



ANNUAL STATEMENT

For the Year Ending December 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

Paramount Health Care

NAIC Group Code 1212 , 1212 NAIC Company Code 95189 Employer's ID Number 341549926
(Current Period) (Prior Period)

Organized under the Laws of Ohio , State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

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 04/22/1987 Date Commenced Business 01/01/1988

Statutory Home Office 1901 Indian Wood Circle , Maumee, OH 43537
(Street and Number) (City, or Town, State and Zip Code)

Main Administrative Office 1901 Indian Wood Circle
(Street and Number)

Maumee, OH 43537 (419)887-2500
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1901 Indian Wood Circle , Maumee, OH 43537
(Street and Number or P.O. Box) (City, or Town, State and Zip Code)

Primary Location of Books and Records 1901 Indian Wood Circle
(Street and Number)

Maumee, OH 43537 (419)887-2500
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.paramounthealthcare.com

Statement Contact Jeff William Martin, Mr. (419)887-2959
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(Street and Number)

Maumee, OH 43537 (419)887-2525
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)(Extension)

OFFICERS

President John Charles Randolph Mr.
 Secretary Jeffrey Craig Kuhn Mr.
 Treasurer Kathleen S. Hanley Ms.
 Chairman Frederick Lurcott Yocum Mr.

VICE PRESIDENTS

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

DIRECTORS OR TRUSTEES

Alan William Brass Mr. Harley Jay Kripke Mr.
 Ronald Richard Langenderfer Mr. Christopher Kane Smitley Mr.
 Harold Lee Dunn Mr. Thomas Henry Gross Mr.
 Robert Henry Hartwig Mr. Jeffrey Ray Lewis Mr.
 Jane M. Miller Ms. Randall Dean Oostra Mr. #

State of Ohio
 County of Lucas ss

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

(Signature)
 John Charles Randolph
(Printed Name)
 President

(Signature)
 Jeffery Craig Kuhn
(Printed Name)
 Secretary

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

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 _____

Subscribed and sworn to before me this _____ day of _____, 2003

(Notary Public Signature)

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds	43,384,070		43,384,070	29,899,361
2. Stocks:				
2.1 Preferred stocks	411,200		411,200	
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 (\$.....25,929,949, Schedule E - Part 1) and short-term investments (\$.....6,519,914, Schedule DA - Part 2)	32,449,862		32,449,862	41,413,353
6. Other long-term invested assets	25,046,465		25,046,465	27,221,412
7. Receivable for securities				
8. Aggregate write-ins for invested assets	751,436		751,436	751,436
9. Subtotal, cash and invested assets (Lines 1 to 8)	102,043,033		102,043,033	99,285,562
10. Accident and health premiums due and unpaid	3,339,676		3,339,676	3,328,441
11. Health care receivables	3,999,639	2,893,155	1,106,484	746,023
12. Amounts recoverable from reinsurers	438,176		438,176	670,560
13. Net adjustment in assets and liabilities due to foreign exchange rates				
14. Investment income due and accrued	599,005		599,005	479,581
15. Amounts due from parent, subsidiaries and affiliates	2,684,698	111,741	2,572,957	1,728,088
16. Amounts receivable relating to uninsured accident and health plans	699,386		699,386	850,636
17. Furniture and equipment	646,663	646,663		
18. Amounts due from agents				
19. Federal and foreign income tax recoverable and interest thereon (including \$.....3,062,518 net deferred tax asset)	3,892,758		3,892,758	2,000,000
20. Electronic data processing equipment and software	1,732,408	481,074	1,251,334	1,049,797
21. Other nonadmitted assets	9,085,877	9,085,877		
22. Aggregate write-ins for other than invested assets	4,476,430		4,476,430	4,566,393
23. Total assets (Lines 9 plus 10 through 22)	133,637,749	13,218,510	120,419,239	114,705,081
DETAILS OF WRITE-INS				
0801. Certificate of Deposit	400,000		400,000	400,000
0802. CD - Allianz Life Insurance Company	351,436		351,436	351,436
0803				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)	751,436		751,436	751,436
2201. Collateral Receivable	4,466,430		4,466,430	4,230,754
2202. Current Receivables	10,000		10,000	335,639
2203. Other Assets				
2298. Summary of remaining write-ins for Line 22 from overflow page				
2299. TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above)	4,476,430		4,476,430	4,566,393

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

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....1,027,003 reinsurance ceded)	40,020,772		40,020,772	38,462,930
2. Accrued medical incentive pool and bonus payments				
3. Unpaid claims adjustment expenses	1,850,000		1,850,000	1,850,000
4. Aggregate policy reserves				
5. Aggregate claim reserves				
6. Premiums received in advance	17,172,426		17,172,426	15,478,969
7. General expenses due or accrued	289,703		289,703	724,974
8. Federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses)) (including \$..... net deferred tax liability)				(500)
9. Amounts withheld or retained for account of others	137,359		137,359	(35,971)
10. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
11. Amounts due to parent, subsidiaries and affiliates	8,423,091		8,423,091	12,133,530
12. Payable to 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 \$.....7,745,611 current)	6,470,915		6,470,915	8,048,107
18. Total liabilities (Lines 1 to 17)	74,364,266		74,364,266	76,662,039
19. Common capital stock	X X X	X X X	4,700,000	4,700,000
20. Preferred capital stock	X X X	X X X		
21. Gross paid in and contributed surplus	X X X	X X X	40,619,246	40,619,246
22. Surplus notes	X X X	X X X		
23. Aggregate write-ins for other than special surplus funds	X X X	X X X	(14,402,985)	(17,249,845)
24. Unassigned funds (surplus)	X X X	X X X	15,138,711	9,973,641
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 25)	X X X	X X X	46,054,972	38,043,042
27. Total liabilities, capital and surplus (Lines 18 and 26)	X X X	X X X	120,419,238	114,705,081
DETAILS OF WRITE-INS				
1701. Collateral Payable	4,466,430		4,466,430	4,230,754
1702. Accrued Other	416,120		416,120	1,001,359
1703. Deferred Revenue				910,000
1798. Summary of remaining write-ins for Line 17 from overflow page	1,588,365		1,588,365	1,905,994
1799. TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above)	6,470,915		6,470,915	8,048,107
2301. Nonadmitted Assets	X X X	X X X	(13,218,510)	(16,847,004)
2302. Market Value Adjustment	X X X	X X X	(1,184,475)	(402,841)
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	(14,402,985)	(17,249,845)

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	1,988,065	1,920,197
2. Net premium income	X X X	452,875,828	374,295,029
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	17,790	12,811
6. Aggregate Write-Ins for Other health care related revenues	X X X		
7. Total revenues (Lines 2 to 6)	X X X	452,893,618	374,307,840
Medical and Hospital:			
8. Hospital/medical benefits		335,451,968	279,020,131
9. Other Professional Services			
10. Outside Referrals			
11. Emergency room and out-of-area		13,773,330	7,683,389
12. Prescription drugs		60,954,842	50,602,925
13. Aggregate write-ins for other medical and hospital	(1,788,763)	(1,788,763)	(1,126,441)
14. Incentive pool and withhold adjustments			
15. Subtotal (Lines 8 to 14)	(1,788,763)	408,391,377	336,180,004
LESS:			
16. Net reinsurance recoveries		1,689,312	1,904,491
17. Total medical and hospital (Lines 15 minus 16)	(1,788,763)	406,702,065	334,275,513
18. Claims adjustment expenses		2,569,456	
19. General administrative expenses		32,630,730	30,948,984
20. Increase in reserves for accident and health contracts			
21. Total underwriting deductions (Lines 17 through 20)	(1,788,763)	441,902,251	365,224,497
22. Net underwriting gain or (loss) (Lines 7 minus 21)	X X X	10,991,367	9,083,343
23. Net investment income earned		3,422,498	3,503,396
24. Net realized capital gains or (losses)		(1,003,009)	(11,658)
25. Net investment gains or (losses) (Lines 23 plus 24)		2,419,489	3,491,738
26. Net gain or (Loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
27. Aggregate write-ins for other income or expenses		1,023	2,616
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		13,411,879	12,577,697
29. Federal and foreign income taxes incurred	X X X	4,446,807	4,066,000
30. Net income (loss) (Lines 28 minus 29)	X X X	8,965,072	8,511,697
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. Subrogation Recoveries	(1,788,763)	(1,788,763)	(1,126,441)
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)	(1,788,763)	(1,788,763)	(1,126,441)
2701. Other Income		1,023	2,616
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)		1,023	2,616

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
31. Capital and surplus prior reporting year	38,043,042	27,651,002
GAINS AND LOSSES TO CAPITAL & SURPLUS		
32. Net income or (loss) from Line 30	8,965,072	8,511,697
33. Change in valuation basis of aggregate policy and claim reserves		
34. Net unrealized capital gains and losses	(781,636)	
35. Change in net unrealized foreign exchange capital gain or (loss)		
36. Change in net deferred income tax		
37. Change in nonadmitted assets	3,628,494	(2,288,665)
38. Change in unauthorized reinsurance		
39. Change in treasury stock		
40. Change in surplus notes		
41. Cumulative effect of changes in accounting principles		
42. Capital Changes:		
42.1 Paid in		
42.2 Transferred from surplus (Stock Dividend)		
42.3 Transferred to surplus		
43. Surplus adjustments:		
43.1 Paid in		4,900,000
43.2 Transferred to capital (Stock Dividend)		
43.3 Transferred from capital		
44. Dividends to stockholders	(3,800,000)	
45. Aggregate write-ins for gains or (losses) in surplus		(730,990)
46. Net change in capital and surplus (Lines 32 to 45)	8,011,930	10,392,042
47. Capital and surplus end of reporting year (Line 31 plus 46)	46,054,972	38,043,044
DETAILS OF WRITE-INS		
4501. Change in Market Value		(730,990)
4502. Dividend to affiliate		
4503		
4598. Summary of remaining write-ins for Line 45 from overflow page		
4599. TOTALS (Lines 4501 through 4503 plus 4598) (Line 45 above)		(730,990)

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums and revenues collected net of reinsurance	454,575,840	377,838,719
2.	Claims and claims adjustment expenses	408,523,611	324,473,661
3.	General administrative expenses paid	33,066,001	30,498,039
4.	Other underwriting income (expenses)		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	12,986,228	22,867,019
6.	Net investment income	3,301,850	3,465,210
7.	Other income (expenses)	1,023	2,616
8.	Federal and foreign income taxes (paid) recovered	(4,336,000)	(5,384,771)
9.	Net cash from operations (Line 5 to 8)	11,953,101	20,950,074
Cash from Investments			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds	7,761,712	5,736,544
10.2	Stocks		
10.3	Mortgage loans		
10.4	Real estate		
10.5	Other invested assets	1,087,472	(228,654)
10.6	Net gains or (losses) on cash and short-term investments	9,313	
10.7	Miscellaneous proceeds		
10.8	Total investment proceeds (Lines 10.1 to 10.7)	8,858,497	5,507,890
11.	Cost of investments acquired (long-term only):		
11.1	Bonds	20,297,307	13,893,064
11.2	Stocks	400,000	
11.3	Mortgage loans		
11.4	Real estate		
11.5	Other invested assets	1,065,309	1,943,057
11.6	Miscellaneous applications		
11.7	Total investments acquired (Lines 11.1 to 11.6)	21,762,616	15,836,121
12.	Net cash from investments (Line 10.8 minus Line 11.7)	(12,904,119)	(10,328,232)
Cash from Financing and Miscellaneous Sources			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in		4,900,000
13.2	Net transfers from affiliates		
13.3	Borrowed funds received		
13.4	Other cash provided	414,543	9,691,160
13.5	Total (Lines 13.1 to 13.4)	414,543	14,591,160
14.	Cash applied:		
14.1	Dividends to stockholder paid	3,800,000	
14.2	Net transfers to affiliates	3,019,308	5,622,305
14.3	Borrowed funds repaid		
14.4	Other applications	1,607,708	5,457,753
14.5	Total (Lines 14.1 to 14.4)	8,427,016	11,080,058
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	(8,012,473)	3,511,102
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	(8,963,491)	14,132,945
17.	Cash and short-term investments:		
17.1	Beginning of year	41,413,353	27,280,408
17.2	End of year (Line 16 plus Line 17.1)	32,449,862	41,413,353

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

(Gain and Loss Exhibit)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medical Only	Medicare Supplement	Dental Only	Vision Only	Federal Employee Health Benefit Plan	Title XVIII- Medicare	Title XIX- Medicaid	Stop Loss	Disability Income	Long- term Care	Other
1. Net premium income	452,875,828	266,267,452					5,505,644	131,195,926	49,906,806				
2. Change in unearned premium reserves and reserve for rate credit													
3. Fee-for-service (net of \$..... medical expenses)													
4. Risk revenue	17,790	17,790											
5. Aggregate write-ins for other health care related revenues													
6. Total revenues (Lines 1 to 5)	452,893,618	266,285,242					5,505,644	131,195,926	49,906,806				
7. Medical/hospital benefits	335,451,968	185,062,086					3,729,407	111,887,658	34,772,817				
8. Other professional services													
9. Outside referrals													
10. Emergency room and out-of-area	13,773,330	7,673,593						3,392,512	2,707,225				
11. Prescription drugs	60,954,842	46,240,363					1,090,328	6,378,436	7,245,715				
12. Aggregate write-ins for other medical and hospital	(1,788,763)	(1,788,763)											
13. Incentive pool and withhold adjustments													
14. Subtotal (Lines 7 to 13)	408,391,377	237,187,279					4,819,735	121,658,606	44,725,757				
15. Net reinsurance recoveries	1,689,312	2,474,409						(363,878)	(421,219)				
16. Total medical and hospital (Lines 14 minus 15)	406,702,065	234,712,870					4,819,735	122,022,484	45,146,976				
17. Claims adjustment expenses	2,569,456	1,659,155					31,237	544,806	334,258				
18. General administrative expenses	32,630,730	23,248,412					396,694	4,648,835	4,336,789				
19. Increase in reserves for accident and health contracts													
20. Total underwriting deductions (Lines 16 to 19)	441,902,251	259,620,437					5,247,666	127,216,125	49,818,023				
21. Net underwriting gain or (loss) (Line 6 minus Line 20)	10,991,367	6,664,805					257,978	3,979,801	88,783				
DETAILS OF WRITE-INS													
0501													
0502													
0503													
0598. Summary of remaining write-ins for Line 5 from overflow page													
0599. TOTAL (Lines 0501 through 0503 plus 0598) (Line 5 above)													
1201. Subrogation Recoveries	(1,788,763)	(1,788,763)											
1202													
1203													
1298. Summary of remaining write-ins for Line 12 from overflow page													
1299. TOTAL (Lines 1201 through 1203 plus 1298) (Line 12 above)	(1,788,763)	(1,788,763)											

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (medical and hospital)	266,297,351		1,341,399	264,955,952
2.	Medicare Supplement				
3.	Dental only				
4.	Vision only				
5.	Federal Employees Health Benefits Plan Premiums	5,238,783		16,828	5,221,955
6.	Title XVIII - Medicare	132,157,906		480,990	131,676,916
7.	Title XIX - Medicaid	52,135,204		1,114,199	51,021,005
8.	Other				
9.	TOTALS	455,829,244		2,953,416	452,875,828

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other
1. Payments during the year:									
1.1 Direct	408,581,477	232,629,698				5,036,071	124,563,197	46,352,511	
1.2 Reinsurance assumed									
1.3 Reinsurance ceded	2,394,938	1,136,428					482,221	776,289	
1.4 Net	406,186,539	231,493,270				5,036,071	124,080,976	45,576,222	
2. Paid medical incentive pools and bonuses									
3. Claim liability December 31, current year from Part 2A:									
3.1 Direct	41,047,775	27,213,123				354,652	9,340,475	4,139,525	
3.2 Reinsurance assumed									
3.3 Reinsurance ceded	1,027,003	599,831					99,047	328,125	
3.4 Net	40,020,772	26,613,292				354,652	9,241,428	3,811,400	
4. Claim reserve December 31, current year from Part 2D:									
4.1 Direct									
4.2 Reinsurance assumed									
4.3 Reinsurance ceded									
4.4 Net									
5. Accrued medical incentive pools and bonuses, current year									
6. Amounts recoverable from reinsurers December 31, current year	438,176	175,850					31,677	230,649	
7. Claim liability December 31, prior year from Part 2A:									
7.1 Direct	39,963,180	23,125,147				471,941	11,737,635	4,628,457	
7.2 Reinsurance assumed									
7.3 Reinsurance ceded	1,500,249	1,091,994					58,262	349,993	
7.4 Net	38,462,931	22,033,153				471,941	11,679,373	4,278,464	
8. Claim reserve December 31, prior year from Part 2D:									
8.1 Direct									
8.2 Reinsurance assumed									
8.3 Reinsurance ceded									
8.4 Net									
9. Accrued medical incentive pools and bonuses, prior year									
10. Amounts recoverable from reinsurers December 31, prior year	670,556	39,943					338,523	292,090	
11. Incurred benefits:									
11.1 Direct	409,666,072	236,717,674				4,918,782	122,166,037	45,863,579	
11.2 Reinsurance assumed									
11.3 Reinsurance ceded	1,689,312	780,172					216,160	692,980	
11.4 Net	407,976,760	235,937,502				4,918,782	121,949,877	45,170,599	
12. Incurred medical incentive pools and bonuses									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

		1	2	3	4	5	6	7	8	9
		Total	Compre- hensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other
1.	Reported in Process of Adjustment:									
1.1	Direct	12,209,829	8,365,451				114,430	2,646,599	1,083,349	
1.2	Reinsurance assumed									
1.3	Reinsurance ceded	1,027,003	599,831					99,047	328,125	
1.4	Net	11,182,826	7,765,620				114,430	2,547,552	755,224	
2.	Incurred but Unreported:									
2.1	Direct	28,837,946	18,847,672				240,222	6,693,876	3,056,176	
2.2	Reinsurance assumed									
2.3	Reinsurance ceded									
2.4	Net	28,837,946	18,847,672				240,222	6,693,876	3,056,176	
3.	Amounts Withheld from Paid Claims and Capitations:									
3.1	Direct									
3.2	Reinsurance assumed									
3.3	Reinsurance ceded									
3.4	Net									
4.	TOTALS									
4.1	Direct	41,047,775	27,213,123				354,652	9,340,475	4,139,525	
4.2	Reinsurance assumed									
4.3	Reinsurance ceded	1,027,003	599,831					99,047	328,125	
4.4	Net	40,020,772	26,613,292				354,652	9,241,428	3,811,400	

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		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 (medical and hospital)	21,106,400	214,792,067	106,939	23,003,058	21,213,339	22,033,153
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan Premiums	431,042	4,795,000	2,160	438,912	433,202	471,941
6.	Title XVIII - Medicare	11,155,140	110,835,588	62,462	11,167,302	11,217,602	11,679,373
7.	Title XIX - Medicaid	3,736,766	39,334,536	27,592	5,212,347	3,764,358	4,278,464
8.	Other						
9.	Subtotal	36,429,348	369,757,191	199,153	39,821,619	36,628,501	38,462,931
10.	Medical incentive pools, accrual and disbursements						
11.	TOTALS	36,429,348	369,757,191	199,153	39,821,619	36,628,501	38,462,931

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS (000 Omitted)

Grand Total Section A - Paid Claims

Year in Which Losses Were Incurred		Net Amounts Paid				
		1 1998	2 1999	3 2000	4 2001	5 2002
1.	Prior	10,714	75	17	1	
2.	1998	110,581	15,916	286	26	
3.	1999	X X X	104,922	23,929	374	65
4.	2000	X X X	X X X	126,217	23,418	911
5.	2001	X X X	X X X	X X X	185,030	83,256
6.	2002	X X X	X X X	X X X	X X X	320,072

Section B - Incurred Claims

Year in Which Losses Were Incurred		Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
		1 1998	2 1999	3 2000	4 2001	5 2002
1.	Prior	10,714	75	17	1	
2.	1998	128,149	15,916	286	26	
3.	1999	X X X	162,566	24,151	374	65
4.	2000	X X X	X X X	154,954	24,824	911
5.	2001	X X X	X X X	X X X	222,090	84,731
6.	2002	X X X	X X X	X X X	X X X	358,619

Section C - Incurred Year Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1.	Prior to 1998	X X X	10,805		X X X	10,805	X X X			10,805	X X X
2.	1998	217,117	130,985			130,985	60			130,985	60
3.	1999	318,783	159,290			159,290	50			159,290	50
4.	2000	339,976	150,324			150,324	44			150,324	44
5.	2001	375,274	268,286	2,237	1	270,523	72	199		270,722	72
6.	2002	452,321	320,072	2,569	1	322,641	71	39,821	1,850	364,312	81
7.	TOTAL (Lines 1 through 6)	X X X	1,039,762	4,806	X X X	1,044,568	X X X	40,020	1,850	1,086,438	X X X
8.	TOTAL (Lines 2 through 6)	1,703,471	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Total

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS (000 Omitted)

Hospital and Medical
Section A - Paid Claims

Year in Which Losses Were Incurred		Net Amounts Paid				
		1 1998	2 1999	3 2000	4 2001	5 2002
1.	Prior	4,976	7	10	1	
2.	1998	52,136	6,764	135	6	
3.	1999	X X X	74,269	14,689	212	50
4.	2000	X X X	X X X	66,215	12,006	542
5.	2001	X X X	X X X	X X X	99,678	58,427
6.	2002	X X X	X X X	X X X	X X X	188,928

Section B - Incurred Claims

Year in Which Losses Were Incurred		Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
		1 1998	2 1999	3 2000	4 2001	5 2002
1.	Prior	4,976	7	10	1	
2.	1998	62,662	6,764	135	6	
3.	1999	X X X	91,472	14,816	212	50
4.	2000	X X X	X X X	82,323	12,817	542
5.	2001	X X X	X X X	X X X	120,904	59,809
6.	2002	X X X	X X X	X X X	X X X	210,657

Section C - Incurred Year Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1.	Prior to 1998	X X X	4,993		X X X	4,993	X X X			4,993	X X X
2.	1998	103,431	59,042			59,042	57			59,042	57
3.	1999	167,295	89,221			89,221	53			89,221	53
4.	2000	179,644	78,763			78,763	44			78,763	44
5.	2001	224,014	158,105	1,436	1	159,541	71	107		159,648	71
6.	2002	262,755	188,928	1,659	1	190,587	73	23,003	1,850	215,440	82
7.	TOTAL (Lines 1 through 6)	X X X	579,052	3,095	X X X	582,147	X X X	23,110	1,850	607,107	X X X
8.	TOTAL (Lines 2 through 6)	937,139	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Hospital and Medical

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only. NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only. NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only. NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only. NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only. NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only. NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS (000 Omitted)
Federal Employees Health Benefits Plan Premiums

Section A - Paid Claims

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	102				
2. 1998	1,064	138	3		
3. 1999	X X X	1,516	300	4	1
4. 2000	X X X	X X X	1,351	245	11
5. 2001	X X X	X X X	X X X	2,034	375
6. 2002	X X X	X X X	X X X	X X X	2,636

Section B - Incurred Claims

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	102				
2. 1998	1,064	138	3		
3. 1999	X X X	1,516	300	4	1
4. 2000	X X X	X X X	1,690	245	11
5. 2001	X X X	X X X	X X X	2,506	377
6. 2002	X X X	X X X	X X X	X X X	3,075

Section C - Incurred Year Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1. Prior to 1998	X X X	102		X X X	102	X X X			102	X X X
2. 1998	2,843	1,205			1,205	42			1,205	42
3. 1999	3,381	1,821			1,821	54			1,821	54
4. 2000	4,929	1,386			1,386	28			1,386	28
5. 2001	4,480	2,409	27	1	2,436	54	2		2,438	54
6. 2002	5,222	2,636	31	1	2,667	51	439		3,106	59
7. TOTAL (Lines 1 through 6)	X X X	9,559	58	X X X	9,617	X X X	441		10,058	X X X
8. TOTAL (Lines 2 through 6)	20,855	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Fed Emp HBPP

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS (000 Omitted)

Title XVIII - Medicare
Section A - Paid Claims

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	4,122	47	6		
2. 1998	47,388	8,126	109	17	
3. 1999	X X X	20,885	7,279	116	13
4. 2000	X X X	X X X	48,647	8,799	317
5. 2001	X X X	X X X	X X X	62,084	16,193
6. 2002	X X X	X X X	X X X	X X X	90,779

Section B - Incurred Claims

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	4,122	47	6		
2. 1998	53,394	8,126	109	17	
3. 1999	X X X	59,449	7,345	116	13
4. 2000	X X X	X X X	58,280	9,230	317
5. 2001	X X X	X X X	X X X	73,332	16,256
6. 2002	X X X	X X X	X X X	X X X	101,946

Section C - Incurred Year Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. Prior to 1998	X X X	4,175		X X X	4,175	X X X			4,175	X X X
2. 1998	89,631	59,815			59,815	67			59,815	67
3. 1999	125,326	58,293			58,293	47			58,293	47
4. 2000	121,061	57,763			57,763	48			57,763	48
5. 2001	108,112	78,277	474	1	78,751	73	62		78,813	73
6. 2002	132,991	90,779	545	1	91,324	69	11,167		102,491	77
7. TOTAL (Lines 1 through 6)	X X X	349,102	1,019	X X X	350,121	X X X	11,229		361,350	X X X
8. TOTAL (Lines 2 through 6)	577,121	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Title XVIII-Medicare

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS (000 Omitted)

Title XIX - Medicaid
Section A - Paid Claims

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	1,514	21	1		
2. 1998	9,993	888	39	3	
3. 1999	X X X	8,252	1,661	42	1
4. 2000	X X X	X X X	10,004	2,368	41
5. 2001	X X X	X X X	X X X	21,234	8,261
6. 2002	X X X	X X X	X X X	X X X	37,729

Section B - Incurred Claims

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	1,514	21	1		
2. 1998	11,029	888	39	3	
3. 1999	X X X	10,129	1,690	42	1
4. 2000	X X X	X X X	12,661	2,532	41
5. 2001	X X X	X X X	X X X	25,348	8,289
6. 2002	X X X	X X X	X X X	X X X	42,941

Section C - Incurred Year Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. Prior to 1998	X X X	1,535		X X X	1,535	X X X			1,535	X X X
2. 1998	21,212	10,923			10,923	51			10,923	51
3. 1999	22,781	9,955			9,955	44			9,955	44
4. 2000	34,342	12,412			12,412	36			12,412	36
5. 2001	38,668	29,495	300	1	29,795	77	28		29,823	77
6. 2002	51,353	37,729	334	1	38,063	74	5,212		43,275	84
7. TOTAL (Lines 1 through 6)	X X X	102,049	634	X X X	102,683	X X X	5,240		107,923	X X X
8. TOTAL (Lines 2 through 6)	168,356	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Title XIX-Medicaid

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other..... NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other..... NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other..... NONE

13 Underwriting Invest Exh Pt 2D - A & H Reserve - NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	1 Claim Adjustment Expenses	2 General Administrative Expenses	3 Investment Expenses	4 Total
1. Rent (\$..... for occupancy of own building)		892,006		892,006
2. Salaries, wages and other benefits	2,375,089	15,026,587		17,401,676
3. Commissions (less \$..... ceded plus \$..... assumed)		5,300,717		5,300,717
4. Legal fees and expenses				
5. Certifications and accreditation fees				
6. Auditing, actuarial and other consulting services	67	984,024		984,091
7. Traveling expenses	7,936	239,745		247,681
8. Marketing and advertising		762,788		762,788
9. Postage, express and telephone	1,427	942,125		943,552
10. Printing and office supplies	45,008	985,189		1,030,197
11. Occupancy, depreciation and amortization		205,598		205,598
12. Equipment	2,786	607,184		609,970
13. Cost or depreciation of EDP equipment and software		1,449,678		1,449,678
14. Outsourced services including EDP, claims, and other services				
15. Boards, bureaus and association fees		63,609		63,609
16. Insurance, except on real estate				
17. Collection and bank service charges		83,519	197,774	281,293
18. Group service and administration fees		17,602		17,602
19. Reimbursements by uninsured accident and health plans				
20. Reimbursements from fiscal intermediaries				
21. Real estate expenses				
22. Real estate taxes				
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes		279,462		279,462
23.2 State premium taxes		2,138,000		2,138,000
23.3 Regulator authority licenses and fees				
23.4 Payroll taxes	127,899	955,527		1,083,426
23.5 Other (excluding federal income and real estate taxes)		17,840		17,840
24. Investment expenses not included elsewhere				
25. Aggregate write-ins for expenses	9,244	1,679,530		1,688,774
26. Total expenses incurred (Lines 1 to 25)	2,569,456	32,630,730	197,774	(a) 35,397,960
27. Add expenses unpaid December 31, prior year		724,974		724,974
28. Less expenses unpaid December 31, current year		289,703		289,703
29. Amounts receivable relating to uninsured accident and health plans, prior year				
30. Amounts receivable relating to uninsured accident and health plans, current year				
31. Total expenses paid (Lines 26 plus 27 minus 28 minus 29 plus 30)	2,569,456	33,066,001	197,774	35,833,231
DETAILS OF WRITE-INS				
2501. ASO Business		(1,789,927)		(1,789,927)
2502. Corporate Overhead		1,550,138		1,550,138
2503. Purchase Services: Computer Service		908,649		908,649
2598. Summary of remaining write-ins for Line 25 from overflow page	9,244	1,010,671		1,019,915
2599. Totals (Lines 2501 through 2503 + 2598)(Line 25 above)	9,244	1,679,530		1,688,774

(a) Includes management fees of \$.....1,550,138 to affiliates and \$..... to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a)..... 940,137	..... 922,809
1.1	Bonds exempt from U.S. tax	(a)..... 1,281,262	..... 1,289,225
1.2	Other bonds (unaffiliated)	(a)..... 433,692	..... 549,544
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b)..... 20,275	..... 25,691
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash/short-term investments	(e)..... 792,271	..... 801,016
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	..... 9,523	..... 9,523
9.	Aggregate write-ins for investment income .....	..... 22,464	..... 22,464
10.	Total gross investment income .....	..... 3,499,624	..... 3,620,272
11.	Investment expenses .....	.....	(g)..... 197,774
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g).....
13.	Interest expense .....	.....	(h).....
14.	Depreciation on real estate and other invested assets .....	.....	(i).....
15.	Aggregate write-ins for deductions from investment income .....	.....	.....
16.	Total deductions (Lines 11 through 15) .....	.....	..... 197,774
17.	Net Investment income (Line 10 minus Line 16) .....	.....	..... 3,422,498
DETAILS OF WRITE-INS			
0901.	RSD for HMO by ORC .....	..... 15,119	..... 15,119
0902.	VSD for Reinsurance .....	..... 7,345	..... 7,345
0903	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	..... 22,464	..... 22,464
1501	.....	.....	.....
1502	.....	.....	.....
1503	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above) .....	.....	.....

- (a) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
(b) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued dividends on purchases.
(c) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
(d) Includes \$..... for company's occupancy of its own buildings; and excluding \$..... interest on encumbrances.
(e) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
(f) Includes \$..... accrual of discount less \$..... amortization of premium.
(g) Includes \$..... investment expenses and \$..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$..... interest on surplus notes and \$..... interest on capital notes.
(i) Includes \$..... depreciation on real estate and \$..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1.	U.S. Government bonds .....	..... 2,796	.....	.....	.....	..... 2,796
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	..... (60,933)	.....	.....	.....	..... (60,933)
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash/short-term investments .....	..... 9,313	.....	.....	.....	..... 9,313
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	..... (332,446)	..... (621,739)	.....	.....	..... (954,185)
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses) .....	..... (381,270)	..... (621,739)	.....	.....	..... (1,003,009)
DETAILS OF WRITE-INS						
0901	.....	.....	.....	.....	.....	.....
0902	.....	.....	.....	.....	.....	.....
0903	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....	.....	.....	.....	.....

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of items Page 2, Lines 10 to 13 and 15 to 20, Column 2	4,132,633	7,755,579	3,622,946
2. Other Nonadmitted Assets:			
2.1 Bills receivable			
2.2 Leasehold improvements	27,824	48,804	20,980
2.3 Cash advanced to or in the hands of officers and agents			
2.4 Loans on personal security, endorsed or not			
2.5 Commuted commissions			
3. Total (Lines 2.1 to 2.5)	27,824	48,804	20,980
4. Aggregate write-ins for other assets	9,058,053	9,042,621	(15,432)
5. TOTAL (Line 1 plus Line 3 and Line 4)	13,218,510	16,847,004	3,628,494
DETAILS OF WRITE-INS			
0401. Membership Contracts: THP, MVP (net)	8,749,913	8,749,913	
0402. Deferred Deal Cost	78,073	151,703	73,630
0403. Prepaid Expenses	102,292	69,506	(32,786)
0498. Summary of remaining write-ins for Line 4 from overflow page	127,775	71,499	(56,276)
0499. TOTALS (Lines 0401 through 0403 plus 0498) (Line 4 above)	9,058,053	9,042,621	(15,432)

EXHIBIT 2 - ENROLLMENT BY PRODUCT TYPE

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	151,199	158,106	163,352	168,395	169,557	1,967,598
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service	1,740	1,909	1,839	1,662	1,434	20,467
5. Indemnity Only						
6. Aggregate write-ins for other lines of business						
7. TOTAL	152,939	160,015	165,191	170,057	170,991	1,988,065
DETAILS OF WRITE-INS						
0601						
0602						
0603						
0698. Summary of remaining write-ins for Line 6 from overflow page						
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)						

Notes to Financial Statement

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	801,328	0.753	801,328	0.785
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	13,422,330	12.611	13,422,330	13.154
1.22 Issued by U.S. government sponsored agencies	573,260	0.539	573,260	0.562
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	339,710	0.319	339,710	0.333
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	10,879,871	10.222	10,879,871	10.662
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations	17,367,571	16.318	17,367,571	17.020
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA				
1.512 Issued by FNMA and FHLMC				
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC				
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)				
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated	411,200	0.386	411,200	0.403
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated				
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$..... of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$..... including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities	4,388,982	4.124		
8. Cash and short-term investments	32,449,862	30.489	32,449,862	31.800
9. Other invested assets	25,797,901	24.239	25,797,901	25.281
10. Total invested assets	106,432,015	100.000	102,043,033	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[] N/A[]
- 1.3 State Regulating? Ohio
-
- 2.1 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]
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/1997.....
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/1997.....
- 3.3 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).12/31/1997.....
- 3.4 By what department or departments?
The Ohio Department of Insurance
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? 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 the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the 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]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[] No[X]
- 7.2 If yes, %
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity
.....

GENERAL INTERROGATORIES (continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Deloitte & Touche LLP, 600 Renaissance Center, Suite 900, Detroit, MI 48243-1895
9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Timothy Gustafson FSA, MAAA, Deloitte & Touche LLP, 180 N. Stetson Avenue, Chicago, IL 60601
10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 10.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 None
- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes[] No[] N/A[X]
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes[] No[] N/A[X]
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes[] No[] N/A[X]

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes[] No[X]
12. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes[X] No[]
13. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes[X] No[]

FINANCIAL

- 14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.11 To directors or other officers \$
 - 14.12 To stockholders not officers \$
 - 14.13 Trustees, supreme or grand (Fraternal only) \$
- 14.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21 To directors or other officers \$
 - 14.22 To stockholders not officers \$
 - 14.23 Trustees, supreme or grand (Fraternal only) \$
- 15.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes[] No[X]
- 15.2 If yes, state the amount thereof at December 31 of the current year:
- 15.21 Rented from others \$
 - 15.22 Borrowed from others \$
 - 15.23 Leased from others \$
 - 15.24 Other \$
- Disclose in Notes to Financial the nature of each obligation.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes[] No[X]
- 16.2 If answer is yes:
- 16.21 Amount paid as losses or risk adjustment \$
 - 16.22 Amount paid as expenses \$
 - 16.23 Other amounts paid \$

GENERAL INTERROGATORIES (continued)

INVESTMENT

17. List the following capital stock information for the reporting entity:

	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
1. Preferred .....	.....	.....	.....	.....	Yes[] No[] N/A[X]	Yes[] No[] N/A[X]
2. Common	750.000	470.000	.....	X X X	X X X	X X X

18.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? Yes[X] No[]
 18.2 If no, give full and complete information, relating thereto:

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E - Part 2 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1). Yes[X] No[]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21 Loaned to others	\$	4,388,982
19.22 Subject to repurchase agreements	\$	
19.23 Subject to reverse repurchase agreements	\$	
19.24 Subject to dollar repurchase agreements	\$	
19.25 Subject to reverse dollar repurchase agreements	\$	
19.26 Pledged as collateral	\$	
19.27 Placed under option agreements	\$	
19.28 Letter stock or securities restricted as to sale	\$	
19.29 Other	\$	

19.3 For each category above, if any of these assets are held by other, identify by whom held:

- 19.31 Mellon Bank, N.A.
- 19.32
- 19.33
- 19.34
- 19.35
- 19.36
- 19.37
- 19.38
- 19.39

For categories (19.21) and (19.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[] No[X]
 20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[] No[] N/A[X]
 If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[] No[X]
 21.2 If yes, state the amount thereof at December 31 of the current year. \$

22. 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[]
 22.1 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

	1 Name of Custodian(s)	2 Custodian's Address
22.1001	Sky Bank	519 Madison Avenue, 3rd Floor, Toledo, OH 43604 ...
22.1002	Mellon Trust	Three Mellon Center, Suite 153-3925, Pittsburgh, PA .

GENERAL INTERROGATORIES (continued)

INVESTMENT

22.02 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)

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year?

Yes [] No [X]

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

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

22.05 Identify all investment advisers, 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 Number(s)	2 Name	3 Address

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$ 94,565

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Ohio Association of Health Plans	36,890
HMO Alliance	36,770

24.1 Amount of payments for legal expenses, if any?

\$ 421,255

24.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Cooper, Walinski & Cramer	151,836
Jones, Day, Reavis & Pogue	153,023

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

\$

25.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes[] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only: \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
 - 1.31 Reason for excluding: \$
- 1.4 Indicate amount of premium earned attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$
- 1.6 Individual policies - Most current three years: \$
 - 1.61 Total premium earned \$
 - 1.62 Total incurred claims \$
 - 1.63 Number of covered lives \$
- All years prior to most current three years: \$
 - 1.64 Total premium earned \$
 - 1.65 Total incurred claims \$
 - 1.66 Number of covered lives \$
- 1.7 Group policies - Most current three years: \$
 - 1.71 Total premium earned \$
 - 1.72 Total incurred claims \$
 - 1.73 Number of covered lives \$
- All years prior to most current three years: \$
 - 1.74 Total premium earned \$
 - 1.75 Total incurred claims \$
 - 1.76 Number of covered lives \$
- 2.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes[] No[X]
- 2.2 If yes, give particulars:
- 3.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency? Yes[X] No[]
- 3.2 If not previously filed furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes[] No[X]
- 4.1 Does the reporting entity have stop-loss reinsurance? Yes[X] No[]
- 4.2 If no, explain:
- 4.3 Maximum retained risk (see instructions): \$
 - 4.31 Comprehensive Medical \$ 115,000
 - 4.32 Medical Only \$
 - 4.33 Medicare Supplement \$
 - 4.34 Dental \$
 - 4.35 Other Limited Benefit Plan \$
 - 4.36 Other \$
- 5. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

The plan has hold harmless provisions with network hospitals. Paramount's reinsurance contract provides that Allianz Life will issue conversion coverage to Members, without evidence of insurability, other than Members who are Medicaid or Title XVII Medicare enrollees, who apply to Allianz Life for conversion coverage within 30 days of Plan Insolvency.
- 6.1 Does the reporting entity set up its claim liability for provider services on a service data base? Yes[X] No[]
- 6.2 If no, give details:
- 7. Provide the following information regarding participating providers:
 - 7.1 Number of providers at start of reporting year 1926
 - 7.2 Number of providers at end of reporting year 1856
- 8.1 Does the reporting entity have business subject to premium rate guarantees? Yes[] No[X]
- 8.2 If yes, direct premium earned:
 - 8.21 Business with rate guarantees between 15-36 months 0
 - 8.22 Business with rate guarantees over 36 months 0
- 9.1 Does the reporting entity have Bonus/Withhold Arrangements in its provider contracts? Yes[] No[X]
- 9.2 If yes:
 - 9.21 Maximum amount payable bonuses \$
 - 9.22 Amount actually paid for year bonuses \$
 - 9.23 Maximum amount payable withholds \$
 - 9.24 Amount actually paid for year withholds \$
- 10. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Allen County
Ashland County
Crawford County
Defiance County
Erie County
Fulton County
Hancock County
Hardin County
Henry County
Huron County
Lorain County
Lucas County
Marion County
Morrow County
Ottawa County
Paulding County
Putnam County
Richland County
Sandusky County
Seneca County
Williams County
Wood County

1	
Name of Service Area	
Wyandot .....	.....
Deleware .....	.....
Knox .....	.....

FIVE-YEAR HISTORICAL DATA

	1 2002	2 2001	3 2000	4 1999	5 1998
BALANCE SHEET ITEMS (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 23)	120,419,239	114,705,081	90,615,292	64,424,821	35,694,549
2. Total liabilities (Page 3, Line 18)	74,364,266	76,662,039	62,964,289	53,901,114	31,303,827
3. Statutory surplus					
4. Total capital and surplus (Page 3, Line 26)	46,054,972	38,043,042	27,651,002	10,523,707	4,390,722
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 7)	452,893,618	374,307,840	381,956,527	344,381,226	231,447,975
6. Total medical and hospital expenses (Line 17)	406,702,065	334,275,513	349,577,617	328,407,963	216,120,597
7. Total administrative expenses (Line 19)	32,630,730	30,948,984	25,787,808	23,539,298	20,829,419
8. Net underwriting gain (loss) (Line 22)	10,991,367	9,083,343	6,591,102	(7,566,035)	(5,502,041)
9. Net investment gain (loss) (Line 25)	2,419,489	3,491,738	4,044,217	1,807,695	1,551,561
10. Total other income (Lines 26 plus 27)	1,023	2,616			
11. Net income or (loss) (Line 30)	8,965,072	8,511,697	10,635,319	(5,758,340)	(3,950,480)
RISK-BASED CAPITAL ANALYSIS					
12. Total adjusted capital	46,054,972	38,043,042	27,651,002	10,523,707	4,390,722
13. Authorized control level risk-based capital	16,710,528	12,155,739	12,485,922	10,617,459	6,229,244
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7)	170,991	164,381	160,039	162,309	116,515
15. Total members months (Column 6, Line 7)	1,988,065	1,920,197	1,920,853	1,843,483	1,333,255
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5)					
16. Premiums earned (Lines 2 plus 3)	100.0	100.0	100.0	100.0	100.0
17. Total medical and hospital (Line 17)	89.8	89.3	92.1		
18. Total underwriting deductions (Line 21)	97.6	97.6	98.3		
19. Total underwriting gain (loss) (Line 22)	2.4	2.4	1.7		
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
20. Total claims incurred for prior years (Line 11, Col. 5)	36,628,501	28,790,845	26,384,387	17,693,118	12,452,501
21. Estimated liability of unpaid claims-[prior year (Line 11, Col. 6)]	38,462,931	29,296,415	27,663,279	16,676,873	14,002,525

FIVE-YEAR HISTORICAL DATA (Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)					
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)					
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11)	NONE				
26. Affiliated mortgage loans on real estate					
27. All other affiliated					
28. Total of above Lines 22 to 27					

SCHEDULE D - SUMMARY BY COUNTRY

Long-term Bonds and Stocks OWNED December 31 of Current Year

Description	1	2	3	4
	Book/Adjusted Carrying Value	Fair Value (a)	Actual Cost	Par Value of Bonds
BONDS				
Governments (Including all obligations guaranteed by governments)	1. United States 14,796,918	14,796,918	14,247,987	14,210,671
	2. Canada			
	3. Other Countries			
	4. Totals 14,796,918	14,796,918	14,247,987	14,210,671
States, Territories and Possessions (Direct and Guaranteed)	5. United States 339,710	339,710	330,545	325,000
	6. Canada			
	7. Other Countries			
	8. Totals 339,710	339,710	330,545	325,000
Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	9. United States 10,879,871	10,879,871	10,614,150	10,475,000
	10. Canada			
	11. Other Countries			
	12. Totals 10,879,871	10,879,871	10,614,150	10,475,000
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States			
	14. Canada			
	15. Other Countries			
	16. Totals			
Public Utilities (unaffiliated)	17. United States 1,341,855	1,341,855	1,260,575	1,250,000
	18. Canada			
	19. Other Countries			
	20. Totals 1,341,855	1,341,855	1,260,575	1,250,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States 16,025,716	16,025,716	15,049,870	14,856,776
	22. Canada			
	23. Other Countries			
	24. Totals 16,025,716	16,025,716	15,049,870	14,856,776
Parent, Subsidiaries and Affiliates	25. Totals			
	26. Total Bonds 43,384,070	43,384,070	41,503,127	41,117,447
PREFERRED STOCKS				
Public Utilities (unaffiliated)	27. United States			
	28. Canada			
	29. Other Countries			
	30. Totals			
Banks, Trust and Insurance Companies (unaffiliated)	31. United States 411,200	411,200	400,000	
	32. Canada			
	33. Other Countries			
	34. Totals 411,200	411,200	400,000	
Industrial and Miscellaneous (unaffiliated)	35. United States			
	36. Canada			
	37. Other Countries			
	38. Totals			
Parent, Subsidiaries and Affiliates	39. Totals			
	40. Total Preferred Stocks 411,200	411,200	400,000	
COMMON STOCKS				
Public Utilities (unaffiliated)	41. United States			
	42. Canada			
	43. Other Countries			
	44. Totals			
Banks, Trust and Insurance Companies (unaffiliated)	45. United States			
	46. Canada			
	47. Other Countries			
	48. Totals			
Industrial and Miscellaneous (unaffiliated)	49. United States			
	50. Canada			
	51. Other Countries			
	52. Totals			
Parent, Subsidiaries and Affiliates	53. Totals			
	54. Total Common Stocks			
	55. Total Stocks 411,200	411,200	400,000	
	56. Total Bonds and Stocks 43,795,270	43,795,270	41,903,127	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$.....

SCHEDULE D - Verification Between Years

1. Book/adjusted carrying value of bonds and stocks, prior year.	29,899,361	6. Foreign Exchange Adjustment	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	20,697,307	6.1 Column 17, Part 1.....	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1.....	
3.1 Column 16, Part 1.....	1,065,980	6.3 Column 11, Part 2, Section 2.....	
3.2 Column 12, Part 2, Section 1.....	11,200	6.4 Column 11, Part 4.....	
3.3 Column 10, Part 2, Section 2.....		7. Book/adjusted carrying value at end of current period.....	43,795,270
3.4 Column 10, Part 4.....	(58,730)	8. Total valuation allowance.....	
4. Total gain (loss), Column 14, Part 4.....	(58,136)	9. Subtotal (Lines 7 plus 8).....	43,795,270
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4.....	7,761,712	10. Total nonadmitted assets.....	
		11. Statement value of bonds and stocks, current period.....	43,795,270

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				
				3 Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	
1.	Alabama	AL	No	No				
2.	Alaska	AK	No	No				
3.	Arizona	AZ	No	No				
4.	Arkansas	AR	No	No				
5.	California	CA	No	No				
6.	Colorado	CO	No	No				
7.	Connecticut	CT	No	No				
8.	Delaware	DE	No	No				
9.	District of Columbia	DC	No	No				
10.	Florida	FL	No	No				
11.	Georgia	GA	No	No				
12.	Hawaii	HI	No	No				
13.	Idaho	ID	No	No				
14.	Illinois	IL	No	No				
15.	Indiana	IN	No	No				
16.	Iowa	IA	No	No				
17.	Kansas	KS	No	No				
18.	Kentucky	KY	No	No				
19.	Louisiana	LA	No	No				
20.	Maine	ME	No	No				
21.	Maryland	MD	No	No				
22.	Massachusetts	MA	No	No				
23.	Michigan	MI	No	No				
24.	Minnesota	MN	No	No				
25.	Mississippi	MS	No	No				
26.	Missouri	MO	No	No				
27.	Montana	MT	No	No				
28.	Nebraska	NE	No	No				
29.	Nevada	NV	No	No				
30.	New Hampshire	NH	No	No				
31.	New Jersey	NJ	No	No				
32.	New Mexico	NM	No	No				
33.	New York	NY	No	No				
34.	North Carolina	NC	No	No				
35.	North Dakota	ND	No	No				
36.	Ohio	OH	No	Yes	264,096,551	132,991,323	51,353,115	5,221,955
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)..... 1		264,096,551	132,991,323	51,353,115	5,221,955

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

(a) Insert the number of yes responses except for Canada and Other Alien.
Explanation of basis of allocation of premiums by states, etc.:

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART