period	4,365	5,413	3,900	2,152
13. Income earned during period	1,868	5,413	3,900	2,152

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

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

18 Schedule S Ceded Reinsurance 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	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	Yes	170,907			
12.	Hawaii	HI	No	No				
13.	Idaho	ID	No	No				
14.	Illinois	IL	No	No				
15.	Indiana	IN	No	Yes	3,234			
16.	Iowa	IA	No	No				
17.	Kansas	KS	No	Yes	729			
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	Yes	12,886,975			
24.	Minnesota	MN	No	No				
25.	Mississippi	MS	No	No				
26.	Missouri	MO	No	Yes	719,214			
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	687,454			
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	X X X	X X X				
58.	TOTAL (Direct Business)		X X X	(a) 6	14,468,513			
DETAILS OF WRITE-INS								
5701			X X X	X X X				
5702			X X X	X X X				
5703			X X X	X X X				
5798.	Summary of remaining write-ins for Line 57 from overflow page		X X X	X X X				
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)		X X X	X X X				

(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

NONE

**SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES**

RESPONSES
Yes

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

Explanation:

Bar Code:

E01 Schedule A Part 2. NONE

E01 Schedule A Part 3. NONE

E02 Schedule B Part 1. NONE

E02 Schedule B Part 2. NONE

E03 Schedule BA Part 1. NONE

E03 Schedule BA Part 2 NONE

E04 Schedule D Part 3. NONE

E05 Schedule D Part 4. NONE

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			2	3	4	Book Balance at End of Each Month During Current Quarter			8
						5	6	7	
Depository			Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories									
Comerica Bank	Detroit, MI					(92,037)	(193,465)	(246,759)	
Comerica Bank	Detroit, MI					825,020	763,446	821,559	
Comerica Bank	Detroit, MI					575,460	568,391	551,781	
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			1,308,443	1,138,372	1,126,581	
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			1,308,443	1,138,372	1,126,581	
0499999 Cash in Company's Office			X X X	X X X	X X X				
0599999 Total Cash			X X X			1,308,443	1,138,372	1,126,581	

✓

QUARTERLY STATEMENT

OF THE

UNITED CONCORDIA DENTAL PLANS

OF THE MIDWEST, INC.

of

Harrisburg

in the state of

Pennsylvania

TO THE

Insurance Department

OF THE STATE OF

Ohio

RECEIVED
NOV 15 2002
C.P.R.S.

FOR THE QUARTER ENDED
September 30, 2002

HEALTH

2002

2002

HEALTH QUARTERLY STATEMENT
AS OF September 30, 2002
OF THE CONDITION AND AFFAIRS OF THE
UNITED CONCORDIA DENTAL PLANS OF THE MIDWEST, INC.

NAIC Group Code	0812 (Current Period)	0812 (Prior Period)	NAIC Company Code	96150	Employer's ID Number	38-2289438
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	USA					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[X] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Date Incorporated or Organized	01/30/1980		Date Commenced Business	02/01/1980		
Statutory Home Office	4401 Deer Path Road (Street and Number)		Harrisburg, PA 17110 (City, or Town, State and Zip Code)			
Main Administrative Office	Harrisburg, PA 17110 (City or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(800)972-4191 x (Area Code) (Telephone Number)	
Mail Address	4401 Deer Path Road (Street and Number or P.O. Box)		Harrisburg, PA 17110 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	Harrisburg, PA 17110 (City, or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(717)260-7081 x (Area Code) (Telephone Number)	
Internet Website Address	ucci.com					
Statutory Statement Contact	Joseph W. Seygal (Name) joseph.seygal@ucci.com (E-Mail Address)		(717)260-7081 x (Area Code)(Telephone Number)(Extension) (717)260-7067 x (Fax Number)			
Policyowner Relations Contact	Harrisburg, PA 17110 (City, or Town, State and Zip Code)		4401 Deer Path Road (Street and Number)		(866)357-3304- (Area Code) (Telephone Number)(Extension)	

OFFICERS

President and Chairman of the Board	Thomas Anthony Dzuryachko
Secretary	Richard Joseph Enterline, Esq.
Treasurer and Assistant Secretary	Daniel Joseph Wright
Assistant Treasurer	Timothy Dale Billow

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Thomas Anthony Dzuryachko	Walter Fredric Froh, Esq.
David William Kempken	

State of Pennsylvania
County of Dauphin 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.

Thomas A. Dzuryachko
(Signature)
Thomas Anthony Dzuryachko
(Printed Name)
President and Chairman of the Board

Richard J. Enterline
(Signature)
Richard Joseph Enterline, Esq.
(Printed Name)
Secretary

Daniel J. Wright
(Signature)
Daniel Joseph Wright
(Printed Name)
Treasurer and Assistant Secretary

Subscribed and sworn to before me this
12 day of Nov, 2002

Joan M. Fertenbaugh
(Notary Public Signature)

Notarial Seal
Joan M. Fertenbaugh, Notary Public
Susquehanna Twp, Dauphin County
My Commission Expires Oct. 29, 2005
Member, Pennsylvania Association Of Notaries

- 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[]

ASSETS

		Current Period			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets	Net Admitted Assets
1.	Bonds	616,833		616,833	1,013,728
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 \$..... encumbrances)			(a).....	
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....1,126,581) and short-term investments (\$.....1,017,540)	2,144,121		2,144,121	2,107,132
6.	Other long-term invested assets				
7.	Receivable for securities				
8.	Aggregate write-ins for invested assets				
9.	Subtotal cash and invested assets (Lines 1 to 8)	2,760,954		2,760,954	3,120,860
10.	Accident and health premiums due and unpaid	780,808		780,808	775,555
11.	Health care receivables	10,293	10,293		
12.	Amounts recoverable from reinsurers				
13.	Net adjustment in assets and liabilities due to foreign exchange rates				
14.	Investment income due and accrued	13,241		13,241	8,787
15.	Amounts due from parent, subsidiaries and affiliates				
16.	Amounts receivable relating to uninsured accident and health plans				
17.	Furniture and equipment				
18.	Amounts due from agents				
19.	Federal and foreign income tax recoverable and interest thereon (including \$.....57,993 net deferred tax asset)	64,984	(2,702)	67,686	67,716
20.	Electronic data processing equipment and software				
21.	Other nonadmitted assets				
22.	Aggregate write-ins for other than invested assets	30,655	146	30,509	
23.	Total assets (Lines 9 plus 10 through 22)	3,660,935	7,737	3,653,198	3,972,918
DETAILS OF WRITE-INS					
0801	.....			
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)				
2201.	Other Assets	146	146		
2202.	State Tax - Receivable	30,509		30,509	
2203	.....			
2298.	Summary of remaining write-ins for Line 22 from overflow page				
2299.	TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above)	30,655	146	30,509	

(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 \$..... reinsurance ceded)	1,658,807	122,941	1,781,748	1,962,875
2.	Accrued medical incentive pool and bonus payments				
3.	Unpaid claims adjustment expenses	59,526	4,412	63,938	75,426
4.	Aggregate policy reserves				
5.	Aggregate claim reserves				
6.	Premiums received in advance	269,950		269,950	319,693
7.	General expenses due or accrued	16,532		16,532	13,940
8.	Federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses) (including \$..... net deferred tax liability)				85,261
9.	Amounts withheld or retained for account of others	147		147	23,043
10.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
11.	Amounts due to parent, subsidiaries and affiliates	14,852		14,852	57,836
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				
17.	Aggregate write-ins for other liabilities (including \$..... current)	134,773		134,773	113,368
18.	Total liabilities (Lines 1 to 17)	2,154,587	127,353	2,281,940	2,651,442
19.	Common capital stock	X X X	X X X	1,000	1,000
20.	Preferred capital stock	X X X	X X X		
21.	Gross paid in and contributed surplus	X X X	X X X	49,000	49,000
22.	Surplus notes	X X X	X X X		
23.	Aggregate write-ins for other surplus funds	X X X	X X X		
24.	Unassigned funds (surplus)	X X X	X X X	1,321,258	1,271,476
25.	Less treasury stock, at cost:	X X X	X X X		
25.1	..... shares common (value included in Line 19 \$.....)	X X X	X X X		
25.2	..... shares preferred (value included in Line 20 \$.....)	X X X	X X X		
26.	Total capital and surplus (Lines 19 to 24, Less 25)	X X X	X X X	1,371,258	1,321,476
27.	Total liabilities, capital and surplus (Lines 18 and 26)	X X X	X X X	3,653,198	3,972,918
DETAILS OF WRITE-INS					
1701.	Escheats Payable	134,773		134,773	113,393
1702.	Broker Commissions				(25)
1703	.....			
1798.	Summary of remaining write-ins for Line 17 from overflow page				
1799.	TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above)	134,773		134,773	113,368
2301	.....	X X X	X X X		
2302	.....	X X X	X X X		
2303	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year to Date		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	974,323	1,389,364
2.	Net premium income	X X X	14,468,513	19,317,347
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$..... 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	14,468,513	19,317,347
Medical and Hospital:				
8.	Hospital/medical benefits	987,048	14,305,048	18,785,134
9.	Other professional services			
10.	Outside referrals			
11.	Emergency room and out-of-area			
12.	Prescription drugs			
13.	Aggregate write-ins for other medical and hospital			
14.	Incentive pool and withhold adjustments			
15.	Subtotal (Lines 8 to 14)	987,048	14,305,048	18,785,134
LESS:				
16.	Net reinsurance recoveries			
17.	Total medical and hospital (Lines 15 minus 16)	987,048	14,305,048	18,785,134
18.	Claims adjustment expenses	2,394	41,935	75,876
19.	General administrative expenses		132,521	194,862
20.	Increase in reserves for accident and health contracts			
21.	Total underwriting deductions (Lines 17 through 20)	989,442	14,479,504	19,055,872
22.	Net underwriting gain or (loss) (Lines 7 minus 21)	X X X	(10,991)	261,475
23.	Net investment income earned		37,752	110,660
24.	Net realized capital gains or (losses)			
25.	Net investment gains or (losses) (Lines 23 plus 24)		37,752	110,660
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			
28.	Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		26,761	372,135
29.	Federal and foreign income taxes incurred	X X X	(9,694)	142,853
30.	Net income (loss) (Lines 28 minus 29)	X X X	36,455	229,282
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	.....		
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)			
2701	.....		
2702	.....		
2703	.....		
2798.	Summary of remaining write-ins for Line 27 from overflow page			
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year to Date	Prior Year
CAPITAL & SURPLUS ACCOUNT			
31.	Capital and surplus prior reporting year	1,321,476	1,005,377
GAINS AND LOSSES TO CAPITAL & SURPLUS			
32.	Net income or (loss) from Line 30	36,455	229,282
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	(9,723)	(27,540)
37.	Change in nonadmitted assets	23,050	65,918
38.	Change in unauthorized reinsurance		
39.	Change in treasury stock		
40.	Change in surplus notes		
41.	Cumulative effect of changes in accounting principles		48,439
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		
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 and surplus (Lines 32 to 45)	49,782	316,099
47.	Capital and surplus end of reporting period (Line 31 plus 46)	1,371,258	1,321,476
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	2
		Current Year To Date	Prior Year
Cash from Operations			
1.	Premiums and revenues collected net of reinsurance	14,413,517	18,688,253
2.	Claims and claims adjustment expenses	14,562,494	18,674,276
3.	General administrative expenses paid	160,411	288,009
4.	Other underwriting income (expenses)		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(309,388)	(274,032)
6.	Net investment income	41,240	118,357
7.	Other income (expenses)		
8.	Federal and foreign income taxes (paid) recovered	(85,260)	(108,663)
9.	Net cash from operations (Lines 5 to 8)	(353,408)	(264,338)
Cash from Investments			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds	552,900	
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)	552,900	
11.	Cost of investments acquired (long-term only):		
11.1	Bonds	163,947	504,844
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)	163,947	504,844
12.	Net cash from investments (Line 10.8 minus Line 11.7)	388,953	(504,844)
Cash from Financing and Miscellaneous Sources			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in		
13.2	Net transfers from affiliates		
13.3	Borrowed funds received		
13.4	Other cash provided	44,429	231,231
13.5	TOTAL (Lines 13.1 to 13.4)	44,429	231,231
14.	Cash applied:		
14.1	Dividends to stockholders paid		
14.2	Net transfers to affiliates	42,985	335,539
14.3	Borrowed funds repaid		
14.4	Other applications		
14.5	TOTAL (Lines 14.1 to 14.4)	42,985	335,539
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	1,444	(104,308)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	36,989	(873,490)
17.	Cash and short-term investments:		
17.1	Beginning of period	2,107,132	2,980,622
17.2	End of period (Line 16 plus Line 17.1)	2,144,121	2,107,132

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	112,337					112,337				
2. First Quarter	108,990					108,990				
3. Second Quarter	108,038					108,038				
4. Third Quarter	107,026					107,026				
5. Current Year										
6. Current Year Member Months	974,323					974,323				
Total Member Ambulatory Encounters for Period:										
7. Physician	117,226					117,226				
8. Non-Physician										
9. Total	117,226					117,226				
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected	14,413,517					14,413,517				
13. Premiums Earned	14,463,260					14,463,260				
14. Amount Paid for Provision of Health Care Services	14,486,175					14,486,175				
15. Amount Incurred for Provision of Health Care Services	14,305,048					14,305,048				

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
0199999 Individually Listed Claims Payable						
0299999 Aggregate Accounts Not Individually Listed - Uncovered	4,452	1,105	1,692	1,758	6,317	15,324
0399999 Aggregate Accounts Not Individually Listed - Covered	60,065	14,911	22,833	23,724	85,234	206,767
0499999 Subtotals	64,517	16,016	24,525	25,482	91,551	222,091
0599999 Unreported claims and other claim reserves						1,559,657
0699999 Total Amounts Withheld						
0799999 Total Claims Payable						1,781,748
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)						
2. Medicare Supplement						
3. Dental only	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875
4. Vision only						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other						
9. Subtotal	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875
10. Medical incentive pools, accruals and disbursements						
11. TOTALS	1,792,917	12,693,258	84,000	1,697,748	1,876,917	1,962,875

Notes to Financial Statement

There are no material changes to the notes of the Financial Statements from the 2001 Annual 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] N/A[]
- 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?
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	2	3
Name of Entity	NAIC Company Code	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.

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).

06/29/2001
- 7.4 By what department or departments?
Michigan Office of Financial and Insurance Services
- 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] N/A[]
- 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[] No[X]
- 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

- 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	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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				

NONE

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

		1	2	3	4
Description		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	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				

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	617,226			(393)	1,038,110	617,226	616,833	1,013,728
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	617,226			(393)	1,038,110	617,226	616,833	1,013,728
PREFERRED STOCK								
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	617,226			(393)	1,038,110	617,226	616,833	1,013,728

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	1,017,540	X X X	1,017,540	3,900	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter CurrentYear	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period		1,598,826	1,301,278	180,025
2. Cost of short-term investments acquired	1,598,826			125,270
3. Increase (decrease) by adjustment				(270)
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				(125,000)
6. Consideration received on disposal of short-term investments		297,548	283,738	180,025
7. Book/adjusted carrying value, current period	1,598,826	1,301,278	1,017,540	
8. Total valuation allowance				
9. Subtotals (Lines 7 plus 8)	1,598,826	1,301,278	1,017,540	
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	1,598,826	1,301,278	1,017,540	
12. Income collected during period	4,365	5,413	3,900	2,152
13. Income earned during period	1,868	5,413	3,900	2,152

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

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

18 Schedule S Ceded Reinsurance 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	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	Yes	170,907			
12.	Hawaii	HI	No	No				
13.	Idaho	ID	No	No				
14.	Illinois	IL	No	No				
15.	Indiana	IN	No	Yes	3,234			
16.	Iowa	IA	No	No				
17.	Kansas	KS	No	Yes	729			
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	Yes	12,886,975			
24.	Minnesota	MN	No	No				
25.	Mississippi	MS	No	No				
26.	Missouri	MO	No	Yes	719,214			
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	687,454			
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	X X X	X X X				
58.	TOTAL (Direct Business)		X X X	(a) 6	14,468,513			
DETAILS OF WRITE-INS								
5701			X X X	X X X				
5702			X X X	X X X				
5703			X X X	X X X				
5798.	Summary of remaining write-ins for Line 57 from overflow page		X X X	X X X				
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)		X X X	X X X				

(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

NONE

**SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES**

RESPONSES
Yes

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

Explanation:

Bar Code:

E01 Schedule A Part 2. NONE

E01 Schedule A Part 3. NONE

E02 Schedule B Part 1. NONE

E02 Schedule B Part 2. NONE

E03 Schedule BA Part 1. NONE

E03 Schedule BA Part 2 NONE

E04 Schedule D Part 3. NONE

E05 Schedule D Part 4. NONE

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			2	3	4	Book Balance at End of Each Month During Current Quarter			8
Depository			Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	5	6	7	
						First Month	Second Month	Third Month	*
open depositories									
Comerica Bank	Detroit, MI					(92,037)	(193,465)	(246,759)	
Comerica Bank	Detroit, MI					825,020	763,446	821,559	
Comerica Bank	Detroit, MI					575,460	568,391	551,781	
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			1,308,443	1,138,372	1,126,581	
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			1,308,443	1,138,372	1,126,581	
0499999 Cash in Company's Office			X X X	X X X	X X X				
0599999 Total Cash			X X X			1,308,443	1,138,372	1,126,581	