



QUARTERLY STATEMENT
AS OF September 30, 2011
OF THE CONDITION AND AFFAIRS OF THE
Summa Insurance Company, Inc.

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	10649	Employer's ID Number	34-1809108
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[] Dental Service Corporation[] Other[]		Property/Casualty[X] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Incorporated/Organized	08/07/1995		Commenced Business	02/01/1996		
Statutory Home Office	10 North Main Street (Street and Number)		Akron, OH 44308 (City, or Town, State and Zip Code)			
Main Administrative Office	Akron, OH 44308 (City or Town, State and Zip Code)		10 North Main Street (Street and Number)			
Mail Address	P.O. Box 3620 (Street and Number or P.O. Box)		(330)996-8410 (Area Code) (Telephone Number)			
Primary Location of Books and Records	Akron, OH 44308 (City, or Town, State and Zip Code)		Akron, OH 44309 (City, or Town, State and Zip Code)			
Internet Web Site Address	SummaCare.com		10 North Main Street (Street and Number)			
Statutory Statement Contact	Roy Douglas Hall (Name)		(330)996-8410-62057 (Area Code)(Telephone Number)(Extension)			
	hallroy@summacare.com (E-Mail Address)		(330)996-8553 (Fax Number)			

OFFICERS

Name	Title
Martin Paul Hauser	President
William Armstrong Powel III	Secretary
Thomas Gene Knoll	Chairman #
Kathleen Tirbovich Geier	Vice Chairman #
Judith Ann Macro	Assistant Secretary #
James Edward McNutt	Assistant Treasurer #

OTHERS

Anne Armao, VP - Marketing & Product Development	Kevin Cavalier, VP - Sales
Keith Johnson, VP - Third Party Administrator	James Loveless, VP - Individual Product Line
Judith Macro, VP - Corporate Services, Compliance Officer	Nancy Markle, VP - Client Services
James McNutt, VP - Finance, CFO	Donald Novosel, VP - Contracting & Network Development
Mark Robinson, VP - Information Systems	Annette Ruby, VP - Health Services Management

DIRECTORS OR TRUSTEES

Martin Paul Hauser	Thomas Clifford Deveny M.D.
Thomas Gene Knoll	Vincent Hadar Johnson Jr. M.D.
Thomas Joseph Strauss	Dale Paterson Murphy M.D.
Walter Neil Mirapaul	John Byron Silvers Ph.D.
Richard Allen Merolla	Jay Curtis Williamson M.D.
Kenneth Eugene Berkovitz M.D.	Bradley Hall Crombie M.D.
Richard Howard Marsh	Kathleen Tirbovich Geier
Rajiv Vishnu Taliwal M.D.	

State of Ohio
County of Summit 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 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. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Martin Paul Hauser	Claude Maurius Vincenti	James Edward McNutt
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President, CEO	Senior Vice President, COO	Vice President - Finance, CFO
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
15th day of November, 2011	b. If no,	
	1. State the amendment number	
	2. Date filed	11/15/2011
	3. Number of pages attached	

(Notary Public Signature)

OTHERS (continued)

Claude Vincenti, Senior VP - Chief Operating Officer

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	15,745,487		15,745,487	15,674,241
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks	49,960,143		49,960,143	44,407,469
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....8,873,760), cash equivalents (\$.....0) and short-term investments (\$.....623,372)	9,497,132		9,497,132	7,946,316
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets	8,761,734	2,815,934	5,945,800	4,189,443
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	83,964,496	2,815,934	81,148,562	72,217,469
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	86,224		86,224	82,907
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	414,455	37,626	376,829	798,065
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	65,272		65,272	
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset	947,548		947,548	947,548
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	1,385,827		1,385,827	867,278
21.	Furniture and equipment, including health care delivery assets (\$.....0)	246,936	246,936		
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care (\$.....919,603) and other amounts receivable	1,200,985	919,603	281,382	220,616
25.	Aggregate write-ins for other than invested assets	21,750	21,750		
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	88,333,493	4,041,849	84,291,644	75,133,883
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	88,333,493	4,041,849	84,291,644	75,133,883
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid Expenses	21,750	21,750		
2502.	A/R - Other Operating				
2503.	Pharmacy Rebates				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	21,750	21,750		

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.00 reinsurance ceded)	17,392,084		17,392,084	16,973,286
2.	Accrued medical incentive pool and bonus amounts	291,500		291,500	202,000
3.	Unpaid claims adjustment expenses	172,183		172,183	187,607
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	5,703,563		5,703,563	4,653,762
9.	General expenses due or accrued	1,734,390		1,734,390	2,083,836
10.1	Current federal and foreign income tax payable and interest thereon (including \$.00 on realized gains (losses))	579,477		579,477	579,477
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.00 current) and interest thereon \$.00 (including \$.00 current)				
15.	Amounts due to parent, subsidiaries and affiliates	4,264,527		4,264,527	1,274,759
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.00 authorized reinsurers and \$.00 1,179,800 unauthorized reinsurers)	1,179,800		1,179,800	924,549
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.00 current)	7,579		7,579	17,502
24.	Total liabilities (Lines 1 to 23)	31,325,103		31,325,103	26,896,778
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X	2,500,062	2,500,062
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	33,589,064	33,589,064
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	16,917,078	12,187,642
32.	Less treasury stock, at cost:				
32.1	.533 shares common (value included in Line 26 \$.39,663)	X X X	X X X	39,663	39,663
32.2	.00 shares preferred (value included in Line 27 \$.00)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	52,966,541	48,237,105
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	84,291,644	75,133,883
DETAILS OF WRITE-INS					
2301.	Minority Interest				
2302.	Deferred gain on sale of bonds to SummaCare, Inc.	7,579		7,579	17,502
2303.	Miscellaneous				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	7,579		7,579	17,502
2501.		X X X	X X X		
2502.		X X X	X X X		
2503.		X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.		X X X	X X X		
3002.		X X X	X X X		
3003.		X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	425,594	382,112	514,784
2.	Net premium income (including \$.....0 non-health premium income)	X X X	129,346,165	113,455,749	153,995,227
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	129,346,165	113,455,749	153,995,227
Hospital and Medical:					
9.	Hospital/medical benefits		90,460,508	81,938,789	111,632,301
10.	Other professional services				
11.	Outside referrals				
12.	Emergency room and out-of-area				
13.	Prescription drugs		24,411,818	17,664,518	23,748,433
14.	Aggregate write-ins for other hospital and medical				
15.	Incentive pool, withhold adjustments and bonus amounts		205,179	263,141	138,466
16.	Subtotal (Lines 9 to 15)		115,077,505	99,866,448	135,519,200
Less:					
17.	Net reinsurance recoveries		664,563	22,032	1,113,012
18.	Total hospital and medical (Lines 16 minus 17)		114,412,942	99,844,416	134,406,188
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....625,392 cost containment expenses		1,363,127	11,838,843	1,258,824
21.	General administrative expenses		16,804,776	3,515,877	19,701,317
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		132,580,845	115,199,136	155,366,329
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(3,234,680)	(1,743,387)	(1,371,102)
25.	Net investment income earned		237,932	305,512	397,041
26.	Net realized capital gains (losses) less capital gains tax of \$.....0				281,683
27.	Net investment gains or (losses) (Lines 25 plus 26)		237,932	305,512	678,724
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses		3,169	5,814	6,689
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(2,993,579)	(1,432,061)	(685,689)
31.	Federal and foreign income taxes incurred	X X X		(1,433,473)	88,269
32.	Net income (loss) (Lines 30 minus 31)	X X X	(2,993,579)	1,412	(773,958)
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			
0701.	.....	X X X			
0702.	.....	X X X			
0703.	.....	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.	Finance and service charges not included in premiums				
2902.	Write off of tax receivable				
2903.	Miscellaneous Income		3,169	5,814	6,689
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		3,169	5,814	6,689

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	48,237,105	40,767,204	40,767,204
34.	Net income or (loss) from Line 32	(2,993,579)	1,412	(773,958)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	6,538,926	3,689,539	7,071,832
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			947,548
39.	Change in nonadmitted assets	1,174,164	870,914	194,514
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock		(4,574)	(4,574)
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in		9,656	9,656
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus	9,925	24,884	24,883
48.	Net change in capital and surplus (Lines 34 to 47)	4,729,436	4,591,831	7,469,901
49.	Capital and surplus end of reporting period (Line 33 plus 48)	52,966,541	45,359,035	48,237,105
DETAILS OF WRITE-INS				
4701.	Deferred gain on sale of bonds to SummaCare, Inc.	9,923	24,884	24,883
4702.	Retired treasury stock			
4703.	2008 adjustments to minority interest & federal taxes			
4798.	Summary of remaining write-ins for Line 47 from overflow page	2		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	9,925	24,884	24,883

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	130,492,762	113,724,759	155,217,628
2.	Net investment income	238,058	298,001	457,082
3.	Miscellaneous income		5,814	6,689
4.	Total (Lines 1 to 3)	130,730,820	114,028,574	155,681,399
5.	Benefit and loss related payments	113,645,476	99,215,851	135,714,607
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	18,529,604	15,317,788	20,890,134
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		(2,408,448)	(3,085,737)
10.	Total (Lines 5 through 9)	132,175,080	112,125,191	153,519,004
11.	Net cash from operations (Line 4 minus Line 10)	(1,444,260)	1,903,383	2,162,395
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds	2,900,000	6,000,000	10,661,683
12.2	Stocks			
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds			
12.8	Total investment proceeds (Lines 12.1 to 12.7)	2,900,000	6,000,000	10,661,683
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	2,974,688	5,008,503	5,008,503
13.2	Stocks			10,000,000
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications			
13.7	Total investments acquired (Lines 13.1 to 13.6)	2,974,688	5,008,503	15,008,503
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(74,688)	991,497	(4,346,820)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock		5,082	5,082
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	3,069,764	(1,227,093)	(1,272,282)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	3,069,764	(1,222,011)	(1,267,200)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,550,816	1,672,869	(3,451,625)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	7,946,316	11,397,941	11,397,941
19.2	End of period (Line 18 plus Line 19.1)	9,497,132	13,070,810	7,946,316

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
---------	--	--	--	--

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	44,342	3,898	40,406	38						
2. First Quarter	46,664	4,047	41,135	41						1,441
3. Second Quarter	47,672	4,450	41,619	41						1,562
4. Third Quarter	49,353	4,637	42,991	46						1,679
5. Current Year										
6. Current Year Member Months	425,594	38,365	373,270	375						13,584
Total Member Ambulatory Encounters for Period:										
7. Physician	50,541	3,178	47,275	88						
8. Non-Physician	52,339	3,216	49,030	93						
9. Total	102,880	6,394	96,305	181						
10. Hospital Patient Days Incurred	42,941	1,083	41,858							
11. Number of Inpatient Admissions	1,963	71	1,892							
12. Health Premiums Written (a)	131,282,758	6,378,256	121,964,189	70,163						2,870,150
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	131,282,758	6,378,256	121,964,189	70,163						2,870,150
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	114,658,707	5,653,130	104,380,658	38,249						4,586,670
18. Amount Incurred for Provision of Health Care Services	115,077,505	5,975,612	104,048,738	43,793						5,009,362

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	12,651,084	2,563,000	945,000	414,000	819,000	17,392,084
0499999 Subtotals	12,651,084	2,563,000	945,000	414,000	819,000	17,392,084
0599999 Unreported claims and other claim reserves						
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						17,392,084
0899999 Accrued Medical Incentive Pool And Bonus Amounts						291,500

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	12,976,000	96,188,046	158,000	16,802,778	13,134,000	16,970,216
2.	Medicare Supplement	6,000	32,249		8,614	6,000	3,070
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health		4,586,670		422,692		
9.	Health subtotal (Lines 1 to 8)	12,982,000	100,806,965	158,000	17,234,084	13,140,000	16,973,286
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	115,679		116,000	175,500	231,679	202,000
13.	Totals (Lines 9 - 10 + 11 + 12)	13,097,679	100,806,965	274,000	17,409,584	13,371,679	17,175,286

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

Summa Insurance Company's (the Company or SIC) statutory financial statements are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI).

The ODI recognizes only statutory accounting practices prescribed or permitted by the State of Ohio (the State) for determining its solvency under Ohio Insurance Law. NAIC SAP has been adopted as a component of the prescribed or permitted practices by the State with some modifications. These modifications include a five-year life on Electronic Data Processing (EDP) equipment and a 90-day limitation on collection of affiliate balances. Accordingly, the admitted assets, liabilities, capital and surplus of the Company as of September 30, 2011 and December 31, 2010 and the results of its operations and its cash flow for the years then ended have been determined in accordance with accounting principles prescribed or permitted by the ODI. Management believes the difference in capital and surplus between NAIC SAP and accounting principles prescribed or permitted by the ODI is not material.

B. Use of Estimates

The preparation of financial statements in conformity with NAIC SAP, the NAIC Annual Statement Instructions and other accounting practices prescribed or permitted by the ODI requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

C. Accounting Policy

The Company uses the following accounting policies:

1) Cash and Short-Term Investments

Cash and short-term investments include cash on hand, cash held in bank accounts (including overdrafts), interest bearing deposits, and money market instruments purchased with an original maturity of one year or less.

2) Premiums and Related Commissions

Health premiums are earned ratably over the terms of the related insurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Premiums billed and collected in advance are recorded as premiums received in advance.

Premium deficiency losses are recognized when it is probable that expected claim expenses will exceed future premiums on existing health and other insurance contracts. For purposes of premium deficiency losses, contracts are grouped in a manner consistent with the Company's method of acquiring, servicing and measuring the profitability of such contracts.

3) Investments and Investment Income

U.S. government securities and mortgage backed securities are recorded at amortized cost using the effective interest method. The fair values of the securities are based on values published by the Securities Valuation Office (SVO) of the NAIC. Short-term investments include all investments whose maturity, at the time of acquisition, are one year or less and are stated at amortized cost, which approximates fair value. Investment income consists primarily of interest. Interest is recognized on an accrual basis. Interest income is determined on the effective yield method based on estimated principal repayments. Realized capital gains and losses are determined on a specific identification basis based on the trade date.

Valuation of the insurance subsidiary (SC) is based upon statutory equity. The valuation of the noninsurance subsidiaries (Apex and SIA) are valued at U.S. GAAP equity, adjusted for nonadmitted assets.

Management regularly reviews its investment portfolio to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of investments. A number of criteria are considered during this process, including, but not limited to, the current fair value as compared to amortized cost or cost, as appropriate, of the investment, the length of time the investment's fair value has been below amortized cost or cost, as appropriate, and by how much, and specific credit issues related to the issuer and current economic conditions. Estimates for other-than-temporary declines in the fair value of invested assets are included in net investment income. There were no impairment losses for other-than-temporary declines in the fair value of investments in 2011 and 2010.

4) Hospital and Medical Expenses and Cost Recognition

The cost of healthcare services is recognized in the period in which services are provided. Healthcare expenses also include an estimate of the cost of services provided to SIC members by third party

Notes to Financial Statement

providers, which have been incurred but not reported to SIC. The estimate for incurred but not reported claims is based on actuarial projections of costs using historical paid claims data. Estimates are continually monitored and reviewed and, as settlements are made or estimates are adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of claims paid are dependent on future developments, management is of the opinion that the reserves for claims and the cost to process claims make a reasonable and appropriate provision to cover such claims.

5) **Reinsurance**

Reinsurance premiums are reported as a reduction of premiums earned and reinsurance recoveries are reported as a reduction to hospital and medical benefits expense.

6) **Income Taxes**

SIC and its subsidiaries and affiliates files a consolidated federal income tax return. Each member of the consolidated tax return computes their tax liability on a separate return basis and, in addition, is reimbursed currently for utilization of tax net operating losses and tax credits that exist on a consolidated basis. The Company is not subject to state income taxes as it is licensed as a domestic stock property and casualty company under Chapter 3929.01 of the Ohio Revised Code.

Deferred tax assets, net of any nonadmitted assets, and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. In accordance with SSAP No. 10, admitted deferred tax assets are limited to 10% of statutory capital and surplus adjusted to exclude certain items as defined. The change in deferred taxes is charged or credited directly to capital and surplus.

7) **Stock Options**

The Company accounts for stock-based compensation using the fair value method prescribed in the Statement of Statutory Accounting Principles No. 13, *Stock Options and Stock Purchase Plans*. Total compensation cost of the stock options measured as the excess of the fair value of the options over the option exercise price was recognized on January 1, 2000, as there was no requirement of future performance. There were no stock options issued in 2011 or 2010.

8) **Property and Equipment**

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation and amortization are computed using the straight-line method over the shorter of the estimated useful lives of the assets, or the lease term of the leasehold improvement. Repairs and maintenances costs are expensed as incurred.

2. Accounting Changes and Corrections of Errors

A. Material Changes in accounting principles and / or corrections of errors include:

None.

3. Business Combinations and Goodwill

On December 31, 1999, SIC acquired the net assets of SummaCare, Inc. (SC), which is a for-profit Health Insuring Corporation. This business combination was accounted for as a statutory purchase pursuant to SSAP No. 68. SC's net assets were acquired in exchange for 277,000 shares of SIC Class B common stock. The cost of acquiring the net assets was less than SC's book value, accordingly, negative goodwill was recorded as a contra asset in the accompanying financial statements as of December 31, 1999.

4. Discontinued Operations

None.

5. Investments

A. Mortgage Loans

None.

B. Debt Restructuring

Notes to Financial Statement

None.

C. Reverse Mortgages

None.

D. Loan backed securities

None.

E. Repurchase agreements

None.

F. Real Estate

None.

G. Investments in low-income housing tax credits

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. For investments in joint ventures, partnerships and limited liability companies that exceed 10% of the admitted assets of the insurer.

SC is 100% owned by SIC. The investment in SC is recorded as common stock on SIC’s Statement of Assets.

B. Impaired investments in joint ventures, partnerships and limited liability companies

None.

7. Investment Income

A. The basis, by category of investment income, for excluding (nonadmitting) any investment income due and accrued

Not Applicable.

8. Derivative Instruments

None.

9. Income Taxes

A. The components of deferred tax asset / liability at September 30, 2011 and December 31, 2010 are as follows:

	9/30/2011			12/31/2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1.									
(a) Gross Deferred Tax assets	\$3,437,571	\$0	\$3,437,571	\$2,924,762	\$0	\$2,924,762	\$512,809	\$0	\$512,809
(b) Statutory Valuation Allowance	\$2,375,073	\$0	\$2,375,073	\$1,862,264	\$0	\$1,862,264	\$512,809	\$0	\$512,809
(c) Adjusted Gross DTA's (1a-1b)	\$1,062,498	\$0	\$1,062,498	\$1,062,498	\$0	\$1,062,498	(\$0)	\$0	(\$0)
(d) Deferred Tax Liabilities	\$114,950	\$0	\$114,950	\$114,950	\$0	\$114,950	\$0	\$0	\$0
(e) Subtotal (Net DTA's) (1c-1d)	\$947,548	\$0	\$947,548	\$947,548	\$0	\$947,548	(\$0)	\$0	(\$0)
(f) DTA's Nonadmitted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(g) Net Admitted DTA's (1e-1f)	\$947,548	\$0	\$947,548	\$947,548	\$0	\$947,548	(\$0)	\$0	(\$0)
4.									
Admission Calculation Components									
SSAP No. 10R Par.10a, 10b and 10c									
(a) SSAP No. 10R Paragraph 10a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(b) SSAP No. 10R Paragraph 10b (lesser 10bi and 10bii below)	\$947,548	\$0	\$947,548	\$1,062,498	\$0	\$1,062,498	(\$114,950)	\$0	(\$114,950)
(c) SSAP No. 10R Paragraph 10bi	\$947,548	\$0	\$947,548	\$1,062,498	\$0	\$1,062,498	(\$114,950)	\$0	(\$114,950)
(d) SSAP No. 10R Paragraph 10bii	XXX	XXX	\$5,149,134	XXX	XXX	\$4,535,904	XXX	XXX	\$613,230
(e) SSAP No. 10R Paragraph 10c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(f) Total (4a+4b+4e)	\$947,548	\$0	\$947,548	\$1,062,498	\$0	\$1,062,498	(\$114,950)	\$0	(\$114,950)

Notes to Financial Statement

	9/30/2011			12/31/2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components									
SSAP No. 10R Paragraphs 10e									
(g) SSAP No. 10R Paragraph 10ei	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(h) SSAP No. 10R Paragraph 10eii (lesser of 10eiiia and 10eiiib below)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(i) SSAP No. 10R Paragraph 10eiiia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(j) SSAP No. 10R Paragraph 10eiiib	XXX	XXX	\$0	XXX	XXX	\$0	XXX	XXX	\$0
(k) SSAP No. 10R Paragraph 10eiii	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(l) Total (4g+4h+4k)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Used in SSAP No. 10R Paragraph 10d									
(m) Total Adjusted Capital	XXX	XXX	\$52,966,541	XXX	XXX	\$48,237,105	XXX	XXX	\$4,729,436
(n) Authorized Control Level	XXX	XXX	\$10,768,726	XXX	XXX	\$10,579,534	XXX	XXX	\$189,192
5.									
SSAP No. 10R Par. 10a, 10b and 10c									
(a) Admitted Deferred Tax Assets	\$947,548	\$0	\$947,548	\$1,062,498	\$0	\$1,062,498	(\$114,950)	\$0	(\$114,950)
(b) Admitted Assets	XXX	XXX	\$84,291,644	XXX	XXX	\$75,133,883	XXX	XXX	\$9,157,761
(c) Adjusted Statutory Surplus	XXX	XXX	\$51,491,342	XXX	XXX	\$45,359,035	XXX	XXX	\$6,132,307
(d) Total Adjusted Capital from DTA's	XXX	XXX	\$947,548	XXX	XXX	\$1,062,498	XXX	XXX	(\$114,950)
Increases due to SSAP No. 10R Par. 10e									
(e) Admitted DTA's	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(f) Admitted Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(g) Statutory Surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

B. Regarding deferred tax liabilities not recognized:

None.

C. Current income taxes incurred consist of the following components:

	9/30/2011	12/31/2010	Change
1. Current Income Tax			
(a) Federal	\$0	\$88,269	(\$88,269)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	\$0	\$88,269	(\$88,269)
(d) Federal Income Tax on Net Capital Gains	\$0	\$0	\$0
(e) Utilization of Capital Loss Carry Forwards	\$0	\$0	\$0
(f) Other	\$0	\$0	\$0
(g) Federal and Foreign Income Taxes Incurred	\$0	\$88,269	(\$88,269)
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Nonadmitted Assets	\$562,130	\$562,130	(\$0)
(2) Change in Loss Reserves	\$118,482	\$118,482	(\$0)
(3) Change in Accrued Liabilities	\$608,596	\$608,595	\$1
(4) Charitable Contributions Carry-Forward	\$0	\$0	\$0
(5) NOL/AMT Carryforward	\$1,831,908	\$1,319,099	\$512,809
(6) Unearned Premium Reserves	\$316,456	\$316,456	(\$0)
Subtotal	\$3,437,571	\$2,924,762	\$512,809
(b) Statutory Valuation Allowance	\$2,375,073	\$1,862,264	\$512,809
(c) Admitted Ordinary Deferred Tax Assets (2a-2b)	\$1,062,498	\$1,062,498	\$0

Notes to Financial Statement

	9/30/2011	12/31/2010	Change
(d) Capital			
(1) Investments	\$0	\$0	\$0
(2) Net Capital Loss Carry-Forward	\$0	\$0	\$0
(3) Real Estate	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(e) Statutory Valuation Allowance	\$0	\$0	\$0
(f) Admitted Capital Deferred Tax Assets (2d-2e)	\$0	\$0	\$0
(g) Admitted Deferred Tax Assets (2c+2f)	\$1,062,498	\$1,062,498	\$0
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$5,951	\$5,951	\$0
(2) Fixed Assets	\$105,155	\$105,155	\$0
(3) Other	\$3,845	\$3,845	\$0
Subtotal	\$114,950	\$114,950	\$0
(b) Capital			
(1) Investments	\$0	\$0	\$0
(2) Fixed Assets	\$0	\$0	\$0
(3) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(c) Deferred Tax Liabilities (3a+3b)	\$114,950	\$114,950	\$0
4. Net Deferred Tax Assets / Liabilities (2g-3c)	\$947,548	\$947,548	(\$0)

D. The provision for federal income taxes incurred is different than that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference are as follows:

	September 30, 2011	Effective Tax Rate
Provision computed at statutory rate	(\$1,021,182)	34.0%
Change in deferred income taxes	\$0	0.0%
Change in valuation allowance	\$512,809	-17.1%
Subsidiary tax	\$508,373	-16.9%
Total statutory income taxes incurred	\$0	0.0%

E. Amounts of operating loss and tax credit carry-forwards available for tax purposes

As of September 30, 2011, the Company had a net operating loss carryforward of \$5,138,271 that will expire December 31, 2029.

F. Consolidation of Federal Income Tax Return

Summa Health System Corporation files a consolidated federal income tax which includes the following entities: SummaCare, Inc., Summa Insurance Company, Apex Benefits Services, LLC, Summa Insurance Agency, LLC, Wadsworth-Rittman Professional Services Corporation, Northeast Ohio Primary Care Physicians, Ohio Health Choice, Summa Enterprise Group, Falls Holding Company, Cuyahoga Falls Retail Pharmacy, Health Care Center Physicians, and Cornerstone Medical Services.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of the Relationships

Summa Insurance Company, Inc. (SIC or Company) was incorporated as a domestic stock property and casualty company. As such, SIC offers groups preferred provider products through which enrolled members elect to receive care from a Summa Preferred Provider (“network provider”) or a non-network provider at the member’s option. Subsidiaries and affiliated organizations of Summa Health System (SHS) include Summa Health System Corporation, Summa Akron City & St. Thomas Hospitals (SHSH), Summa Health Network

Notes to Financial Statement

LLC (SHN), Cuyahoga Falls General Hospital (CFGH), Summa Barberton Hospital (SBH), Summa Wadsworth-Rittman Hospital (WRH), Wadsworth-Rittman Professional Services Corporation, Crystal Clinic Orthopedic Center, LLC, Angiographic Lab, LLC (Angio), Summa Physicians, Inc. (SPI), Summa Hospitals Foundation, Health Care Center Physicians Inc. (HCCP), Middlebury Assurance Corp. (MAC), Summa Enterprise Group (SEG), Summa Enterprise Group Properties (SEG Properties), Summa Rehabilitation Hospital, LLC, Wadsworth-Rittman MSO Inc., Ohio Health Choice, Inc. (OHC), Cornerstone Medical Services (Cornerstone), ARIS Teleradiology LLC (ARIS), Robinson Memorial Hospital (RMH), Summa Western Reserve Hospital (SWRH), Ohio Sleep Disorders, Akron Endoscopy Associates (Akron Endoscopy), Summa Accountable Care Organization (ACO), and Northeast Ohio Primary Care Physicians, Inc. (NEOPCI).

SummaCare, Inc. (SummaCare or SC) is a majority owned subsidiary of SIC, with 100% of the voting stock owned by SIC and preferred stock being held by SHS. SummaCare is licensed in the State of Ohio as a health-insuring corporation (HIC) under Chapter 1751 of the Ohio Revised Code. SummaCare contracts with providers to provide comprehensive health care services to a defined enrolled population (members) for a predetermined, monthly fee. The population from which SummaCare draws its membership is predominately in Northeast Ohio.

Apex Benefits Services, LLC (Apex) is a wholly owned subsidiary of SIC and is a third party administrator. Apex does not assume insurance risk on behalf of its clients. Apex generates income from administrative fees for performing claims adjudication and other administrative services.

Summa Insurance Agency, LLC (SIA) is a wholly owned subsidiary of SIC. SIA is a licensed insurance agency in the State of Ohio under Chapter 1705 of the Ohio Revised Code. SIA licenses with other insurers of ancillary products such as dental, vision, life, disability and other like benefits and extends those product offerings to their clients.

B. Transactions with Affiliated Organizations

SIC members receive various medical services from SHSH and other SHS subsidiaries. Certain members of the board of directors of the Company are members of the board of trustees of SHSH’s and SHS’s subsidiary and affiliated organizations. During 2011 and 2010, SIC earned premiums from SC associated with the indemnity portion on specific SC insurance plans. The Company has also contracted to receive administrative and claims processing services from SC. Expenses are recognized during the period in which the Company receives the service.

The operating activities with affiliated entities as of September 30, 2011 and December 31, 2010 are as follows:

	2011	2010
Premiums earned from affiliated entities:		
SC	4,427	58,646
Claims paid to affiliated entities:		
SHSH	12,485,675	16,166,220
CFGH	—	1,716
SPI	1,249,614	1,450,109
SBH	2,117,908	2,412,345
WRH	560,730	646,935
HCCP	21	79
Cornerstone	842,095	1,176,936
Akron Endoscopy	—	17,575
ARIS	13,131	16,109
Management fees charged to SIC from SC	7,673,899	16,121,619
Management fees charged to SIC from Apex	264,834	413,316
Corporate expense allocation paid to SHS	1,205,268	1,203,000

Balance outstanding with affiliated entities as of September 30, 2011 and December 31, 2010:

	Due from		Due to	
	2011	2010	2011	2010
SummaCare	—	—	3,738,911	1,067,787
Apex	—	—	525,616	206,972
\$	—	—	4,264,527	1,274,759

11. Debt

SIC has no debt as of September 30, 2011.

Notes to Financial Statement

12. Retirement Plans

SIC has no employees.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- 1.) As of December 31, 2010, SHS owned all of the 100 authorized and outstanding shares of SIC Class A common stock. Physician shareholders, who are participating providers of SHN, own all of the 6,762 outstanding shares of SIC Class B common stock with a par value of \$.0001 per share. SHS also owns all of the 606,678 outstanding shares of SIC Class C common stock with a par value of \$.0001 per share.
- 2.) Dividend rate, liquidation value and redemption schedule of preferred stock issues - None
- 3.) Dividend restrictions – In accordance with the Ohio Revised Code, the Company must receive approval from ODI to pay a dividend or distribution during 2011, which when combined with the dividends or distributions paid within the preceding 12 months exceeds the greater of either (a) 10% of the Company's capital and surplus as of December 31, 2010, or (b) the Company's net gain from operations for the year ended December 31, 2010. Accordingly, during 2011, prior approval from the ODI is required for any dividend or distribution payment which exceeds \$4,823,711.
- 4.) Profits that may be paid as ordinary dividends – Not applicable
- 5.) No restrictions on unassigned funds
- 6.) Advances to surplus not repaid – None
- 7.) No stock held at the company for special purposes
- 8.) No special surplus funds
- 9.) The portion of unassigned funds represented or reduced by :

Nonadmitted Asset Values – \$4,041,849

Unrealized gains on investments - \$556,741
- 10.) No surplus notes
- 11.) Restatement in a quasi-reorganization – Not applicable
- 12.) No quasi-reorganization

14. Contingencies

The Company is involved in various legal proceedings arising, for the most part, in the ordinary course of business operations. Such lawsuits include professional and employment litigation, consistent with the health care industry.

The Company's business practices are subject to review by various state insurance and health care regulatory authorities and other state and federal authorities. These reviews may result in changes to or clarifications of business practices, and may result in fines, penalties or other sanctions.

In the opinion of management, based upon current facts and circumstances, the resolution of these matters is not expected to have a material adverse effect on the financial position or results of operations of the Company. Where appropriate, reserves have been established in accordance with SSAP No. 5.

15. Leases

Not applicable.

16. Information Regarding Off-Balance Sheet Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liability

Not applicable.

Notes to Financial Statement

18. Gains or Loss to the Reporting Entity from Uninsured Plans

Not applicable.

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators

Not applicable.

20. Other Items

Nonqualified Restricted Stock Option Plan

The Company has a nonqualified restricted stock-based compensation plan, which is described below.

Under the 2000 Summa Insurance Company, Inc. Nonqualified Stock Option Plan (the Plan), the Company granted options to certain SHN (formerly Akron City Health System) physicians for the purchase of up to 38,190 restricted shares of Class B common stock. Under the Plan, the exercise price of each option is \$50, and an option’s maximum term is 10 years. Options were granted on January 1, 2000 and vested immediately as there is no requirement for future performance. The Plan also has a mandatory redemption period of three years, in which during the first 10 days of December 2001, 2002, and 2003, each participant has the right to require the Company to purchase all or part of the shares held by the participant, which are free of restrictions, at a purchase price equal to the fair market value of the shares at September 30 of the year during which the right is exercised. For participants that retire, resign from SHN or die during the year, the shares held by the participant are redeemed at the current market value.

The fair value of each option granted was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: no expected volatility, risk-free interest rate of 5%, and expected lives of ten years.

At December 31, 2010, \$9,656 in stock options were exercised. No shares were redeemed during 2010.

SIC has a Second Stock Subscription Agreement with SHS for the purchase of up to an additional 300 shares of SIC common stock at a price of \$10,000 per share for a total of \$3,000,000. The Company is entitled under the terms of the Second Stock Subscription Agreement to call this subscription in whole or in part on one or more occasions on demand. In addition, SHSH has guaranteed, in the event of insolvency and inability of SIC to pay benefits under group or conversion contracts, to hold covered persons harmless for benefits provided prior to the insolvency, and to pay benefits in accordance with the applicable certificate of insurance to preferred providers and nonpreferred providers.

20. Fair Value Measurement

Not applicable.

21. Other Items

None.

22. Events Subsequent

None.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled

Notes to Financial Statement

directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$_____
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$_____

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under reinsurance policies?

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of the reinsurance credits, whether an asset or a reduction of a liability, taken for such new agreements or amendments? \$_____

B. Uncollectible Reinsurance

None.

C. Commutation of Ceded Reinsurance

None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

25. Changes in Incurred Claims and Claims Adjustment Expenses

Activity in claims unpaid is summarized as follows:

Notes to Financial Statement

	<u>2011</u>	<u>2010</u>
Balance at January 1	\$ <u>16,973,286</u>	<u>18,093,705</u>
Prior Year Adjustment - Reinsurance	<u>—</u>	<u>—</u>
Incurred related to:		
Current year	116,101,763	136,038,282
Prior years	<u>(1,894,000)</u>	<u>(2,095,000)</u>
Total	<u>114,207,763</u>	<u>133,943,282</u>
Paid related to:		
Current year	98,867,679	119,091,996
Prior years	<u>14,921,286</u>	<u>15,971,705</u>
Total	<u>113,788,965</u>	<u>135,063,701</u>
Balance at End of Period	\$ <u><u>17,392,084</u></u>	<u><u>16,973,286</u></u>

The Company uses paid claims and completion factors based on historical payment patterns to estimate incurred claims. Changes in payment patterns and claims trends have resulted in changes to prior years’ claims estimates.

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable

28. Healthcare Receivables

The company receives pharmacy rebates on a quarterly basis. As of September 30, 2011, a receivable was recorded equal to three quarters of rebates. Pharmacy rebates receivable are estimated by multiplying the most recent rebate received by three (three quarters). Pharmacy rebates receivable are recorded as nonadmitted assets in accordance with SSAP No. 84.

<u>Quarter</u>	<u>Estimated Rebates Receivable</u>	<u>Nonadmitted Rebates Receivable</u>	<u>Admitted Rebates Receivable</u>	<u>Actual Rebates Received More Than 180 Days After Billing</u>
9/30/2011	\$919,063	\$919,063	\$0	0
6/30/2011	\$843,955	\$842,961	\$0	\$223,731
3/31/2011	\$842,961	\$842,961	\$0	\$513,297
12/31/2010	\$842,250	\$842,250	\$0	\$794,169
9/30/2010	\$546,875	\$546,875	\$0	\$849,583
6/30/2010	\$492,649	\$492,649	\$0	\$855,789
3/31/2010	\$492,649	\$492,649	\$0	\$857,126
12/31/2009	\$343,186	\$343,186	\$0	\$577,981
9/30/2009	\$945,681	\$945,681	\$0	\$599,713
6/30/2009	\$727,006	\$727,006	\$0	\$473,162
3/31/2009	\$723,095	\$723,095	\$0	\$425,420
12/31/2008	\$723,095	\$723,095	\$0	\$554,829
9/30/2008	\$568,195	\$568,195	\$0	\$640,203
6/30/2008	\$703,059	\$703,059	\$0	\$749,912
3/31/2008	\$515,559	\$515,559	\$0	\$651,090
12/31/2007	\$515,559	\$515,559	\$0	\$589,211

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

Not applicable.

31. Anticipated Salvage Value and Subrogation

Notes to Financial Statement

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 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:
3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2007
- 6.2 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.

12/31/2007
- 6.3 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).

01/12/2009
- 6.4 By what department or departments?
Ohio Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$..... 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$..... 0
13. Amount of real estate and mortgages held in short-term investments:

\$..... 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock	44,407,469	49,960,143
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other	4,189,443	5,945,800
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	48,596,912	55,905,943
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[] No[X]
- 15.2 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.
16. Excluding items in Schedule E - Part 3 - Special Deposits, 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 Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
FirstMerit Trust	106 South Main St, Akron, OH 44308

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes[] No[X]
- 16.4 If yes, give full and complete information relating thereto:

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

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
FirstMerit Bank, N.A.	Paul Brady	4481 Munson St. N.W., Suite 200, Canton, OH 44718

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes[X] No[]
- 17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	88.938%
1.2 A&H cost containment percent	0.484%
1.3 A&H expense percent excluding cost containment expenses	13.562%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
60739	74-0484030 .....	..... 03/01/2011	AMERICAN NATL INS CO	TX .....	..... SSL/A/I .....	..... Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	131,282,758						131,282,758	
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	131,282,758						131,282,758	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1	131,282,758						131,282,758	

DETAILS OF WRITE-INS

5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

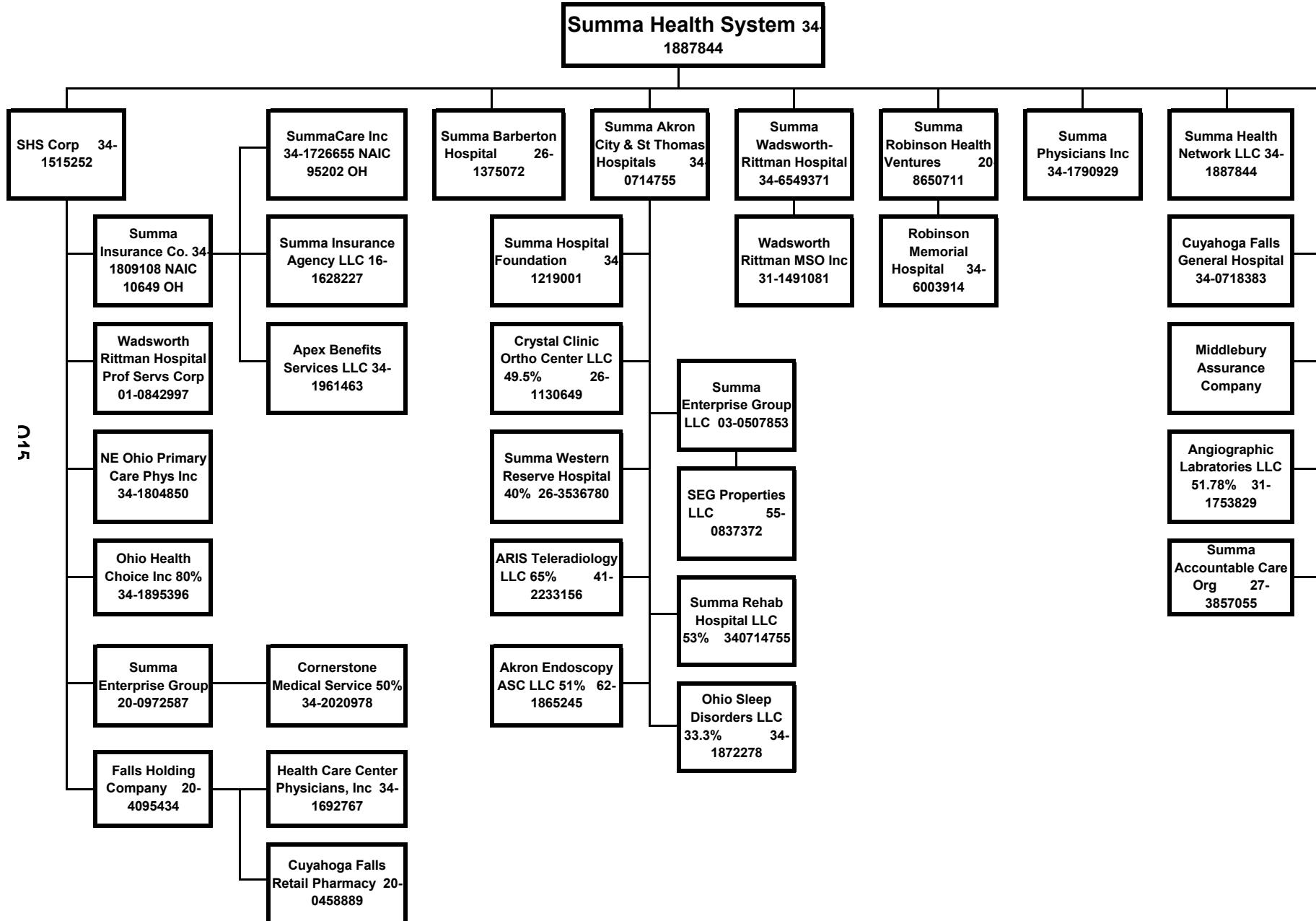
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	Yes

Explanations:

Bar Codes:

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Premium Tax Recoverable
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total

2904. Minority Interest Income (Expense)
2905. City Taxes
2906. Network Access Fees - Providers
2907. Minority Interest Expense
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704. Miscellaneous .....	..... 2	.....	.....
4705. Common Stock Adjustment .....	.....	.....	.....
4706. Misc. Adjustment .....	.....	.....	.....
4707. Increase par value of common stock .....	.....	.....	.....
4708. Correction of an error - 2006 Premium Taxes .....	.....	.....	.....
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796) .....	..... 2	.....	.....

STATEMENT AS OF **September 30, 2011** OF THE **Summa Insurance Company, Inc.**

SCHEDULE A - VERIFICATION

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest point		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	7,775,482	7,344,521
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	986,252	430,961
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	8,761,734	7,775,482
12. Deduct total nonadmitted amounts	2,815,934	3,586,039
13. Statement value at end of current period (Line 11 minus Line 12)	5,945,800	4,189,443

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	60,081,710	48,839,422
2. Cost of bonds and stocks acquired	2,974,688	15,008,503
3. Accrual of discount	6,398	27,789
4. Unrealized valuation increase (decrease)	5,552,674	6,640,871
5. Total gain (loss) on disposals		281,683
6. Deduct consideration for bonds and stocks disposed of	2,900,000	10,661,684
7. Deduct amortization of premium	9,840	54,874
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	65,705,630	60,081,710
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	65,705,630	60,081,710

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	16,282,255			86,604	16,200,032	16,282,255	16,368,859	16,116,947
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	16,282,255			86,604	16,200,032	16,282,255	16,368,859	16,116,947
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	16,282,255			86,604	16,200,032	16,282,255	16,368,859	16,116,947

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....623,372; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	623,372	X X X	623,372	73	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	442,706	1,293,144
2.	Cost of short-term investments acquired	180,666	
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals		850,438
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	623,372	442,706
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	623,372	442,706

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05	Schedule DB Part C Section 1	NONE
-------------	-------------------------------------	-------------

SI06 Schedule DB Part C Section 2 NONE

SI07	Schedule DB - Verification	NONE
-------------	---	-------------

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
313375EV5	FHLB		08/22/2011	FIRSTMERIT TRUST	X X X	500,000	500,000.00		1
0599999 Subtotal - Bonds - U.S. Governments					X X X	500,000	500,000.00		X X X
8399997 Subtotal - Bonds - Part 3					X X X	500,000	500,000.00		X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	500,000	500,000.00		X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X		X X X		X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	500,000	X X X		X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
3133XTXH4	FHLB		07/27/2011	MATURED	X X X	500,000	500,000.00	501,950	500,552		(552)		(552)		500,000				8,125	07/27/2011	1
0599999 Subtotal - Bonds - U.S. Governments					X X X	500,000	500,000.00	501,950	500,552		(552)		(552)		500,000				8,125	X X X	X X X
8399997 Subtotal - Bonds - Part 4					X X X	500,000	500,000.00	501,950	500,552		(552)		(552)		500,000				8,125	X X X	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					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	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	500,000	500,000.00	501,950	500,552		(552)		(552)		500,000				8,125	X X X	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					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	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					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	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X		X X X													X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	500,000	X X X	501,950	500,552		(552)		(552)		500,000				8,125	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
First Merit Bank	Akron, Ohio						4,114,474	3,886,233	4,376,004	X X X
First Merit Bank - Middlebury ..	Akron, Ohio						1,073,976	1,165,729	1,179,800	X X X
First Merit Bank - Money Market	Akron, Ohio				4,178		3,315,185	3,316,593	3,317,956	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	4,178		8,503,635	8,368,555	8,873,760	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	4,178		8,503,635	8,368,555	8,873,760	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	4,178		8,503,635	8,368,555	8,873,760	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
N O N E							
8699999 Total - Cash Equivalents



MEDICARE PART D COVERAGE SUPPLEMENT
Net of Reinsurance

NAIC Group Code: 3259

NAIC Company Code: 10649

		Individual Coverage		Group Coverage		5
		1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1.	Premiums Collected	1,735,427	X X X		X X X	1,735,427
2.	Earned Premiums	1,735,427	X X X		X X X	X X X
3.	Claims Paid	4,285,993	X X X		X X X	4,285,993
4.	Claims Incurred	4,696,685	X X X		X X X	X X X
5.	Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	X X X		X X X		
6.	Aggregate Policy Reserves - change		X X X		X X X	X X X
7.	Expenses Paid	673,801	X X X		X X X	673,801
8.	Expenses Incurred	744,914	X X X		X X X	X X X
9.	Underwriting Gain or Loss	(3,706,172)	X X X		X X X	X X X
10.	Cash Flow Results	X X X	X X X	X X X	X X X	(3,224,367)

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11

Accounting Practices and Policies; Q5; Q10, Note 1

Admitted Assets; Q2

Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05

Bonuses; Q3; Q4; Q8; Q9

Borrowed Funds; Q3; Q6

Business Combinations and Goodwill; Q10, Note 3

Capital Gains (Losses)

 Realized; Q4

 Unrealized; Q4; Q5

Capital Stock; Q3; Q10, Note 13

Capital Notes; Q6; Q10, Note 11

Caps; QE06; QSI04

Cash; Q2; Q6; QE11

Cash Equivalents; Q2; Q6; QE12

Claims; Q3; Q4; Q8; Q9

Collars; QE06; QSI04

Commissions; Q6

Common Stock; Q2; Q3; Q6; Q11.1; Q11.2

Cost Containment Expenses; Q4

Contingencies; Q10, Note 14

Counterparty Exposure; Q10, Note 8; QE06; QE08

Debt; Q10, Note 11

Deferred Compensation; Q10, Note 12

Derivative Instruments; Q10, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08

Discontinued Operations; Q10, Note 4

Electronic Data Processing Equipment; Q2

Encumbrances; Q2; QSI01; QE01

Emergency Room; Q4

Expenses; Q3; Q4; Q6

Extinguishment of Liabilities; Q10, Note 17

Extraordinary Item; Q10, Note 21

Fair Value; Q7, Note 20

Fee for Service; Q4

Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05

Forwards; QE06; QSI04

Furniture, Equipment and Supplies; Q2

Guaranty Fund; Q2

Health Care Receivables; Q2; Q9; Q10, Note 28

Hospital/Medical Benefits; Q4

Incentive Pools; Q3; Q4; Q8; Q9

Income; Q4; Q5; Q6

Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9

Incurred Claims and Claim Adjustment Expenses; Q10, Note 25

Intercompany Pooling; Q10, Note 26

Investment Income; Q10, Note 7

 Accrued; Q2

 Earned; Q2; QSI03

 Received; Q6

Investments; Q10, Note 5; Q11.1; Q11.2; QE08

Joint Venture; Q10, Note 6

Leases; Q10, Note 15

Limited Liability Company (LLC); Q10, Note 6

Limited Partnership; Q10, Note 6

Long-Term Invested Assets; Q2; QE03

Managing General Agents; Q10, Note 19

Medicare Part D Coverage; QSupp1

Member Months; Q4; Q7

Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02

Nonadmitted Assets; Q2; Q5; QSI01; QSI03

Off-Balance Sheet Risk; Q10, Note 16

Options; QE06; QSI04

Organizational Chart; Q11; Q14

Out-of-Area; Q4

Outside Referrals; Q4

Parent, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1

Participating Policies; Q10, Note 29

Pharmaceutical Rebates; Q10, Note 28

Policyholder Dividends; Q5; Q6

Postemployment Benefits; Q10, Note 12

Postretirement Benefits; Q10, Note 12

Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2

Premium Deficiency Reserves; Q10, Note 30

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Premiums and Considerations	
Advance; Q3	
Collected; Q6	
Deferred; Q2	
Direct; Q7; Q13	
Earned; Q7	
Retrospective; Q2	
Uncollected; Q2	
Unearned; Q4	
Written; Q4; Q7	
Prescription Drugs; Q4	
Quasi Reorganizations; Q10, Note 13	
Real Estate; Q2; Q6; QE01; QSI01	
Redetermination, Contracts Subject to; Q10, Note 24	
Reinsurance; Q9; Q10, Note 23	
Ceded; Q3; Q12	
Funds Held; Q2	
Payable; Q3	
Premiums; Q3	
Receivable; Q2; Q4	
Unauthorized; Q3; Q5	
Reserves	
Accident and Health; Q3; Q4	
Claim; Q3; Q5; Q8	
Life; Q3	
Retirement Plans; Q10, Note 12	
Retrospectively Rated Policies; Q10, Note 24	
Risk Revenue; Q4	
Salvage and Subrogation; Q10, Note 31	
Securities Lending; Q2; Q3; QE09; QE10	
Servicing of Financial Assets; Q10, Note 17	
Short-Term Investments; Q2; Q6; Q11.1; QSI03	
Stockholder Dividends; Q5; Q6	
Subsequent Events; Q10, Note 22	
Surplus; Q3; Q5; Q6	
Surplus Notes; Q3; Q5; Q6	
Swaps; QE07; QSI04	
Synthetic Assets; QSI04; QSI05	
Third Party Administrator; Q10, Note 19	
Treasury Stock; Q3; Q5	
Uninsured Accident and Health; Q2; Q3; Q10, Note 18	
Valuation Allowance; QSI01	
Wash Sales; Q10, Note 17	
Withholds; Q4; Q8	