



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2002  
of the Condition and Affairs of the

## SUPERIOR DENTAL CARE, INC.

NAIC Group Code..... , (Current Period) (Prior Period) NAIC Company Code..... 96280 Employer's ID Number..... 31-1119867

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

Licensed as Business Type Dental Service Corporation

Is HMO Federally Qualified? Yes [ ] No [ X ]

Date Incorporated or Organized..... November 30, 1984 Date Commenced Business..... January 1, 1986

Statutory Home Office 6683 CENTERVILLE-BUSINESS PARKWAY..... DAYTON ..... OH ..... 45459  
(Street and Number) (City or Town, State and Zip Code)

Address of Main Administrative Office 6683 CENTERVILLE-BUSINESS PARKWAY..... DAYTON ..... OH ..... 45459 937-438-0283  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 6683 CENTERVILLE-BUSINESS PARKWAY..... DAYTON ..... OH ..... 45459  
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 6683 CENTERVILLE-BUSINESS PARKWAY..... DAYTON ..... OH ..... 45459 937-438-0283  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address WWW.SUPERIORDENTAL.COM

Statement Contact WENDY GLOVER 937-438-0283  
(Name) (Area Code) (Telephone Number) (Extension)  
WGLOVER@SUPERIORDENTAL.COM 937-291-5690  
(E-Mail Address) (Fax Number)

Policyowner Relations Contact ..... (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

### OFFICERS

President ..... THOMAS G PAVEY DMD Treasurer ..... DOUGLAS R HOEFLING DDS Secretary ..... JAMES R MILLER DDS

### VICE PRESIDENTS

REBECCA J YORK EXECUTIVE VP & CEO RICHARD W PORTUNE DDS DENTAL DIRECTOR &VP

### DIRECTORS OR TRUSTEES

Dennis A Burns DDS Roger E Clark DDS Douglas R Hoefling DDS Kenneth D Jones DDS  
James R Miller DDS Thomas G Pavey DMD Richard W Portune DDS L Don Shumaker DDS  
Rebecca J York

State of.....  
County of.....

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

_____ (Signature) THOMAS G PAVEY DMD _____ (Printed Name) President	_____ (Signature) JAMES R MILLER DDS _____ (Printed Name) Secretary	_____ (Signature) DOUGLAS R HOEFLING DDS _____ (Printed Name) Treasurer
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Subscribed and sworn to before me this

.....day of ....., 2003

.....

- a. Is this an original filing? Yes [ X ] No [ ]
- b. If no: 1. State the amendment number  
2. Date filed.....  
3. Number of pages attached.....

**Sch. A-Pt. 1**  
**NONE**

**Sch. A-Pt. 2**  
**NONE**

**Sch. A-Pt. 3**  
**NONE**

**Sch. B-Pt. 1**  
**NONE**

**Sch. B-Pt. 2**  
**NONE**

**Sch. BA-Pt. 1**  
**NONE**

**Sch. BA-Pt. 2**  
**NONE**

**SCHEDULE D - PART 1**

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
<b>U.S. Government - Issuer Obligations</b>																				
3133MEB67...	FHLB.....		5.280		04/25/2005			125,631	125,000		125,000	128,281	644	6,600					01/31/2002	3.080
3136F2SN9...	FNMA.....		2.150		11/15/2004			100,000	100,000		100,000	100,000	271						11/15/2004	2.150
31359MPB3...	FNMA.....		3.250		08/26/2005			150,207	150,000		150,000	150,000	1,349						08/26/2002	2.912
3128X0KD0...	FHLMC.....		2.875		11/22/2005			175,422	175,000		175,000	175,438	539						11/22/2002	2.369
0199999	U.S. Government - Issuer Obligations.....							551,260	550,000	XXX	550,000	553,719	2,803	6,600	0	0	0	XXX	XXX	XXX
0399999	Total - U.S. Government.....							551,260	550,000	XXX	550,000	553,719	2,803	6,600	0	0	0	XXX	XXX	XXX
<b>Industrial &amp; Miscellaneous (Unaffiliated) - Issuer Obligations</b>																				
<b>United States</b>																				
3259685	Certificate of Deposit - Bank One.....		2.320		01/10/2004			113,381	113,381		113,381	113,381	2,335						02/10/2002	2.320
2645102	Certificate of Deposit - Bank One.....		0.750		12/13/2003			68,768	68,768		68,768	68,768	81						11/13/2002	0.750
2645104	Certificate of Deposit - Bank One.....		0.750		12/13/2003			68,768	68,768		68,768	68,768	81						12/13/2003	0.750
049085AA1...	Atlantic Tool & Die.....		5.000		12/01/2011			120,000	120,000		120,000	120,000	591	2,369					04/02/2001	5.000
23976AAA7...	Dayton Freight Lines.....				11/01/2014			140,000	140,000		140,000	140,000		3,263					04/09/2002	
	Blackrock.....							88,260	88,260		88,260	88,260		4,581						
	United States.....							599,176	599,176	XXX	599,177	599,176	3,088	10,213	0	0	0	XXX	XXX	XXX
3999999	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations.....							599,176	599,176	XXX	599,177	599,176	3,088	10,213	0	0	0	XXX	XXX	XXX
4599999	Total - Industrial & Miscellaneous (Unaffiliated).....							599,176	599,176	XXX	599,177	599,176	3,088	10,213	0	0	0	XXX	XXX	XXX
<b>Parent, Subsidiaries &amp; Affiliates - Issuer Obligations</b>																				
<b>United States</b>																				
	Investment in Subsidiary.....							1,000	1,000		1,000	1,000								
	United States.....							1,000	1,000	XXX	1,000	1,000	0	0	0	0	0	XXX	XXX	XXX
4799999	Parent, Subsidiaries & Affiliates - Issuer Obligations.....							1,000	1,000	XXX	1,000	1,000	0	0	0	0	0	XXX	XXX	XXX
5399999	Total - Parent, Subsidiaries & Affiliates.....							1,000	1,000	XXX	1,000	1,000	0	0	0	0	0	XXX	XXX	XXX
<b>Totals</b>																				
5499999	Total - Issuer Obligations.....							1,151,436	1,150,176	XXX	1,150,177	1,153,895	5,891	16,813	0	0	0	XXX	XXX	XXX
6099999	Grand Total - Bonds.....							1,151,436	1,150,176	XXX	1,150,177	1,153,895	5,891	16,813	0	0	0	XXX	XXX	XXX

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**Sch. D-Pt. 2-Sn. 1**  
**NONE**

**Sch. D-Pt. 2-Sn. 2**  
**NONE**

**SCHEDULE D - PART 3**

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

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
<b>Bonds - U.S. Government</b>							
3133MEB67.....	FHLB.....	01/31/2002....	Fifth Third Securities.....		125,000	125,000	
31359MPB3.....	FNMA.....	09/06/2002....	Fifth Third Securities.....		150,000	150,000	
3136F2SN9.....	FNMA.....	11/15/2002....	Fifth Third Securities.....		100,000	100,000	
3128XOKD0.....	FHLMC.....	11/22/2002....	Fifth Third Securities.....		175,000	175,000	
0399999.	Total - Bonds - U.S. Government.....				550,000	550,000	0
<b>Bonds - Industrial and Miscellaneous</b>							
<b>United States</b>							
	Certificate of Depoist.....	02/10/2002....	Bank One.....		113,381	113,381	
	Dayton Freight.....	04/09/2002....	Fifth Third Securities.....		335,000	335,000	
	Dayton Freight.....	06/27/2002....	Fifth Third Securities.....		100,000	100,000	
	Certificate of Deposit.....	11/13/2002....	Bank One.....		68,768	68,768	
	Certificate of Deposit.....	11/13/2002....	Bank One.....		68,768	68,768	
	Blackrock Security.....	various.....	PaineWebber.....		5,028	5,028	5,028
	United States.....				690,944	690,944	5,028
4599999.	Total - Bonds - Industrial & Miscellaneous.....				690,944	690,944	5,028
6099997.	Total - Bonds - Part 3.....				1,240,944	1,240,944	5,028
6099999.	Total - Bonds.....				1,240,944	1,240,944	5,028
7299999.	Total - Bonds, Preferred and Common Stocks.....				1,240,944	XXX	5,028

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
<b>Bonds - U.S. Government</b>															
3133MHUS1.....	FHLB.....	01/15/2002	FHLB.....		125,000	125,000	125,000	125,000					0		
31359MBC6.....	FNMA.....	01/16/2002	FNMA.....		125,000	125,000	125,000	125,000					0		
	Certificate of Deposit.....	02/10/2002	Bank One.....		100,000	100,000	100,000	100,000					0		
3133MKBR7.....	FHLB.....	03/18/2002	FHLB.....		100,000	100,000	100,000	100,000					0		
3136FOJFO.....	FNMA.....	05/06/2002	FNMA.....		100,000	100,000	100,000	100,000					0		
	Certificate of Deposit.....	11/13/2002	Bank One.....		67,416	67,416	67,416	67,416					0		
	Certificate of Deposit.....	11/13/2002	Bank One.....		67,416	67,416	67,416	67,416					0		
03999999	Total - Bonds - U.S. Government.....				684,832	684,832	684,832	684,832	0	0	0	0	0	0	XXX
<b>Bonds - Industrial and Miscellaneous</b>															
<b>United States</b>															
	Dayton Freight.....	05/09/2002			125,000	125,000	125,000	125,000					0		
	Dayton Freight.....	09/06/2002			150,000	150,000	150,000	150,000					0		
	Dayton Freight.....	11/01/2002			10,000	10,000	10,000	10,000					0		
	Dayton Freight.....	11/27/2002			10,000	10,000	10,000	10,000					0		
	United States.....				295,000	295,000	295,000	295,000	0	0	0	0	0	0	XXX
45999999	Total - Bonds - Industrial & Miscellaneous.....				295,000	295,000	295,000	295,000	0	0	0	0	0	0	XXX
60999997	Total - Bonds - Part 4.....				979,832	979,832	979,832	979,832	0	0	0	0	0	0	XXX
60999999	Total - Bonds.....				979,832	979,832	979,832	979,832	0	0	0	0	0	0	XXX
72999999	Total - Bonds, Preferred and Common Stocks.....				979,832	XXX	979,832	979,832	0	0	0	0	0	0	0

**SCHEDULE D - PART 5**

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identifi- cation	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
<b>Bonds - U.S. Government</b>																
3133ML3H6.....	FHLB.....	01/29/2002	Fifth Third Securities.....	10/29/2002	Fifth Third Securities.....	125,000	125,000	125,000	125,000	0	0	0	0	0	0	0
0399999	Total - Bonds - U.S. Government.....					125,000	125,000	125,000	125,000	0	0	0	0	0	0	0
6099998	Total - Bonds.....					125,000	125,000	125,000	125,000	0	0	0	0	0	0	0
7299999	Total - Bonds, Preferred and Common Stocks.....					XXX	125,000	125,000	125,000	0	0	0	0	0	0	0

**SUPERIOR DENTAL CARE, INC.**

**SCHEDULE D - PART 6 - SECTION 1**

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identifi- cation	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 NAIC Company Code or Alien Insurer Identification Number	4 NAIC Valuation Method (See SVO Purposes and Procedures manual)	5 Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	6 Total Amount of Such Intangible Assets	7 Book/Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.
2. Total amount of intangible assets nonadmitted \$.....0.

**NONE**

**SCHEDULE D - PART 6 - SECTION 2**

1 CUSIP Identifi- cation	2 Name of Lower-tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 6, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding

**NONE**

**SCHEDULE DA - PART 1**

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Date Acquired	4 Name of Vendor	Interest		7 Maturity Date	8 Book/Adjusted Carrying Value	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment	11 Par Value	12 Actual Cost	Interest		15 Paid for Accrued Interest	16 NAIC Design- nation	17 Effective Rate of Interest
				5 Rate of	6 How Paid							13 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	14 Gross Amount Received			
<b>Other Short-Term Invested Assets</b>																
<b>United States</b>																
.....5997036	Certificate of Deposit.....	03/08/2002	Key Bank.....	..1.840	.....	01/27/2003	.....123,091	.....	.....	.....	.....123,091	.....2,077	.....	.....	.....	.....
.....81099161	Certificate of Deposit.....	08/26/2002	Firstar.....	..1.640	.....	06/26/2003	.....55,293	.....	.....	.....	.....55,293	.....303	.....	.....	.....	.....
.....81099162	Certificate of Deposit.....	08/26/2002	Firstar.....	..1.640	.....	06/26/2003	.....58,233	.....	.....	.....	.....58,233	.....319	.....	.....	.....	.....
	United States.....						.....236,616	.....0	.....0	.....0	.....236,616	.....2,699	.....0	.....0	...XXX	.....XXX.....
7999999	Other Short-Term Invested Assets.....						.....236,616	.....0	.....0	.....0	.....236,616	.....2,699	.....0	.....0	...XXX	.....XXX.....
8099999	Grand Total - Short-Term Investments.....						.....236,616	(a).....0	.....0	.....0	.....236,616	.....2,699	.....0	.....0	...XXX	.....XXX.....

(a) Includes \$.....0 other than accrual of discount and amortization of premium.

**Sch. DB-Pt. A-Sn. 1  
NONE**

**Sch. DB-Pt. A-Sn. 2  
NONE**

**Sch. DB-Pt. A-Sn. 3  
NONE**

**Sch. DB-Pt. B-Sn. 1  
NONE**

**Sch. DB-Pt. B-Sn. 2  
NONE**

**Sch. DB-Pt. B-Sn. 3  
NONE**

**Sch. DB-Pt. C-Sn. 1  
NONE**

**Sch. DB-Pt. C-Sn. 2  
NONE**

**Sch. DB-Pt. C-Sn. 3  
NONE**

**Sch. DB-Pt. D-Sn. 1  
NONE**

**Sch. DB-Pt. D-Sn. 2  
NONE**

**Sch. DB-Pt. D-Sn. 3  
NONE**

**Sch. DB-Pt. E-Sn. 1  
NONE**

**Sch. DM  
NONE**

**SCHEDULE E - PART 1 - CASH**

1	2	3	4	5	6
Depository	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
<b>Open Depositories</b>					
Fifth Third Bank.....		5,794		1,472,991	XXX
Money Fund.....		2,274		110,220	XXX
0199999. Total - Open Depositories.....	XXX	8,068	0	1,583,210	XXX
0399999. Total Cash on Deposit.....	XXX	8,068	0	1,583,210	XXX
0499999. Cash in Company's Office.....	XXX	XXX	XXX	300	XXX
0599999. Total Cash.....	XXX	8,068	0	1,583,510	XXX

**TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR**

1. January.....	1,055,418	4. April.....	955,368	7. July.....	1,182,628	10. October.....	1,495,110
2. February.....	534,698	5. May.....	1,161,239	8. August.....	1,215,088	11. November.....	1,481,346
3. March.....	1,153,034	6. June.....	1,109,747	9. September.....	1,419,793	12. December.....	1,583,510

### SCHEDULE E - PART 2 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
<b>SPECIAL DEPOSITS WHICH ARE NOT FOR THE BENEFIT OF ALL POLICYHOLDERS</b>						
<b>Alabama</b>						
AL00001	C					
AL99999	Alabama			0	0	0
<b>Kentucky</b>						
KY00001	C	3.78% 01/31/2004	Farmers Bank and Capital Trust Co Frankfort, KY	50,000	50,000	50,000
KY99999	Kentucky			50,000	50,000	50,000
<b>Ohio</b>						
OH00001	C	3.25% 05/21/2003	Key Bank Dayton, OH	75,000	75,000	75,000
OH99999	Ohio			75,000	75,000	75,000
XX99999	Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			125,000	125,000	125,000
9999999	Totals			125,000	125,000	125,000

(a) Includes \$.....0 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.