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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

Nationwide Health Plans, Inc.

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) NAIC Company Code 95194 Employer's ID Number 31-1125592

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 [ ] Dental Service Corporation [ ]
Vision Service Corporation [ ] Other [ ] Health Maintenance Organization [X]
Hospital, Medical & Dental Service or Indemnity [ ] Is HMO, Federally Qualified? Yes [ ] No [X]

Incorporated 01/11/1985 Commenced Business 01/11/1985

Statutory Home Office 5525 Parkcenter Circle (Street and Number), Dublin, OH 43017-3584 (City or Town, State and Zip Code)

Main Administrative Office 5525 Parkcenter Circle (Street and Number)
Dublin, OH 43017-3584 (City or Town, State and Zip Code) 614-854-3001 (Area Code) (Telephone Number)

Mail Address 5525 Parkcenter Circle (Street and Number or P.O. Box), Dublin, OH 43017-3584 (City or Town, State and Zip Code)

Primary Location of Books and Records 5525 Parkcenter Circle (Street and Number)
Dublin, OH 43017-3584 (City or Town, State and Zip Code) 614-854-3124 (Area Code) (Telephone Number)

Internet Website Address nationwidehealthplans.com

Statement Contact Mark Cunningham (Name) 614-854-3124 (Area Code) (Telephone Number) (Extension)
cunninm3@nationwide.com (E-mail Address) 614-854-3218 (FAX Number)

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

OFFICERS

President Joseph San Filippo Secretary Glenn Soden
Chief Actuarial Officer Jeffrey McDaniel

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

State of Ohio }
County of Franklin } ss

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

Joseph San Filippo	Glenn Soden	Jeffrey McDaniel
President	Secretary	Chief Actuarial Officer

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds	0		0	0
2. Stocks:				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ encumbrances)			[a] 0	0
4.2 Properties held for the production of income (less $ encumbrances)			0	0
4.3 Properties held for sale (less $ encumbrances)			0	0
5. Cash ($ 1,752,270 , Schedule E - Part 1) and short-term investments ($ 0 , Schedule DA - Part 2)	1,752,270		1,752,270	4,888,555
6. Other long-term invested assets	0		0	0
7. Receivable for securities			0	0
8. Aggregate write-ins for invested assets	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8)	1,752,270	0	1,752,270	4,888,555
10. Accident and health premiums due and unpaid	7,888	7,888	0	310,386
11. Health care receivables			0	0
12. Amounts recoverable from reinsurers	0		0	1,066,965
13. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
14. Investment income due and accrued	680		680	1,583
15. Amounts due from parent, subsidiaries and affiliates	741,888		741,888	447,766
16. Amounts receivable relating to uninsured accident and health plans			0	0
17. Furniture and equipment			0	0
18. Amounts due from agents			0	0
19. Federal and foreign income tax recoverable and interest thereon (including $ net deferred tax asset)			0	0
20. Electronic data processing equipment and software	0		0	523,733
21. Other nonadmitted assets			0	0
22. Aggregate write-ins for other than invested assets	0	0	0	756,234
23. Total assets (Lines 9 plus 10 through 22)	2,502,726	7,888	2,494,838	7,995,222
DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898)(Line 8 above)	0	0	0	0
2201. Accounts Receivable-Other	0		0	756,234
2202.				
2203.				
2298. Summary of remaining write-ins for Line 22 from overflow page	0	0	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298)(Line 22 above)	0	0	0	756,234

(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 $ ..... reinsurance ceded)	(96,384)		(96,384)	70,654
2. Accrued medical incentive pool and bonus payments			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate policy reserves			0	0
5. Aggregate claim reserves	55,000		55,000	4,925,002
6. Premiums received in advance	0		0	7,971
7. General expenses due or accrued	38,136		38,136	673,646
8. Federal and foreign income tax payable and interest thereon (including $ ..... on realized capital gains (losses)) (including $ ..... net deferred tax liability)			0	0
9. Amounts withheld or retained for the account of others			0	0
10. Borrowed money (including $ ..... current) and interest thereon $ ..... (including $ ..... current)			0	0
11. Amounts due to parent, subsidiaries and affiliates			0	0
12. Payable for securities			0	0
13. Funds held under reinsurance treaties with ($ ..... authorized reinsurers and $ ..... unauthorized reinsurers)			0	0
14. Reinsurance in unauthorized companies			0	0
15. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
16. Liability for amounts held under uninsured accident and health plans			0	0
17. Aggregate write-ins for other liabilities (including $ ..... current)	100,314	0	100,314	483,591
18 Total liabilities (Lines 1 to 17)	97,066	0	97,066	6,160,864
19. Common capital stock	XXX	XXX	2,352,542	2,352,542
20 Preferred capital stock	XXX	XXX		0
21. Gross paid in and contributed surplus	XXX	XXX	17,936,774	17,936,774
22. Surplus notes	XXX	XXX		0
23. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
24. Unassigned funds (surplus)	XXX	XXX	(17,891,544)	(18,454,955)
25. Less treasury stock, at cost:				
25.1 ..... shares common (value included in Line 19 $ .....)	XXX	XXX		0
25.2 ..... shares preferred (value included in Line 20 $ .....)	XXX	XXX		0
26. Total capital and surplus (Lines 19 to 24 Less 25)	XXX	XXX	2,397,772	1,834,361
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	2,494,838	7,995,225
DETAILS OF WRITE-INS				
1701. Claims Administration Reserves	5,000		5,000	200,000
1702. Accrued Expenses	87,744		87,744	276,020
1703. Pfizer Grant	7,570		7,570	7,571
1798. Summary of remaining write-ins for Line 17 from overflow page	0	0	0	0
1799. Totals (Lines 1701 thru 1703 plus 1798) (Line 17 above)	100,314	0	100,314	483,591
2301.	XXX	XXX		0
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	XXX	0	193,585
2.	Net premium income	XXX	(87,207)	32,923,808
3.	Change in unearned premium reserves and reserve for rate credits	XXX		0
4.	Fee-for-service (net of $ ..... medical expenses)	XXX		0
5.	Risk revenue	XXX		0
6.	Aggregate write-ins for other health care related revenues	XXX	3,080	17,018,095
7.	Total revenues (Lines 2 to 6)	XXX	(84,127)	49,941,903
	Medical and Hospital:			
8.	Hospital/medical benefits		(643,089)	19,331,032
9.	Other professional services		1,676,049	10,415,011
10.	Outside referrals			0
11.	Emergency room and out-of-area		(1,093,346)	2,305,009
12.	Prescription Drugs		(289,340)	4,959,281
13.	Aggregate write-ins for other medical and hospital	0	(174,318)	(1,616,510)
14.	Incentive pool and withhold adjustments			0
15.	Subtotal (Lines 8 to 14)	0	(524,044)	35,393,823
	Less:			
16.	Net reinsurance recoveries		0	1,451,081
17.	Total medical and hospital (Lines 15 minus 16)	0	(524,044)	33,942,742
18.	Claims adjustment expenses			5,313,992
19.	General administrative expenses		131,104	15,769,864
20.	Increase in reserves for accident and health contracts			0
21.	Total underwriting deductions (Lines 17 through 20)	0	(392,940)	55,026,598
22.	Net underwriting gain or (loss) (Lines 7 minus 21)	XXX	308,813	(5,084,695)
23.	Net investment income earned		36,545	224,921
24.	Net realized capital gains or (losses)			0
25.	Net investment gains or (losses) (Lines 23 + 24)	0	36,545	224,921
26.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $ .....) (amount charged off $ .....)]			0
27.	Aggregate write-ins for other income or expenses	0	0	0
28.	Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)	0	345,358	(4,859,774)
29.	Federal and foreign income taxes incurred	XXX	(8,080)	(1,354,283)
30.	Net income (loss) (Lines 28 minus 29)	XXX	353,438	(3,505,491)
	DETAILS OF WRITE-INS			
0601.	Utilization Review and Case Mgt Fees	XXX	3,080	695,488
0602.	Administrative Services Only Revenue	XXX	0	336,951
0603.	Service Administrative Fees	XXX	0	15,985,656
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	3,080	17,018,095
1301.	CoPayments		(84,784)	(1,256,420)
1302.	COB & Subrogation		(460,091)	(360,090)
1303.	Other		370,557	0
1398.	Summary of remaining write-ins for Line 13 from overflow page	0	0	0
1399.	Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	(174,318)	(1,616,510)
2701.				
2702.				
2703.				
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0	0

CAPITAL AND SURPLUS ACCOUNT

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT:		
31.	Capital and surplus prior reporting year	1,834,359	4,392,651
	GAINS AND LOSSES TO CAPITAL & SURPLUS:		
32.	Net income or (loss) from Line 30	353,438	(3,505,491)
33.	Change in valuation basis of aggregate policy and claim reserve		0
34.	Net unrealized capital gains and losses		0
35.	Change in net unrealized foreign exchange capital gain or (loss)		0
36.	Change in net deferred income tax		0
37.	Change in nonadmitted assets	209,974	947,199
38.	Change in unauthorized reinsurance	0	0
39.	Change in treasury stock		0
40.	Change in surplus notes	0	0
41.	Cumulative effect of changes in accounting principles		0
42.	Capital Changes:		
	42.1 Paid in		0
	42.2 Transferred from surplus (Stock Dividend)		0
	42.3 Transferred to surplus		0
43.	Surplus adjustments:		
	43.1 Paid in		0
	43.2 Transferred to capital (Stock Dividend)		0
	43.3 Transferred from capital		0
44.	Dividends to stockholders		0
45.	Aggregate write-ins for gains or (losses) in surplus	0	0
46.	Net change in capital & surplus (Lines 32 to 45)	563,412	(2,558,292)
47.	Capital and surplus end of reporting year (Line 31 plus 46)	2,397,771	1,834,359
	DETAILS OF WRITE-INS		
4501.			
4502.			
4503.			
4598.	Summary of remaining write-ins for Line 45 from overflow page	0	0
4599.	Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums and revenues collected net of reinsurance	207,320	33,162,823
2. Claims and claims adjustment expenses	3,433,462	35,127,473
3. General administrative expenses paid	766,614	19,519,354
4. Other underwriting income (expenses)	0	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(3,992,756)	(21,484,004)
6. Net investment income	37,448	224,921
7. Other income (expenses)	3,080	17,018,095
8. Federal and foreign income taxes (paid) recovered	815,944	1,673,954
9. Net cash from operations (Lines 5 to 8)	(3,136,284)	(2,567,034)
Cash from Investments		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds	0	0
10.2 Stocks	0	0
10.3 Mortgage loans	0	0
10.4 Real estate	0	0
10.5 Other invested assets	0	0
10.6 Net gains or (losses) on cash and short-term investments	0	0
10.7 Miscellaneous proceeds	0	0
10.8 Total investment proceeds (Lines 10.1 to 10.7)	0	0
11. Cost of investments acquired (long-term only):		
11.1 Bonds	0	0
11.2 Stocks	0	0
11.3 Mortgage loans	0	0
11.4 Real estate	0	0
11.5 Other invested assets	0	0
11.6 Miscellaneous applications	0	0
11.7 Total investments acquired (Lines 11.1 to 11.6)	0	0
12. Net Cash from investments (Line 10.8 minus Line 11.7)	0	0
Cash from Financing and Miscellaneous Sources		
13. Cash provided:		
13.1 Surplus notes, capital and surplus paid in	0	0
13.2 Net transfers from affiliates	0	0
13.3 Borrowed funds received	0	0
13.4 Other cash provided	0	0
13.5 Total (Lines 13.1 to 13.4)	0	0
14. Cash applied:		
14.1 Dividends to stockholders paid	0	0
14.2 Net transfers to affiliates	0	0
14.3 Borrowed funds repaid	0	0
14.4 Other applications	0	0
14.5 Total (Lines 14.1 to 14.4)	0	0
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	0	0
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	(3,136,284)	(2,567,034)
17. Cash and short-term investments:		
17.1 Beginning of year	4,888,557	7,455,591
17.2 End of year (Line 16 plus Line 17.1)	1,752,273	4,888,557

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medical Only	4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-term Care	13 Other
1. Net premium income	(87,207)	(87,207)											
2. Change in unearned premium reserves and reserve for rate credit	0												
3. Fee-for-service (net of $ medical expenses)	0												
4. Risk revenue	0												
5. Aggregate write-ins for other health care related revenues	3,080	3,080	0	0	0	0	0	0	0	0	0	0	0
6. Total revenues (Lines 1 to 5)	(84,127)	(84,127)	0	0	0	0	0	0	0	0	0	0	0
7. Medical/hospital benefits	(643,089)	(643,089)											
8. Other professional services	1,676,049	1,676,049											
9. Outside referrals	0												
10. Emergency room and out-of-area	(1,093,346)	(1,093,346)											
11. Prescription Drugs	(289,340)	(289,340)											
12. Aggregate write-ins for other medical and hospital	(174,318)	(174,318)	0	0	0	0	0	0	0	0	0	0	0
13. Incentive pool and withhold adjustments	0												
14. Subtotal (Lines 7 to 13)	(524,044)	(524,044)	0	0	0	0	0	0	0	0	0	0	0
15. Net reinsurance recoveries	0	0											
16. Total medical and hospital (Lines 14 minus 15)	(524,044)	(524,044)	0	0	0	0	0	0	0	0	0	0	0
17. Claims adjustment expenses	0	0											
18. General administrative expenses	131,104	131,104											
19. Increase in reserves for accident and health contracts	0												
20. Total underwriting deductions (Lines 16 to 19)	(392,940)	(392,940)	0	0	0	0	0	0	0	0	0	0	0
21. Total underwriting gain or (loss) (Line 6 minus Line 20)	308,813	308,813	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. Delta Dental	3,080	3,080											
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	3,080	3,080	0	0	0	0	0	0	0	0	0	0	0
1201. CoPay and COB	(544,875)	(544,875)											
1202. Other	370,557	370,557											
1203.													
1298. Summary of remaining write-ins for Line 12 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1299. Totals (Lines 1201 thru 1203 plus 1298) (Line 12 above)	(174,318)	(174,318)	0	0	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (medical and hospital)	258	(87,465)		(87,207)
2. Medicare Supplement				0
3. Dental Only				0
4. Vision Only				0
5. Federal Employees Health Benefits Plan Premiums				0
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid				0
8. Other				0
9. Totals	258	(87,465)	0	(87,207)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1 Total	2 Comprehensive (Medical & Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan Premium	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Payments during the year:									
1.1 Direct	4,512,996	4,512,996							0
1.2 Reinsurance assumed	0								
1.3 Reinsurance ceded	0								
1.4 Net	4,512,996	4,512,996	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	0								
3. Claim liability December 31, current year from Part 2A:									
3.1 Direct	(96,384)	(96,384)	0	0	0	0	0	0	0
3.3 Reinsurance assumed	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0
3.4 Net	(96,384)	(96,384)	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:									
4.1 Direct	55,000	55,000							
4.2 Reinsurance assumed	0								
4.3 Reinsurance ceded	0								
4.4 Net	55,000	55,000	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0								
6. Amounts recoverable from reinsurers December 31, current year	0								
7. Claim liability December 31, prior year from Part 2A:									
7.1 Direct	70,654	70,654	0	0	0	0	0	0	0
7.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0
7.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0
7.4 Net	70,654	70,654	0	0	0	0	0	0	0
8. Claim reserve December 31, prior year from Part 2D:									
8.1 Direct	4,925,002	4,925,002	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0
8.4 Net	4,925,002	4,925,002	0	0	0	0	0	0	0
9. Accrued medical incentive pools and bonuses, prior year	0								
10. Amounts recoverable from reinsurers December 31, prior year	0	0							
11. Incurred Benefits:									
11.1 Direct	(524,044)	(524,044)	0	0	0	0	0	0	0
11.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0
11.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0
11.4 Net	(524,044)	(524,044)	0	0	0	0	0	0	0
12. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1 Total	2 Comprehensive (Medical & Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan Premium	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Reported in Process of Adjustment:									
1.1. Direct	(96,384)	(96,384)							
1.2. Reinsurance assumed	0								
1.3. Reinsurance ceded	0								
1.4. Net	(96,384)	(96,384)	0	0	0	0	0	0	0
2. Incurred but Unreported:									
2.1. Direct	0	0							
2.2. Reinsurance assumed	0								
2.3. Reinsurance ceded	0								
2.4. Net	0	0	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:									
3.1. Direct	0								
3.2. Reinsurance assumed	0								
3.3. Reinsurance ceded	0								
3.4. Net	0	0	0	0	0	0	0	0	0
4. TOTALS:									
4.1. Direct	(96,384)	(96,384)	0	0	0	0	0	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0
4.4. Net	(96,384)	(96,384)	0	0	0	0	0	0	0

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 Dec. 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)	4,512,996	0	(41,386)	0	4,471,610	3,234,273
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan Premiums					0	0
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid					0	1,761,383
8. Other	0	0	0	0	0	0
9. Subtotal	4,512,996	0	(41,386)	0	4,471,610	4,995,656
10. Medical incentive pools, accruals and disbursements			0		0	0
11. Totals	4,512,996	0	(41,386)	0	4,471,610	4,995,656

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

Section A - Paid Claims- Grand Total

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior	0	0	0	0	0
2. 1998	0	0	0	0	0
3. 1999	XXX	0	0	0	0
4. 2000	XXX	XXX	0	0	0
5. 2001	XXX	XXX	XXX	0	0
6. 2002	XXX	XXX	XXX	XXX	0

Section B - Incurred Claims - Grand Total

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	0	0	0	0	0
2. 1998	0	0	0	0	0
3. 1999	XXX	0	0	0	0
4. 2000	XXX	XXX	0	0	0
5. 2001	XXX	XXX	XXX	0	0
6. 2002	XXX	XXX	XXX	XXX	0

Section C – Incurred Year Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim 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 Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to 1998	XXX	0	0	XXX	0	XXX	0	0	0	XXX
2. 1998	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 1999	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2000	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2001	0	0	0	0.0	0	0.0	0	0	0	0.0
6. 2002	0	0	0	0.0	0	0.0	0	0	0	0.0
7. Total (Lines 1 through 6)	XXX	0	0	XXX	0	XXX	0	0	0	XXX
8. Total (Lines 2 through 6)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
POLICY RESERVE									
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	0								
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $ ..... for investment income)	0								
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (Gross)	0	0	0	0	0	0	0	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	0	0	0	0	0	0	0	0	0
CLAIM RESERVE									
9. Present value of amounts not yet due on claims	55,000	55,000							
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (Gross)	55,000	55,000	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 5)	55,000	55,000	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. TOTALS (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. TOTALS (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ ..... premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	1 Claim Adjustment Expenses	2 General Administration Expenses	3 Investment Expenses	4 Total
1. Rent ($ ..... for occupancy of own building)		8,385		8,385
2. Salaries, wages and other benefits		(20,856)		(20,856)
3. Commissions (less $ ..... ceded plus $ ..... assumed)		875		875
4. Legal fees and expenses		0		0
5. Certifications and accreditation fees				0
6. Auditing, actuarial and other consulting services		40,500		40,500
7. Traveling expenses		6,219		6,219
8. Marketing and advertising				0
9. Postage, express and telephone		22,389		22,389
10. Printing and office supplies		9,328		9,328
11. Occupancy, depreciation and amortization		0		0
12. Equipment		0		0
13. Cost or depreciation of EDP equipment and software		2,428		2,428
14. Outsourced services including EDP, claims, and other services		(40,144)		(40,144)
15. Boards, bureaus and association fees				0
16. Insurance, except on real estate				0
17. Collection and bank service charges		20,826		20,826
18. Group service and administration fees				0
19. Reimbursements by uninsured accident and health plans				0
20. Reimbursements from fiscal intermediaries				0
21. Real estate expenses				0
22. Real estate taxes				0
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes		100		100
23.2 State premium taxes				0
23.3 Regulatory authority licenses and fees				0
23.4 Payroll taxes				0
23.5 Other (excluding federal income and real estate taxes)				0
24. Investment expenses not included elsewhere				0
25. Aggregate write-ins for expenses	0	81,054	0	81,054
26. Total expenses incurred (Lines 1 to 25)	0	131,104	0	(a) 131,104
27. Add expenses unpaid December 31, prior year		673,646		673,646
28. Less expenses unpaid December 31, current year		38,136		38,136
29. Amounts receivable related to uninsured accident and health plans, prior year				0
30. Amounts receivable related to uninsured accident and health plans, current year				0
31. Total expenses paid (Lines 26 + 27 - 28 - 29 + 30)	0	766,614	0	766,614
DETAIL OF WRITE-INS				
2501. miscellanous expenses		72,745		72,745
2502. dues/subscriptions/tuition/seminars		6,641		6,641
2503. costs of services rendered by affiliated companies		726		726
2598. Summary of remaining write-ins for Line 25 from overflow page	0	942	0	942
2599. Totals (Line 2501 thru 2503 plus 2598)(Line 25 above)	0	81,054	0	81,054

(a) Includes management fees of $ ..... 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)	
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a)	
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
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)	679
7.	Derivative instruments	(f)	
8.	Other invested assets	0	35,866
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	0	36,545
11.	Investment expenses		(g)
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		0
16.	Total (Lines 11 through 15)		0
17.	Net Investment Income - (Line 10 minus Line 16)		36,545
	DETAILS OF WRITE-INS		
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

(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 excludes $ ..... 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 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1.	U.S. Government bonds					0
1.1	Bonds exempt from U.S. tax					0
1.2	Other bonds (unaffiliated)					0
1.3	Bonds of affiliates					0
2.1	Preferred stocks (unaffiliated)					0
2.11	Preferred stocks of affiliates					0
2.2	Common stocks (unaffiliated)					0
2.21	Common stocks of affiliates					0
3.	Mortgage loans					0
4.	Real estate					0
5.	Contract loans					0
6.	Cash/Short-term investments					0
7.	Derivative instruments					0
8.	Other invested assets					0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	0	0	0	0	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0	0

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	7,888	217,861	209,973
2. Other Non-Admitted Assets:			
2.1 Bills receivable		0	0
2.2 Leasehold improvements		0	0
2.3 Cash advanced to or in hands of officers and agents		0	0
2.4 Loans on personal security, endorsed or not			0
2.5 Commuted commissions			0
3. Total (Lines 2.1 to 2.5)	0	0	0
4. Aggregate write-ins for other assets	0	0	0
5. Total (Line 1 plus Lines 3 and Line 4)	7,888	217,861	209,973
0401.			
0402.			
0403.			
0498. Summary of remaining write-ins for Line 4 from overflow page	0	0	0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above)	0	0	0

EXHIBIT 2 - ENROLLMENT BY PRODUCT TYPE

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	15,589					
2. Provider Service Organizations	0					
3. Preferred Provider Organizations	0					
4. Point of Service	0					
5. Indemnity Only	0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	15,589	0	0	0	0	0
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND DESCRIPTION OF OPERATIONS.

Nationwide Health Plans, Inc. (the HMO) is a wholly owned subsidiary of Nationwide Mutual Insurance Company (the Company). Ownership of the HMO was transferred to the Company in November 2002 via a dividend from Nationwide Corp., a majority owned subsidiary of Nationwide Mutual Insurance Company. The HMO is a health maintenance organization, providing a wide range of health care services to its members and is subject to competition from other providers. The HMO ceased new business operations December 31, 2001 and operated in 2002 on a claims runoff basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

The HMO is subject to regulation by the Department of Insurance of the State of Ohio and undergoes periodic examinations by the department. The accompanying statutory financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Department.

b. Cash Equivalents

Cash Equivalents include short-term securities with original maturities of three months of less.

c. Valuation of Preferred Stocks

Preferred stocks are valued in accordance with the laws of the State of Ohio or the valuations prescribed by the committee on Valuation of Securities of the NAIC. Preferred stocks are reported at admitted asset value which represents market value less any amounts that exceed statutory investment limitations.

d. Electronic Data Processing Equipment

Electronic data processing equipment is stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line method over 3 years for purchases in 2000 and later and over 5 years for purchases in 1999 and prior. All equipment was removed from the HMO balance sheet effective 1/1/02 and purchased at net book value by the Company.

e. Health Care Premiums

Income is recognized in the month that health care services are provided. Any premiums received prior to the month of service are recorded as deferred revenue.

f. Health Care Claims

Health care claims represent expenses incurred under contracts with health care providers and are charged to expense in the month in which the service is rendered. The expenses include liabilities for reported claims and an estimate of incurred but not reported claims using past experience adjusted for current trends.

g. Regulatory Requirements

Under State of Ohio law, HMOs are required to maintain statutory net worth in an amount such that admitted assets are equal to at least 110% of liabilities. For HMOs with a valid certificate of authority, statutory net worth must be at least $1,700,000. The HMO exceeded these minimum requirements at December 31, 2002. The law also requires HMOs to maintain a deposit with the Department of $400,000.

3. RELATED PARTIES

OTHER HEALTH CARE PREMIUMS - Nationwide Life collects premiums on behalf of the HMO from several employer groups and remits payment in full to the HMO. Premiums and other receivables include a receivable from Nationwide Life for premiums not yet remitted to the HMO amounting to $0 at December 31, 2001 and 2000, respectively.

OTHER INCOME - The HMO provides claims processing and other administrative services to Nationwide Life, for which it receives fees. Revenues from this agreement totaled $0 and $15,985,656 in 2002 and 2001, respectively.

GENERAL OPERATING EXPENSES - During 2002 and 2001, Corp. and Nationwide Life provide certain administrative support services to the HMO including legal, tax, human resources and medical administration services. Fees for these services totaled $41,226 and $924,738 in 2002 and 2001, respectively.

The HMO has an annually renewable lease agreement with an affiliate for office space. Rent expense was approximately $8,385 and $83,408 in 2002 and 2001, respectively.

4. INCOME TAXES

The HMO is included in the consolidated federal income tax return of Nationwide Mutual. Under a Tax sharing agreement with Nationwide Mutual, the HMO's income tax is calculated on a separate return basis, without regard to alternative minimum taxes. Income taxes that may be payable in any year are reduced by the tax effect of any net operating loss carryforwards available at the time. Net operating loss carryforwards available at December 31, 2002, are approximately $1.2 million and expire in the years 2003 to 2005.

NOTES TO FINANCIAL STATEMENTS

In 1997, the HMO was granted permission from the IRS to change its status for tax reporting purposes from a C-Corporation to a property and casualty insurance company. The effect of this change allowed the HMO to fully deduct the change in discounted in 1997 when determining its current tax provision. The federal income tax benefit is different from the amount computed by applying the normal tax rate of 35% to the (loss) income before the federal income taxes as follows:

	2002	2001
Expected (benefit) expense	$120,593	$(1,422,198)
Discounting of the liability for Health Care Claims Payable	(49,663)	(1,381)
Net operating loss carryforward	(73,031)	-0-
Other, net	(5,979)	62,296
Federal income tax benefit	$(8,080)	$(1,354,283)

5. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

a. Nationwide Mutual Insurance Company, a licensed Property/Casualty Insurance Company in the State of Ohio, owns all outstanding shares of the Nationwide Health Plans, Inc.

6. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plans

The Company is a participant, together with the HMO and other affiliated companies, in the Nationwide Retirement Plan (Retirement Plan), a pension plan covering substantially all employees. Benefits are based upon the highest average annual salary of a specified number of consecutive years of the last ten years of service. The Company funds pension costs accrued for direct employees plus an allocation of pension costs accrued for employees of affiliates whose work efforts benefit the Company. Pension costs charged to operations under the Retirement Plan during the years ended December 31, 2002 and 2001 were $0 and $0, respectively. The Retirement Plan recomputed its pension liabilities in accordance with SSAP No. 8 as required by 2001 codification.

In addition to the defined benefit pension plan, the Company, together with the HMO and other affiliated companies, participates in life and health care defined benefit plans for qualifying retirees. Postretirement life and health care benefits are contributory and generally available to full time employees who meet minimum age and service requirements. Postretirement health care benefit contributions are adjusted annually and contain cost-sharing features such as deductible and coinsurance. In addition there are caps on the Company's portion of the per-participant cost of the postretirement health care benefits.

The costs for the Company's net postretirement benefits for the year ended December 31, 2002 and 2001 were $10.7 million and $9.3 million, respectively. The accrued liability for postretirement benefit obligation for retirees and other fully eligible or vested plan participants, at December 31, 2002 was $5.2 million, which was paid in January 2003. There was no accrued liability for the year ended in 2001. Postretirement plan assets are invested in group annuity contracts issued by Nationwide Life Insurance Company (NLIC).

In 1993, the Company changed its method of accounting for the costs of postretirement benefits to the accrual method and elected to amortize its transitions obligation for retirees and fully-eligible employees over 20 years. The unamortized transition obligation was $3.5 million and $47.8 million at December 31, 2002 and 2001, respectively.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2002 and 2001:

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
(1) Change in benefit obligation:				
a. Benefit obligation at beginning of year	$2,075,688,583	$1,930,287,426	$174,617,830	$146,590,834
b. Service cost	95,251,238	86,780,637	11,234,397	9,166,627
c. Interest cost	131,921,371	125,533,188	12,649,290	12,512,835
d. Contribution by plan participants	0	0	3,984,768	3,349,455
e. Actuarial (gain) loss	(11,828,288)	(7,256,960)	31,728,297	23,003,739
f. Foreign currency exchange rate changes	0	0	0	0
g. Benefits paid	(97,580,333)	(89,791,033)	(20,314,479)	(20,167,177)
h. Plan amendments	(10,371,711)	30,135,325	(50,610,489)	161,517
i. Plan curtailment	(12,404,729)	0	0	0
j. Benefit obligation at end of year	$2,170,676,131	$2,075,688,583	163,289,614	174,617,830
(2) Change in plan assets				
a. Fair value of plan assets at beginning of Year	2,200,683,768	2,337,141,517	119,701,941	119,456,157
b. Actual return on plan assets	(142,453,578)	(46,666,716)	(12,671,254)	(246,774)

NOTES TO FINANCIAL STATEMENTS

c. Foreign currency exchange rate changes	0	0	0	0
d. Employer contribution	4,301,000	0	16,175,519	17,310,280
e. Plan participant's contributions	0	0	3,984,768	3,349,455
f. Benefits paid	(97,580,333)	(89,791,033)	(20,314,483)	(20,167,177)
g. Plan curtailment	0	0	0	0
h. Fair value of plan assets at end of year	1,964,950,857	2,200,683,768	106,876,491	119,701,941
(3) Funded status				
a. Unamortized prior service cost	18,045,497	30,135,325	(3,641,023)	154,175
b. Unrecognized net (gain) or loss	519,790,767	223,234,857	66,503,172	12,952,032
c. Remaining net obligation or (net asset) at initial date of application	(328,095,961)	(378,365,367)	4,190,736	56,106,208
d. Prepaid assets or (accrued liabilities)	4,015,029	0	10,639,762	14,296,526
e. Intangible asset	N/A	N/A	N/A	N/A
(4) Benefit obligation for non vested employees	65,496,482	56,549,824	106,360,443	139,353,526
(5) Components of net periodic benefit cost				
a. Service cost	95,251,238	86,780,637	11,234,397	9,166,627
b. Interest cost	131,921,371	125,533,188	12,649,290	12,512,835
c. Expected return on plan assets	(178,585,234)	(183,825,101)	(9,276,900)	(9,556,493)
d. Amortization of unrecognized transition Obligation or (transition asset)	(50,269,406)	(28,488,724)	5,127,162	5,127,162
e. Amount of recognized (gains) and losses	1,432,146	0	0	0
f. Amortization of prior service cost recognized	249,885	0	(26,982)	(26,981)
g. Amount of gain or loss recognized due to a settlement or curtailment	0	0	125,318	0
h. Total net periodic benefit cost	0	0	19,832,285	17,223,150

(6) Charges pursuant to Settlement or Curtailment		
a. Settlement (gain) or loss	$ 0	$ 0
b. Curtailment (gain) or loss	285,971	0
c. Total benefits cost	$ 285,971	$ 0

The following table is the basis of measurement for plan liabilities and is relevant for items 1-4 above.

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
(7) Weighted-average assumptions as of December 31,				
a. Weighted average discount rate	6.00%	6.50%	6.60%	7.25%
b. Rate of increase in future compensation levels	4.50%	4.75%	N/A	N/A
c. Assumed health care cost trend rate:				
*Initial rate (11.3% pre age 65, 12.3% post age 65)	-	-	11.30% *	11.00%
*Ultimate rate (5.7% pre age 65, 6.3% post age 65)	-	-	5.70% *	5.50%
Declining period	-	-	11 Years	4 Years

(8) The following table is the basis of measurement for net periodic pension and post retirement costs and is relevant for item 5 above:

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
a. Weighted average discount rate	6.00%	6.75%	6.60%	7.25%
b. Rate of increase in future compensation levels	4.50%	5.00%	N/A	N/A
c. Expected long-term rate of return on plan assets	8.25%	8.00%	7.75%	8.00%
d. Assumed health care cost trend rate:				
Initial rate	-	-	11.30%	11.00%
Ultimate rate	-	-	5.70%	5.50%
Declining period	-	-	11 years	4 Years

(9) Because current plan costs are very close to dollar caps, the health care cost trend has an immaterial effect on plan obligations for the postretirement life and health care benefit plan as a whole. For this reason, the effect of a one percentage point increase or decrease in the assumed health care cost

NOTES TO FINANCIAL STATEMENTS

trend rate on the accumulated postretirement benefit obligation as of December 31, 2002 and on the net periodic postretirement benefit cost for the year ended December 31, 2002 does not have a material effect on plan obligations or expenses.

B. Defined Contribution Plans

The Company, together with the HMO and other affiliated companies, sponsors a defined contribution savings plan covering substantially all employees of the Company. Employees may make salary deferral contributions of up to 80%. Salary deferrals of up to 6% are subject to a 50% company match. The Company match is funded on a bi-weekly basis and the expense of such contributions are allocated to the Company based on employee contributions. For the plan as a whole the expense was $31,836,874 and $28,487,385 for 2002 and 2001, respectively. Individuals are subject to a dollar limit on salary deferrals per IRS Section 402(g) ($11,000 in 2002). Other limits also apply. The Company has no legal obligation for benefits under this plan.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

The Company, together with the HMO and other affiliated companies, sponsors non-qualified deferred compensation and defined benefit arrangements for certain employees and agents. Expenses are allocated to the Company based on individual participants. Total Company liabilities for nonqualified employee plans was $185,549,641 and $145,740,260 on December 31, 2002 and December 31, 2001, respectively. Total expense recorded during 2002 was $18.3 million related to the non-qualified benefit plans. Total Company liabilities for the agents plan was $808,975,631 and $754,767,762 on December 31, 2002 and December 31, 2001. Total expense recorded during 2002 was $96.7 million related to the agent plan. The agent plan liability was pooled prior to 2001, but pooling was discontinued in 2001. The entire liability now resides on the Company's books.

E. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation. The liability for earned but untaken vacation has been accrued.

7. DIVIDEND RESTRICTIONS

The maximum amount of dividends which can be paid by Ohio domiciled insurance companies to stockholders without prior approval of the insurance commissioner is subject to restriction relating to net income or 10% of statutory surplus, whichever requirement is greater, subject to minimum surplus requirements. Because the HMO had an accumulated deficit at December 31, 2001, no dividends may be paid without prior approval of the Department.

8. COMMITMENTS AND CONTINGENCIES

NONE

9. UNCOLLECTIBLE REINSURANCE

NONE

10. CONTINGENT LIABILITIES

NONE

11. COMMUTATION OF REINSURANCE

NOT APPLICABLE

12. BORROWED MONEY

NONE

13. LEASES

The HMO does not have any material lease obligations at the time.

14. GAIN OR LOSS TO THE HMO FROM UNINSURED A & H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

NOT APPLICABLE

15. SUBSEQUENT EVENTS

NONE

NOTES TO FINANCIAL STATEMENTS

16. OTHER ITEMS

A Major Modification to exit the HMO business has been filed with the Ohio Department of Insurance and the HMO is working with the Department on exiting guidelines.

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		0.000		0.000
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000		0.000
1.43 Revenue and assessment obligations		0.000		0.000
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA		0.000		0.000
1.512 Issued by FNMA and FHLMC		0.000		0.000
1.513 Privately issued		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC		0.000		0.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC		0.000		0.000
1.523 All other privately issued		0.000		0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)		0.000		0.000
2.2 Unaffiliated foreign securities		0.000		0.000
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated		0.000		0.000
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (includes $ of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale ($ including property acquired in satisfaction of debt)		0.000	0	0.000
6. Policy loans		0.000		0.000
7. Receivables for securities		0.000	0	0.000
8. Cash and short-term investments		0.000	1,752,270	100.000
9. Other invested assets		0.000		0.000
10. Total invested assets	0	0.000	1,752,270	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 [ ] NA [ ]

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 [X] No [ ]

2.2 If yes, date of change: 11/30/2002

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. 12/31/1999

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. 12/31/1995

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). 12/31/1995

3.4 By what department or departments? 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 or 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?

   KPMG Peat Marwick 191 West Nationwide Blvd. Suite 500 Columbus, OH 43215-2568

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?

   James E. Spencer, NHP Officer

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?

10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]

10.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]

10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] NA [ ]

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 [ ]

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 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 .. $ 0
- 14.12 To stockholders not officers ... $ 0
- 14.13 Trustees, supreme or grand (Fraternal only) ..... $ 0

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 ... $ 0
- 14.22 To stockholders not officers .... $ 0
- 14.23 Trustees, supreme or grand (Fraternal only) ..... $ 0

15.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this 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 Statements the nature of each of these obligations.

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:

Class	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?
					Yes No	Yes No
Preferred					[ ] [ ]	[ ] [ ]
Common	750,000	100	0.000	XXX	XXX XXX	XXX XXX

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 the 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 [ ] No [X]

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

19.21	Loaned to others	$
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 other securities restricted as to sale	$
19.29	Other	$

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

19.31	19.35
19.32	19.36
19.33	19.37
19.34	19.38
	19.39

For categories (19.21) and (19.23) above, and for any other 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 [ ] NA [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 [ ] No [ ]

22.01 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

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 [ ]

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 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 Number(s)	2 Name	3 Address

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? ..... $ 0

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
	$
	$
	$

24.1 Amount of payments for legal expenses, if any? ..... $ 0

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

1 Name	2 Amount Paid
	$
	$
	$

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 0

25.2 List the name of the 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 departments 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? ..... $ 0

1.31 Reason for excluding .....

N/A

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. ..... $ 0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. ..... $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned ..... $ 0

1.62 Total incurred claims ..... $ 0

1.63 Number of covered lives ..... $ 0

All years prior to most current three years:

1.64 Total premium earned ..... $ 0

1.65 Total incurred claims ..... $ 0

1.66 Number of covered lives ..... $ 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned ..... $ 0

1.72 Total incurred claims ..... $ 0

1.73 Number of covered lives ..... $ 0

All years prior to most current three years:

1.74 Total premium earned ..... $ 0

1.75 Total incurred claims ..... $ 0

1.76 Number of covered lives ..... $ 0

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 [X] No [ ]

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 ..... $

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:

6.1 Does the reporting entity set up its claim liability for provider services on a service data base? ..... Yes [ ] 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 .....

7.2 Number of providers at end of reporting year .....

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 .....

8.22 Business with rate guarantees over 36 months .....

9.1 Does the reporting entity have Bonus/Withhold Arrangements in its provider contract? ..... 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
Ohio

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)	2,494,838	7,995,222	11,319,190	9,647,468	6,646,416
2. Total liabilities (Page 3, Line 18)	97,066	6,160,864	6,926,539	6,205,194	4,537,646
3. Statutory surplus	17,936,774	17,936,774	17,936,774	13,436,774	13,436,774
4. Total capital and surplus (Page 3, Line 26)	2,397,772	1,834,358	4,392,651	3,442,274	2,108,770
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 7)	(84,127)	49,941,903	54,176,681	47,729,826	39,493,674
6. Total medical and hospital expenses (Line 17)	(524,044)	35,393,823	37,966,875	29,031,449	24,489,872
7. Total administrative expenses (Line 19)	131,104	15,769,864	22,182,070	21,900,244	19,279,626
8. Net underwriting gain (loss) (Line 22)	308,813	(5,084,695)	(6,292,823)	(2,016,131)	(4,584,912)
9. Net investment gain (loss) (Line 25)	36,545	224,921	320,559	278,919	309,088
10. Total other income (Lines 26 plus 27)	0	0	0	0	0
11. Net income (loss) (Line 30)	353,438	(3,505,491)	(3,646,263)	(2,186,232)	(2,500,141)
RISK - BASED CAPITAL ANALYSIS					
12. Total adjusted capital	2,397,772	1,834,361	4,392,651	3,442,274	2,108,770
13. Authorized control level risk-based capital	19,290	2,402,180	2,249,934	1,079,469	871,933
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7)	0	15,589	20,077	18,671	41,295
15. Total member months (Column 6, Line 7)	0	193,585	245,214	231,761	483,336
OPERATING PERCENTAGE (Page 4) **(Item divided by Page 4, sum of Line 2, 3 and 5)**					
16. Premiums earned (Line 2 plus 3)	100.0	100.0	100.0	100.0	100.0
17. Total medical and hospital (Line 17)	600.9	107.5	104.1	91.4	0.9
18. Total underwriting deductions (Line 21)	450.6	167.1	0.0	0.0	0.0
19. Total underwriting gain (loss) (Line 22)	(354.1)	(15.4)	0.0	0.0	0.0
UNPAID CLAIMS ANALYSIS **(U&I Exhibit, Part 2B)**					
20. Total claims incurred for prior years (Line 11, Col. 5)	4,471,610	70,654	0	0	0
21. Estimated liability of unpaid claims – [prior year (Line 11, Col. 6)]	4,995,656	0	4,325,546	3,757,000	4,828,826

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)	0	0	0	0	0
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)	0	0	0	0	0
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)	0	0	0	0	0
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11)	0	0	0	0	0
26. Affiliated mortgage loans on real estate		0	0	0	0
27. All other affiliated		0	0	0	0
28. Total of above Lines 22 to 27	0	0	0	0	0

SCHEDULE D - SUMMARY BY COUNTRY

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

Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS	1. United States	0	0	0	0
Governments	2. Canada	0	0	0	0
(Including all obligations guaranteed	3. Other Countries	0	0	0	0
by governments)	4. Totals	0	0	0	0
States, Territories and Possessions	5. United States	0	0	0	0
(Direct and guaranteed)	6. Canada	0	0	0	0
	7. Other Countries	0	0	0	0
	8. Totals	0	0	0	0
Political Subdivisions of States,	9. United States	0	0	0	0
Territories and Possessions	10. Canada	0	0	0	0
(Direct and guaranteed)	11. Other Countries	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment					
obligations and all non-guaranteed	13. United States	0	0	0	0
obligations of agencies and authorities of	14. Canada	0	0	0	0
governments and their political subdivisions	15. Other Countries	0	0	0	0
	16. Totals	0	0	0	0
Public Utilities (unaffiliated)	17. United States	0	0	0	0
	18. Canada	0	0	0	0
	19. Other Countries	0	0	0	0
	20. Totals	0	0	0	0
Industrial and Miscellaneous and Credit Tenant	21. United States	0	0	0	0
Loans (unaffiliated)	22. Canada	0	0	0	0
	23. Other Countries	0	0	0	0
	24. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. **Total Bonds**	0	0	0	0
PREFERRED STOCKS	27. United States	0	0	0	
Public Utilities (unaffiliated)	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies	31. United States	0	0	0	
(unaffiliated)	32. Canada	0	0	0	
	33. Other Countries	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States	0	0	0	
	36. Canada	0	0	0	
	37. Other Countries	0	0	0	
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. **Total Preferred Stocks**	0	0	0	
COMMON STOCKS	41. United States	0	0	0	
Public Utilities (unaffiliated)	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies	45. United States	0	0	0	
(unaffiliated)	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States	0	0	0	
	50. Canada	0	0	0	
	51. Other Countries	0	0	0	
	52. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. **Total Common Stocks**	0	0	0	
	55. **Total Stocks**	0	0	0	
	56. **Total Bonds and Stocks**	0	0	0	

(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	0	
2.	Cost of bonds and stocks acquired, Column 6, Part 3	0	
3.	Increase (decrease) by adjustment:		
	3.1 Column 16, Part 1	0	
	3.2 Column 12, Part 2, Sec. 1	0	
	3.3 Column 10, Part 2, Sec. 2	0	
	3.4 Column 10, Part 4	0	0
4.	Total gain (loss), Col. 14, Part 4	0	
5.	Deduct consideration for bonds and stocks disposed of Column 6, Part 4	0	
6.	Foreign Exchange Adjustment:		
	6.1 Column 17, Part 1	0	
	6.2 Column 13, Part 2, Sec. 1	0	
	6.3 Column 11, Part 2, Sec. 2	0	
	6.4 Column 11, Part 4	0	0
7.	Book/adjusted carrying value at end of current period	0	
8.	Total valuation allowance		
9.	Subtotal (Lines 7 plus 8)		0
10.	Total nonadmitted amounts		
11.	Statement value of bonds and stocks, current period	0	

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, 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	258			
37. Oklahoma OK	No	No				
38. Oregon OR	No	No				
39. Pennsylvania PA	No	No				
40. Rhode Island RI	No	No				
41. South Carolina SC	No	No				
42. South Dakota SD	No	No				
43. Tennessee TN	No	No				
44. Texas TX	No	No				
45. Utah UT	No	No				
46. Vermont VT	No	No				
47. Virginia VA	No	No				
48. Washington WA	No	No				
49. West Virginia WV	No	No				
50. Wisconsin WI	No	No				
51. Wyoming WY	No	No				
52. American Samoa AS	No	No				
53. Guam GU	No	No				
54. Puerto Rico PR	No	No				
55. U.S. Virgin Islands VI	No	No				
56 Canada CN	No	No				
57. Aggregate other alien OT	XXX	XXX	0	0	0	0
58. Total (Direct Business)	XXX	(a) 1	258	0	0	0
DETAILS OF WRITE-INS						
5701.						
5702.						
5703.						
5798. Summary of remaining write-ins for Line 57 from overflow page			0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)			0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.:

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Company	NAIC Number	State of Domicile	F.E.I.D. #
Allied Property and Casualty Insurance Company	42579	IA	42-1201931
AMCO Insurance Company	19100	IA	42-6054959
CalFarm Insurance Company	18961	CA	68-0066866
Colonial County Mutual Insurance Company	29262	TX	74-1061659
Depositors Insurance Company	42587	IA	42-1207150
Farmland Mutual Insurance Company	13838	IA	42-0618271
National Casualty Company	11991	WI	38-0865250
Nationwide Affinity Insurance Company of America	26093	KS	48-0470690
Nationwide Agribusiness Insurance Company	28223	IA	42-1015537
Nationwide Assurance Company	10723	WI	95-0639970
Nationwide General Insurance Company	23760	OH	31-4425763
Nationwide Health Plans Inc	95194	OH	31-1125592
Nationwide Indemnity Company	10070	OH	31-1399201
Nationwide Insurance Company of America	25453	WI	95-2130882
Nationwide Insurance Company of Florida	10948	OH	31-1613686
Nationwide Life and Annuity Insurance Company	92657	OH	31-1000740
Nationwide Life and Annuity Insurance Company of America	70750	DE	23-1619082
Nationwide Life Insurance Company	66869	OH	31-4156830
Nationwide Life Insurance Company of America	68225	PA	23-0990450
Nationwide Life Insurance Company of Delaware	79570	DE	51-0329526
Nationwide Lloyds	42110	TX	75-1780981
Nationwide Mutual Fire Insurance Company	23779	OH	31-4177110
Nationwide Mutual Insurance Company	23787	OH	31-4177100
Nationwide Property & Casualty Insurance Company	37877	OH	31-0970750
Scottsdale Indemnity Company	15580	OH	31-1117969
Scottsdale Insurance Company	41297	OH	31-1024978
Scottsdale Surplus Lines Insurance Company	10672	AZ	86-0835870

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Western Heritage Insurance Company	37150	AZ	86-0561941