



ANNUAL STATEMENT
For the Year Ending December 31, 2011
OF THE CONDITION AND AFFAIRS OF THE
SummaCare, Inc.

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	95202	Employer's ID Number	34-1726655
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[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[] N/A[X]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	10/23/1992		Commenced Business	03/01/1993		
Statutory Home Office	10 North Main Street (Street and Number)		Akron, OH 44308 (City or Town, State and Zip Code)			
Main Administrative Office			10 North Main Street (Street and Number)			
	Akron, OH 44308 (City or Town, State and Zip Code)		(330)996-8410 (Area Code) (Telephone Number)			
Mail Address	P.O. Box 3620 (Street and Number or P.O. Box)		Akron, OH 44309-3620 (City or Town, State and Zip Code)			
Primary Location of Books and Records			10 North Main Street (Street and Number)			
	Akron, OH 44308 (City or Town, State and Zip Code)		(330)996-8410 (Area Code) (Telephone Number)			
Internet Website Address	SummmaCare.com					
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 and 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	Annette Ruby, VP - Health Services Management
Claude Vincenti, Senior VP - Chief Operating Officer		

DIRECTORS OR TRUSTEES

Martin Paul Hauser	Thomas Clifford Deveny M.D.
Thomas Gene Knoll	Vincent Hadar Johnson Jr. M.D.
Thomas Joseph Strauss	Dale Patterson Murphy M.D
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) Martin Paul Hauser	(Signature) Claude Maurius Vincenti	(Signature) James Edward McNutt
(Printed Name) 1.	(Printed Name) 2.	(Printed Name) 3.
President, CEO	Senior Vice President, COO	Vice President - Finance, CFO
(Title)	(Title)	(Title)

Subscribed and sworn to before me this 29th day of February, 2012	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[]
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(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	68,236,188		68,236,188	51,828,826
2.	Stocks (Schedule D)				
2.1	Preferred stocks				
2.2	Common Stocks				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
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 (\$.....10,420,168 Schedule E Part 1), cash equivalents (\$.....0 Schedule E Part 2) and short-term investments (\$.....349,514 Schedule DA)	10,769,682		10,769,682	29,518,772
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)				
9.	Receivables for securities				
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	79,005,870		79,005,870	81,347,598
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	447,682		447,682	351,872
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	56,471	52,725	3,746	334,213
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				
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	2,111,381		2,111,381	
18.2	Net deferred tax asset	2,686,710	320,342	2,366,368	2,042,135
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)	586,201	586,201		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	4,982,281		4,982,281	2,065,444
24.	Health care (\$.....4,171,985) and other amounts receivable	5,539,985	1,368,000	4,171,985	811,943
25.	Aggregate write-ins for other than invested assets	1,298,115	1,298,115		
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	96,714,696	3,625,383	93,089,313	86,953,205
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	96,714,696	3,625,383	93,089,313	86,953,205
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 assets	1,298,115	1,298,115		
2502.	Deposits				
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)	1,298,115	1,298,115		

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	26,381,584		26,381,584	23,183,007
2.	Accrued medical incentive pool and bonus amounts	297,360		297,360	254,000
3.	Unpaid claims adjustment expenses	365,887		365,887	247,099
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	377,533		377,533	719,698
9.	General expenses due or accrued	8,554,647		8,554,647	8,766,585
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				2,922,470
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	208,850		208,850	334,868
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	8,406,157		8,406,157	5,955,265
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....7,246 unauthorized reinsurers)	7,246		7,246	99,055
20.	Reinsurance in unauthorized companies				63,689
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 \$.....0 current)				
24.	TOTAL Liabilities (Lines 1 to 23)	44,599,264		44,599,264	42,545,736
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X	570	570
27.	Preferred capital stock	X X X	X X X	100	100
28.	Gross paid in and contributed surplus	X X X	X X X	30,084,097	30,084,097
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	18,405,282	14,322,702
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	48,490,049	44,407,469
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	93,089,313	86,953,205
DETAILS OF WRITE-INS					
2301.	Payroll liability				
2302.	Other accrued liabilities				
2303.	Medicaid Pharmacy Reserve				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
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		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	281,800	331,836
2.	Net premium income (including \$.....0 non-health premium income)	X X X	256,520,831	270,374,805
3.	Change in unearned premium reserves and reserve 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	20,736,015	23,823,889
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL Revenues (Lines 2 to 7)	X X X	277,256,846	294,198,694
Hospital and Medical:				
9.	Hospital/medical benefits		192,354,353	196,255,370
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area		4,427	58,646
13.	Prescription drugs		25,924,524	31,276,484
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		275,300	742,197
16.	Subtotal (Lines 9 to 15)		218,558,604	228,332,697
Less:				
17.	Net reinsurance recoveries		578,281	177,372
18.	TOTAL Hospital and Medical (Lines 16 minus 17)		217,980,323	228,155,325
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....1,668,774 cost containment expenses		4,130,890	4,585,416
21.	General administrative expenses		50,064,537	54,139,480
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)		272,175,750	286,880,221
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	5,081,096	7,318,473
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,278,041	1,057,153
26.	Net realized capital gains (losses) less capital gains tax of \$.....0			
27.	Net investment gains (losses) (Lines 25 plus 26)		1,278,041	1,057,153
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		23,342	15,132
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	6,382,479	8,390,758
31.	Federal and foreign income taxes incurred	X X X	2,735,721	3,245,215
32.	Net income (loss) (Lines 30 minus 31)	X X X	3,646,758	5,145,543
DETAILS OF WRITE-INS				
0601.	Administrative Services Revenue	X X X	20,736,015	23,823,889
0602.	Misc income received from prior year taxes	X X X		
0603.	Gain/loss on disposal of asset	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	20,736,015	23,823,889
0701.	Proceeds from the sale of the Medicaid product line	X X X		
0702.	Miscellaneous Income	X X X		
0703.	Miscellaneous Revenue	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 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.	Rental Revenue		11,964	15,132
2902.	Miscellaneous Income		11,378	
2903.	City Income Taxes			
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)		23,342	15,132

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	44,407,469	27,766,598
34.	Net income or (loss) from Line 32	3,646,758	5,145,543
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		
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	306,599	2,380,111
39.	Change in nonadmitted assets	506,141	(810,017)
40.	Change in unauthorized reinsurance	63,689	(63,689)
41.	Change in treasury stock		
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		10,000,000
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	(440,607)	(11,077)
48.	Net change in capital and surplus (Lines 34 to 47)	4,082,580	16,640,871
49.	Capital and surplus end of reporting year (Line 33 plus 48)	48,490,049	44,407,469
DETAILS OF WRITE-INS			
4701.	Change in Minimum Pension Liability - Unrestricted Funds	(440,605)	(11,078)
4702.	Adjustments to 2008 financial statements		
4703.	Miscellaneous	(2)	1
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	(440,607)	(11,077)

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	256,509,133	269,025,818
2.	Net investment income	1,121,820	1,072,336
3.	Miscellaneous income	20,736,015	23,839,021
4.	Total (Lines 1 through 3)	278,366,968	293,937,175
5.	Benefit and loss related payments	214,738,386	227,980,573
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	54,265,235	56,470,039
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	7,787,206	(1,531,155)
10.	Total (Lines 5 through 9)	276,790,827	282,919,457
11.	Net cash from operations (Line 4 minus Line 10)	1,576,141	11,017,718
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	8,350,000	6,900,000
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)	8,350,000	6,900,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	24,696,953	30,822,773
13.2	Stocks		
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)	24,696,953	30,822,773
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(16,346,953)	(23,922,773)
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		10,000,000
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)	(3,978,278)	23,983,795
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(3,978,278)	33,983,795
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)	(18,749,090)	21,078,740
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	29,518,772	8,440,032
19.2	End of year (Line 18 plus Line 19.1)	10,769,682	29,518,772

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

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	256,520,831	2,105,205					254,415,626			
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues	20,736,015								20,736,015	X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL Revenues (Lines 1 to 6)	277,256,846	2,105,205					254,415,626		20,736,015	
8.	Hospital/medical benefits	192,354,353	2,616,973					189,737,380			X X X
9.	Other professional services										X X X
10.	Outside referrals										X X X
11.	Emergency room and out-of-area	4,427	4,427								X X X
12.	Prescription drugs	25,924,524	239,204					25,685,320			X X X
13.	Aggregate write-ins for other hospital and medical										X X X
14.	Incentive pool, withhold adjustments and bonus amounts	275,300	71,537					203,763			X X X
15.	Subtotal (Lines 8 to 14)	218,558,604	2,932,141					215,626,463			X X X
16.	Net reinsurance recoveries	578,281	391,196					187,085			X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	217,980,323	2,540,945					215,439,378			X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....1,668,774 cost containment expenses	4,130,890	48,152					4,082,738			
20.	General administrative expenses	50,064,537	353,923					30,008,020		19,702,594	
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	272,175,750	2,943,020					249,530,136		19,702,594	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	5,081,096	(837,815)					4,885,490		1,033,421	
DETAILS OF WRITE-INS											
0501.	Administrative Services Revenue	20,736,015								20,736,015	X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	20,736,015								20,736,015	X X X
0601.	Proceeds from the sales of the Medicaid Product Line		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	Miscellaneous Revenue		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	.....										X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
Line of Business					
1.	Comprehensive (hospital and medical)	2,126,954		21,749	2,105,205
2.	Medicare Supplement				
3.	Dental only				
4.	Vision only				
5.	Federal Employees Health Benefits Plan				
6.	Title XVIII - Medicare	254,576,343		160,717	254,415,626
7.	Title XIX - Medicaid				
8.	Other health				
9.	Health subtotal (Lines 1 through 8)	256,703,297		182,466	256,520,831
10.	Life				
11.	Property/casualty				
12.	TOTALS (Lines 9 to 11)	256,703,297		182,466	256,520,831

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	215,247,471	4,651,866					210,595,605			
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	741,025	553,940					187,085			
1.4 Net	214,506,446	4,097,926					210,408,520			
2. Paid medical incentive pools and bonuses	231,940	148,417					83,523			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	26,381,584						26,381,584			
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	26,381,584						26,381,584			
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year	297,360	99,120					198,240			
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year ..										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	23,345,751	1,791,262					21,554,489			
8.2 Reinsurance assumed										
8.3 Reinsurance ceded	162,744	162,744								
8.4 Net	23,183,007	1,628,518					21,554,489			
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year	254,000	176,000					78,000			
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	218,283,304	2,860,604					215,422,700			
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	578,281	391,196					187,085			
12.4 Net	217,705,023	2,469,408					215,235,615			
13. Incurred medical incentive pools and bonuses	275,300	71,537					203,763			

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct										
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net										
2. Incurred but Unreported:										
2.1 Direct	26,381,584						26,381,584			
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	26,381,584						26,381,584			
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct	26,381,584						26,381,584			
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	26,381,584						26,381,584			

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

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical)	1,933,000	2,164,926			1,933,000	1,628,518
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare	18,586,000	191,822,520	4,000	26,377,584	18,590,000	21,554,489
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	20,519,000	193,987,446	4,000	26,377,584	20,523,000	23,183,007
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pool and bonus amounts	231,940			297,360	231,940	254,000
13.	TOTALS (Lines 9 - 10 + 11 + 12)	20,750,940	193,987,446	4,000	26,674,944	20,754,940	23,437,007

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

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

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	4,634	4,634	4,634	4,634	4,634
2.	2007	150,461	158,030	158,030	158,030	158,030
3.	2008	X X X	186,120	192,281	192,281	192,281
4.	2009	X X X	X X X	202,741	221,626	221,626
5.	2010	X X X	X X X	X X X	208,932	229,682
6.	2011	X X X	X X X	X X X	X X X	193,988

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	4,634	4,634	4,634	4,634	4,634
2.	2007	158,481	158,030	158,030	158,030	158,030
3.	2008	X X X	192,399	192,417	192,281	192,281
4.	2009	X X X	X X X	207,019	221,626	221,626
5.	2010	X X X	X X X	X X X	232,369	229,686
6.	2011	X X X	X X X	X X X	X X X	220,663

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2007	190,465	158,030	2,431	1.538	160,461	84.247			160,461	84.247
2.	2008	216,015	192,281	3,522	1.832	195,803	90.643			195,803	90.643
3.	2009	242,102	221,626	2,752	1.242	224,378	92.679			224,378	92.679
4.	2010	270,375	229,682	5,139	2.238	234,821	86.850	4		234,825	86.852
5.	2011	256,521	193,988	3,457	1.782	197,445	76.970	26,675	366	224,486	87.512

12 Total

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

Hospital and Medical
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	3,314	3,314	3,314	3,314	3,314
2.	2007	28,617	33,675	33,675	33,675	33,675
3.	2008	X X X	29,100	32,816	32,816	32,816
4.	2009	X X X	X X X	22,309	24,340	24,340
5.	2010	X X X	X X X	X X X	21,181	23,262
6.	2011	X X X	X X X	X X X	X X X	2,165

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	3,314	3,314	3,314	3,314	3,314
2.	2007	34,380	33,675	33,675	33,675	33,675
3.	2008	X X X	33,104	32,945	32,816	32,816
4.	2009	X X X	X X X	25,133	24,340	24,340
5.	2010	X X X	X X X	X X X	22,986	23,262
6.	2011	X X X	X X X	X X X	X X X	2,264

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2007	36,710	33,675	527	1.565	34,202	93.168			34,202	93.168
2.	2008	34,668	32,816	599	1.825	33,415	96.386			33,415	96.386
3.	2009	26,948	24,340	327	1.343	24,667	91.536			24,667	91.536
4.	2010	23,249	23,262	454	1.951	23,716	102.008			23,716	102.008
5.	2011	2,105	2,165	47	2.179	2,212	105.091	99	4	2,315	109.984

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)
Medicare Supplement
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	3	3	3	3	3
2.	2007	31	43	43	43	43
3.	2008	X X X	25	34	34	34
4.	2009	X X X	X X X	33	37	37
5.	2010	X X X	X X X	X X X		
6.	2011	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	3	3	3	3	3
2.	2007	36	43	43	43	43
3.	2008	X X X	31	34	34	34
4.	2009	X X X	X X X	37	37	37
5.	2010	X X X	X X X	X X X		
6.	2011	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2007	67	43	1	2.326	44	65.672			44	65.672
2.	2008	77	34	1	2.941	35	45.455			35	45.455
3.	2009	65	37	1	2.703	38	58.462			38	58.462
4.	2010										
5.	2011										

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

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

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

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

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

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

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

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	750	750	750	750	750
2.	2007	7,769	9,477	9,477	9,477	9,477
3.	2008	X X X	11,692	12,991	12,991	12,991
4.	2009	X X X	X X X	23	(24)	(24)
5.	2010	X X X	X X X	X X X		
6.	2011	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	750	750	750	750	750
2.	2007	9,055	9,477	9,477	9,477	9,477
3.	2008	X X X	12,824	12,998	12,991	12,991
4.	2009	X X X	X X X	23	(24)	(24)
5.	2010	X X X	X X X	X X X		
6.	2011	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2007	11,592	9,477	133	1.403	9,610	82.902			9,610	82.902
2.	2008	11,675	12,991	243	1.871	13,234	113.353			13,234	113.353
3.	2009	37	(24)	3	(12.500)	(21)	(56.757)			(21)	(56.757)
4.	2010										
5.	2011										

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

Title XVIII - Medicare

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	567	567	567	567	567
2.	2007	114,044	114,835	114,835	114,835	114,835
3.	2008	X X X	145,303	146,440	146,440	146,440
4.	2009	X X X	X X X	180,376	197,273	197,273
5.	2010	X X X	X X X	X X X	187,751	206,420
6.	2011	X X X	X X X	X X X	X X X	191,823

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2007	2 2008	3 2009	4 2010	5 2011
1.	Prior	567	567	567	567	567
2.	2007	115,010	114,835	114,835	114,835	114,835
3.	2008	X X X	146,440	146,440	146,440	146,440
4.	2009	X X X	X X X	181,826	197,273	197,273
5.	2010	X X X	X X X	X X X	209,383	206,424
6.	2011	X X X	X X X	X X X	X X X	218,399

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2007	142,096	114,835	1,770	1.541	116,605	82.060			116,605	82.060
2.	2008	169,595	146,440	2,679	1.829	149,119	87.927			149,119	87.927
3.	2009	215,052	197,273	2,421	1.227	199,694	92.858			199,694	92.858
4.	2010	247,126	206,420	4,685	2.270	211,105	85.424	4		211,109	85.426
5.	2011	254,416	191,823	3,410	1.778	195,233	76.738	26,576	362	222,171	87.326

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid NONE

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

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)		323,867	1,835,249		2,159,116
2.	Salaries, wages and other benefits	1,313,019	1,299,473	25,810,862		28,423,354
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)			283,067		283,067
4.	Legal fees and expenses			152,218		152,218
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services	28,125	37,470	1,314,484		1,380,079
7.	Traveling expenses	19,240	3,995	282,041		305,276
8.	Marketing and advertising	10,690		2,863,918		2,874,608
9.	Postage, express and telephone	45,162	361,386	2,147,806		2,554,354
10.	Printing and office supplies	16,857	1,465	1,644,185		1,662,507
11.	Occupancy, depreciation and amortization	138	142,724	807,371		950,233
12.	Equipment			483,205		483,205
13.	Cost or depreciation of EDP equipment and software	58,258	50	2,915,494		2,973,802
14.	Outsourced services including EDP, claims, and other services	56,902	197,043	4,516,056		4,770,001
15.	Boards, bureaus and association fees	3,529	436	42,414		46,379
16.	Insurance, except on real estate			144,157		144,157
17.	Collection and bank service charges			119	395,416	395,535
18.	Group service and administration fees	30,000		3,322,022		3,352,022
19.	Reimbursements by uninsured plans					
20.	Reimbursements from fiscal intermediaries					
21.	Real estate expenses					
22.	Real estate taxes					
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes					
23.2	State premium taxes			20,365		20,365
23.3	Regulator authority licenses and fees					
23.4	Payroll taxes	86,854	94,207	1,408,673		1,589,734
23.5	Other (excluding federal income and real estate taxes)					
24.	Investment expenses not included elsewhere					
25.	Aggregate write-ins for expenses			70,831		70,831
26.	TOTAL Expenses Incurred (Lines 1 to 25)	1,668,774	2,462,116	50,064,537	395,416	(a) 54,590,843
27.	Less expenses unpaid December 31, current year		365,887	8,554,647		8,920,534
28.	Add expenses unpaid December 31, prior year		247,099	8,766,585		9,013,684
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	1,668,774	2,343,328	50,276,475	395,416	54,683,993
DETAILS OF WRITE-INS						
2501.	Donations			59,482		59,482
2502.	Miscellaneous Expense			11,349		11,349
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			70,831		70,831

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 1,625,438	..... 1,625,438
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, cash equivalents and short-term investments	(e)..... 48,019	..... 48,019
7.	Derivative instruments	(f).....	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income .....	..... 1,673,457	..... 1,673,457
11.	Investment expenses		(g)..... 395,416
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15) .....		..... 395,416
17.	Net Investment income (Line 10 minus Line 16) .....		..... 1,278,041
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)		
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above)		
(a) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(b) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued dividends on purchases.			
(c) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(d) Includes \$......0 for company's occupancy of its own buildings; and excludes \$......0 interest on encumbrances.			
(e) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(f) Includes \$......0 accrual of discount less \$......0 amortization of premium.			
(g) Includes \$......0 investment expenses and \$......0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$......0 interest on surplus notes and \$......0 interest on capital notes.			
(i) Includes \$......0 depreciation on real estate and \$......0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)					
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	52,725	165,556	112,831
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3	Accrued retrospective premiums			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers			
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	320,342	337,976	17,634
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets	586,201	873,774	287,573
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable	1,368,000	1,545,000	177,000
25.	Aggregate write-ins for other than invested assets	1,298,115	1,209,218	(88,897)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,625,383	4,131,524	506,141
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	3,625,383	4,131,524	506,141
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 Assets	1,298,115	1,209,218	(88,897)
2502.	.....		
2503.	.....		
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,298,115	1,209,218	(88,897)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

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	27,567	23,747	23,554	23,148	23,367	281,800
2.	Provider Service Organizations						
3.	Preferred Provider Organizations						
4.	Point of Service						
5.	Indemnity Only						
6.	Aggregate write-ins for other lines of business						
7.	TOTAL	27,567	23,747	23,554	23,148	23,367	281,800
DETAILS OF WRITE-INS							
0601.	.....					
0602.	.....					
0603.	.....					
0698.	Summary of remaining write-ins for Line 6 from overflow page						
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)						

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

SummaCare, Inc.'s (the Company or SC) statutory financial statements are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI) and in accordance with the *Accounting Practices and Procedures Manual*.

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 December 31, 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 the *Accounting Practices and Procedures Manual*, 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. Short-term investments are stated at amortized cost.

2) Bonds not backed by other loans are stated at amortized cost using the interest method.

3) Common stocks – None.

4) Preferred stocks – None.

5) Mortgage loans on real estate – None.

6) Loan backed securities – None.

7) Investments in subsidiaries, controlled and affiliated entities – None.

8) Investments in joint ventures, partnerships and limited liability companies – None.

9) Accounting policy for derivatives – The Company does not invest in derivative instruments.

10) The Company anticipates investment income as a factor in premium deficiency calculation, in accordance with SSAP No. 54, Individual Group Accident and Health Contracts.

11) 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 the Company's members by third party providers, which have been incurred but not reported to the Company. 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.

Additionally, SummaCare has contracted with two physician hospital organizations (PHOs), SHN and the Cleveland Health Network (CHN), to provide members with the services of hospitals, primary care physicians, and other physician specialists within the SHN and CHN networks. In 2011 and 2010, SummaCare retained the risk for all commercial and Medicare members choosing either a CHN or SHN provider.

12) The Company's capitalization policy and predefined thresholds have not changed from the prior period.

Notes to Financial Statements

13) Pharmaceutical rebates are reported as a reduction of prescription drug expense. Receivables related to pharmaceutical rebates are recorded in accordance with SSAP No. 84, Certain Health Care Receivables and Receivables Under Government Insured Plans. Pharmacy rebates receivable are estimated by multiplying the most recent rebate received by three (three quarters).

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 Summa Health System (SHS) reorganized resulting in a change in ownership of SC. Prior to December 31, 1999, SC was a wholly-owned subsidiary of Akron City Health System (ACHS). As part of the reorganization, SIC received SC's voting common stock for no consideration.

4. Discontinued Operations – None.

5. Investments

- A. Mortgage Loans – None.
- B. Debt Restructuring – 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. – None.
- 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 - All accrued investment income was admitted for the period.

8. Derivative Instruments – None.

9. Income Taxes

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

[illegible]

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

Notes to Financial Statements

	12/31/2011	12/31/2010	Change
1. Current Income Tax			
(a) Federal	\$2,735,721	\$3,245,215	(\$509,494)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	\$2,735,721	\$3,245,215	(\$509,494)
(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	\$2,735,721	\$3,245,215	(\$509,494)
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Nonadmitted Assets	\$1,123,714	1,289,806	(\$166,092)
(2) Change in Claims Unpaid	\$307,084	401,196	\$505,888
(3) Change in Accrued Liabilities	\$465,901	554,400	(\$88,499)
(4) Charitable Contributions Carry-Forward	\$0	0	\$0
(5) Basis Difference in Fixed Assets	\$190,011	134,709	\$55,302
Subtotal	\$2,686,710	\$2,380,111	\$306,599
(b) Statutory Valuation Allowance	\$0	\$0	\$0
(c) Nonadmitted	\$320,342	\$337,976	(\$17,634)
(d) Admitted Ordinary Deferred Tax Assets (2a-2b)	\$2,366,368	\$2,042,135	\$324,233
(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)	\$2,366,368	\$2,042,135	\$324,233

	12/31/2011	12/31/2010	Change
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$0	\$0	\$0
(2) Fixed Assets	\$0	\$0	\$0
(3) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$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)	\$0	\$0	\$0
4. Net Deferred Tax Assets / Liabilities (2g-3c)	\$2,366,368	\$2,042,135	\$324,233

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:

	December 31, 2011	Effective Tax Rate
Provision computed at statutory rate	\$2,170,043	34.0%
Items permanent in nature	\$34,515	0.5%
Change in deferred income tax	\$306,599	4.8%
Change in nonadmitted assets	\$166,092	2.6%
Other deferred adjustments	\$58,472	0.9%
Total statutory income taxes incurred	\$2,735,721	42.9%

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

The company does not have any net operating loss carry-forwards as of December 31, 2011.

Notes to Financial Statements

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, Ohio Health Choice, Summa Enterprise Group, Health Care Center Physicians, and Cornerstone Medical Services.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of the Relationships

SummaCare, Inc. is a wholly owned subsidiary of Summa Insurance Company, Inc. (SIC). SIC is a majority-owned subsidiary of Summa Health System (SHS).

Subsidiaries and affiliated organizations of SHS include Summa Health System Corporation (SHSC), Summa Akron City & St. Thomas Hospitals (SACH/STH), Summa Health Network LLC (SHN), Apex Benefits Services, LLC (Apex), Summa Insurance Agency, LLC (SIA), Summa Cuyahoga Falls General Hospital (CFGH), Summa Barberton Hospital (BCH), Summa Wadsworth-Rittman Hospital (WRH), Wadsworth-Rittman Professional Services Corporation, Crystal Clinic Orthopedic Center, LLC, Summa Physicians, Inc. (SPI), Summa Hospitals Foundation, Health Care Center Physicians Inc. (HCCP), Middlebury Assurance Corp. (MAC), Summa Enterprise Group (SEG), Summa Enterprise Group, LLC, Summa Enterprise Group Properties (SEG Properties), Summa Rehabilitation Hospital, LLC, Ohio Health Choice, Inc. (OHC), Cornerstone Medical Services (Cornerstone), ARIS Teleradiology LLC (ARIS), Summa Robinson Health Ventures, Robinson Memorial Hospital (RMH), Summa Western Reserve Hospital (SWRH), Ohio Sleep Disorders, Digestive Health Centers, Summa Accountable Care Organization (ACO), Akron Endoscopy Associates (Akron Endoscopy) and Medina-Summit ASC, LLC.

The Company is licensed in Ohio as a health-insuring corporation (HIC) under Chapter 1751 of the Ohio Revised Code. SC contracts with providers to provide comprehensive health care services to a defined enrolled population (members) for a predetermined monthly fee. The population from which the Company draws its membership is predominately located in Northeast Ohio.

The Company is subject to competition from other health insuring companies as well as to the regulations of certain state and federal agencies. The Company is also subject to periodic financial examinations by those regulatory authorities.

B. & C. Transactions with Affiliated Organizations

SC members receive various medical services from SACH/STH, and other SHS subsidiaries. Certain members of the board of directors of the Company are members of the board of trustees of SACH/STH's and SHS's subsidiary and affiliated organizations. During 2011 and 2010, SC incurred health care costs representing premium payments made to SIC for health care costs associated with the indemnity portion on specific SC insurance plans.

Notes to Financial Statements

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

	2011	2010
Claims paid to affiliated entities:		
SIC	\$ 4,427	58,646
SACH/STH	47,907,568	48,278,700
SPI	7,543,658	7,020,208
BCH	8,171,757	6,420,153
ARIS	43,867	40,706
WRH	3,094,071	2,999,842
Cornerstone	3,235,226	3,750,308
Akron Endoscopy	—	46,032
ACO	846,452	—
Management fees charged to SIC	10,417,790	16,121,619
Management fees charged to Apex	10,259,678	7,638,419
Management fees charged to OHC	10,547	15,852
Management fees charged to SHN	48,000	48,000
Management fees charged from SHN	326,197	395,377
Management fees charged from Apex	533,676	601,668
Management fees charged from OHC	177,471	146,700
D&O insurance premiums paid to MAC	127,288	104,860
Physician Incentive paid to SHN	—	600,000
Corporate expense allocation paid to SHS	1,834,935	1,470,000

D. The balances outstanding with affiliated entities as of December 31, 2011 and December 31, 2010 are as follows:

	Due from		Due to	
	Due from		Due to	
	2011	2010	2011	2010
SHN	\$ —	—	23,915	72,580
SIC	3,484,358	1,067,787	—	—
SACH/STH	—	—	2,887,371	4,870,250
OHC	791	560	—	—
Apex	1,475,067	997,097	—	—
WRH	—	—	125,509	292,687
BCH	—	—	521,759	586,671
ACO	—	—	4,847,603	—
RMH	22,065	—	—	133,077
	\$ 4,982,281	2,065,444	8,406,157	5,955,265

- E. Guarantees or undertakings – None.
- F. During 2011 and 2010, the Company contracted to provide administrative and claims processing services to SIC and Apex. In 2011 and 2010, the Company contracted to reimburse SHN a portion of their total operating expenses. Expenses were recognized based on the amount charged to the Company from SHN.
- G. All outstanding shares of SummaCare are owned by the parent, Summa Insurance Company, a property and casualty insurance company domiciled in the State of Ohio.
- H. Investments in upstream intermediate entities or ultimate parent – None.
- I. Investments in SCA Entities – None.
- J. Investments in impaired SCA entities – None.
- K. Investments in foreign insurance subsidiaries – None.
- L. Investment in downstream noninsurance holding company – None.

11. Debt

SC has no debt as of December 31, 2011.

12. Retirement Plans

- A. Defined Benefit Plan - None.

Notes to Financial Statements

B. Defined Contribution Plan

The Company has a defined contribution 401(k) plan that is available to all eligible employees. The plan provides for employee contributions of up to 15% of eligible salary and employer matching contributions of 50% of each employee's voluntary contribution. The matching contribution is limited to 6% of each employee's pay. Expense under this plan was approximately \$786,225 for period ending December 31, 2011 and was \$599,697 for year ending December 31, 2010.

C. Multiemployer Plan – None.

D. Consolidated / Holding Company Plan

SHS maintains a noncontributory defined benefit pension plan (DB Plan), Summa Health System Retirement Income Plan and Trust, for the benefit of eligible employees in which the Company participates. The benefits are based upon years of service, as defined by the DB Plan. It is the System's policy to contribute annually to the DB Plan amounts that are actuarially determined to provide the DB Plan with sufficient assets to meet future benefit payment requirements.

Effective January 1, 2002, the Company's employees became participants in Summa Health System Retirement Income Plan and Trust (the Plan), however, the Company has no direct liability for the Plan obligations. Pension amounts are allocated to the Company based on its pro rata portion of the DB Plan periodic benefit obligation. The Company has recorded expense associated with involvement in the DB Plan of \$225,700 and \$304,565 as part of salaries, wages, and fringe benefits expense for the periods ended December 31, 2011 and December 31, 2010, respectively.

E. Postemployment Benefits and Compensated Absences – None.

F. Impact of Medicare Modernization Act on Postretirement Benefits – None.

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

- 1.) As of December 31, 2011, SHS owned all of the 100 issued and outstanding shares of SC's preferred stock. The par value of the preferred stock is \$1 per share. SIC owns all of the 570 issued and outstanding shares of SC common stock. The par value of the common stock is \$1 per share.
- 2.) Dividends on the preferred stock are cumulative at an annual rate of \$500 per share. No dividends have been declared or paid by the Company on its preferred stock; accordingly, there are \$941,667 of dividends in arrears as of December 31, 2011 and \$891,667 of dividends in arrears at December 31, 2010.
- 3.) No dividends can be paid on the Company's common stock until the dividends in arrears on preferred stock are paid. Dividends are cumulative.
- 4.) Date and amounts of dividends paid – Not applicable.
- 5.) In accordance with the Ohio Revised Code, the Company must receive approval from ODI to pay a dividend or distribution during 2012, 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, 2011, or (b) the Company's net gain from operations for the year ended December 31, 2011
- 6.) Restrictions on unassigned funds – None.
- 7.) Mutual Reciprocals - None.
- 8.) Stock held by the Company for special purposes – None.
- 9.) Special surplus funds – None.
- 10.) The portion of unassigned funds represented or reduced by :
 - Nonadmitted Asset Values – \$3,625,383
 - Unrealized Gains (Losses) - \$4,021,211
- 11.) Surplus notes – None.
- 12.) Restatement in a quasi-reorganization – Not applicable
- 13.) Quasi-reorganization – Not applicable.

14. Contingencies

A. Contingent commitments – None.

Notes to Financial Statements

- B. Assessments – None
- C. Gain contingencies – None.
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None.
- E. All other contingencies – None.

15. Leases

- A. The company leases equipment and its facility under noncancelable operating leases expiring at various dates from 2011 to 2016. Rent expense was approximately \$2,159,116 as of December 31, 2011 and was \$2,165,269 for year ending December 31, 2010.

Future minimum payments under noncancelable operating leases are as follows:

Year ended December 31:		
2012		2,126,645
2013		2,073,708
2014		2,073,968
2015		2,129,766
2016		1,938,777
Total minimum future commitment		
	\$	<u><u>10,342,864</u></u>

- 16. Information Regarding Off-Balance Sheet Risk – Not Applicable.
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liability – Not Applicable.
- 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. 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)

Notes to Financial Statements

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 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 – None.

25. Changes in Incurred Claims and Claims Adjustment Expenses

Activity in claims unpaid is summarized as follows:

Notes to Financial Statements

	2011	2010
Balance at January 1	\$ 23,183,007	22,746,255
Incurred related to:		
Current year	220,365,023	231,911,384
Prior years	(2,660,000)	(4,661,000)
Total	217,705,023	227,250,384
Paid related to:		
Current year	193,987,446	208,728,377
Prior years	20,519,000	18,085,255
Total	214,506,446	226,813,632
Balance at End of Period	\$ 26,381,584	23,183,007

26. Intercompany Pooling Arrangements – None.

27. Structured Settlements – None.

28. Healthcare Receivables

The company receives pharmacy rebates on a quarterly basis. As of December 31, 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.

Quarter	Estimated Rebates Receivable	Nonadmitted Rebates Receivable	Admitted Rebates Receivable	Actual Rebates Received More Than 180 Days After Billing
12/31/2011	\$1,368,000	\$1,368,000	\$0	\$0
9/30/2011	\$1,138,678	\$1,138,678	\$0	\$455,042
6/30/2011	\$1,577,964	\$1,577,964	\$0	\$977,906
3/31/2011	\$1,541,092	\$1,541,092	\$0	\$1,487,459
12/31/2010	\$1,545,000	\$1,545,000	\$0	\$1,547,850
9/30/2010	\$1,133,202	\$1,133,202	\$0	\$1,516,786
6/30/2010	\$1,022,074	\$1,022,074	\$0	\$1,448,788
3/31/2010	\$1,297,617	\$1,297,617	\$0	\$1,699,056
12/31/2009	\$885,851	\$885,851	\$0	\$1,207,256
9/30/2009	\$1,433,329	\$1,433,329	\$0	\$1,609,767
6/30/2009	\$1,613,311	\$1,613,311	\$0	\$1,330,376
3/31/2009	\$1,568,990	\$1,568,990	\$0	\$1,358,345
12/31/2008	\$1,568,990	\$1,568,990	\$0	\$1,557,439
9/30/2008	\$1,303,781	\$1,303,781	\$0	\$1,594,126
6/30/2008	\$1,700,614	\$1,700,614	\$0	\$1,595,212
3/31/2008	\$1,288,114	\$1,288,114	\$0	\$1,414,773
12/31/2007	\$1,288,114	\$1,288,114	\$0	\$1,327,675

29. Participating Policies – None.

30. Premium Deficiency Reserves

Notes to Financial Statements

Premium deficiency losses are recognized when it is probable that expected claim expenses will exceed future premiums on existing health 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. There were no premium deficiency reserves recorded as of December 31, 2011 and December 31, 2010, respectively.

31. Anticipated Salvage Value and Subrogation – None.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[] N/A[]
Ohio
- 1.3 State Regulating?
- 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:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2007
- 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.

12/31/2007
- 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).

01/12/2009
- 3.4 By what department or departments?
Ohio Department of Insurance
- 3.5 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]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[X]
- 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?

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

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 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 the names and location (city and state of the main office) of any affiliates regulated by a federal financial 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 925 Euclid Ave, Suite 1300, Cleveland, OH 44115
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[] N/A[]
- 10.6 If the answer to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Michael J. Cellini, Ernst & Young LLP, 5 Times Square, New York, NY 10036

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[] No[X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved

0
- 12.13 Total book/adjusted carrying value

\$0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[] No[] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?

Yes[] No[] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes[] No[] N/A[X]
- 14.1 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?

Yes[X] No[]
- 14.1a Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- 14.1b Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- 14.1c Compliance with applicable governmental laws, rules and regulations;
- 14.1d The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- 14.1e Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?

Yes[] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
15.2001

BOARD OF DIRECTORS

16. 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[X] No[]
17. 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[]
18. 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 that is in conflict or is likely to conflict with the official duties of such person?

Yes[X] No[]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers

\$0
- 20.12 To stockholders not officers

\$0
- 20.13 Trustees, supreme or grand (Fraternal only)

\$0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers

\$0
- 20.22 To stockholders not officers

\$0
- 20.23 Trustees, supreme or grand (Fraternal only)

\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others

\$0
- 21.22 Borrowed from others

\$0
- 21.23 Leased from others

\$0
- 21.24 Other

\$0
- 22.1 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]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment

\$0
- 22.22 Amount paid as expenses

\$0
- 22.23 Other amounts paid

\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

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

\$3,484,358

INVESTMENT

- 24.1 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? (other than securities lending programs addressed in 24.3)

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

Securities are in the possession of FirstMerit Bank, N.A.
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet, (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes[] No[] N/A[X]
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs.

\$0
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs.

\$0
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes[] No[] N/A[X]
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes[] No[] N/A[X]

GENERAL INTERROGATORIES (Continued)

24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending?

Yes[] No[] N/A[X]

25.1 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, 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 21.1 and 24.3).

Yes[X] No[]

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

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Pledged as collateral

25.26 Placed under option agreements

25.27 Letter stock or securities restricted as to sale

25.28 On deposit with state or other regulatory body

25.29 Other

\$

\$

\$

\$

\$

\$

\$

\$ 430,660

\$ 0

25.3 For category (25.27) provide the following:

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

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[] No[X]

26.2 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.

27.1 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]

27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0

28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

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

28.02 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	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes[] No[X]

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

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

28.05 Identify all investment advisers, broker/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	2	3
Central Registration Depository Number(s)	Name	Address
.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes[] No[X]

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 Total

29.3 For each mutual fund listed in the table above, complete the following schedule:

GENERAL INTERROGATORIES (Continued)

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	68,236,188	72,257,399	4,021,211
30.2 Preferred stocks			
30.3 Totals	68,236,188	72,257,399	4,021,211

30.4 Describe the sources or methods utilized in determining the fair values
The values are based on the prices of assets at the close of the stock market on 12/31/11 as determined by Interactive Data Corp.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
FirstMerit Bank, N.A. utilizes the pricing service, Interactive Data Corp., to determine fair values.

Yes[] No[X]
Yes[] No[] N/A[X]

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
32.2 If no, list exceptions:

Yes[X] No[]

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?
33.2 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.

\$..... 1,095,914

1 Name	2 Amount Paid
Milliman Inc	271,268

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

\$..... 80,458

1 Name	2 Amount Paid
Squire, Sanders and Dempsey	53,837

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

\$..... 0

1 Name	2 Amount Paid

GENERAL INTERROGATORIES (Continued)

1	
Name of Service Area	
Lorain	
Mahoning	
Trumbull	
Sandusky	
Erie	
Huron	
Lake	
Tuscarawas	
Columbiana	

13.1 Do you act as a custodian for health savings accounts?

13.2 If yes, please provide the amount of custodial funds held as of the reporting date:

13.3 Do you act as an administrator for health savings accounts?

13.4 If yes, please provide the balance of the funds administered as of the reporting date:

Yes[] No[X]

\$..... 0

Yes[] No[X]

\$..... 0

FIVE-YEAR HISTORICAL DATA

	1 2011	2 2010	3 2009	4 2008	5 2007
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	93,089,313	86,953,205	44,722,003	55,994,688	55,311,050
2. TOTAL Liabilities (Page 3, Line 24)	44,599,264	42,545,736	16,955,405	28,810,207	20,776,681
3. Statutory surplus	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	48,490,049	44,407,469	27,766,598	27,184,481	34,534,369
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	277,256,846	294,198,694	265,364,175	240,743,152	203,971,941
6. TOTAL Medical and Hospital Expenses (Line 18)	217,980,323	228,155,325	207,037,065	192,684,037	158,342,763
7. Claims adjustment expenses (Line 20)	4,130,890	4,585,416	2,750,778	3,520,662	2,431,758
8. TOTAL Administrative Expenses (Line 21)	50,064,537	54,139,480	53,398,452	55,451,263	43,867,041
9. Net underwriting gain (loss) (Line 24)	5,081,096	7,318,473	2,177,880	(10,912,810)	(669,621)
10. Net investment gain (loss) (Line 27)	1,278,041	1,057,153	1,442,564	2,209,212	2,391,859
11. TOTAL Other Income (Lines 28 plus 29)	23,342	15,132			
12. Net income or (loss) (Line 32)	3,646,758	5,145,543	2,943,155	(6,159,699)	1,066,960
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	1,576,141	11,017,718	1,049,968	(10,070,731)	2,287,679
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	48,490,049	44,407,469	27,766,598	27,184,481	34,534,369
15. Authorized control level risk-based capital	8,946,199	9,646,442	6,155,224	5,725,941	4,841,150
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	23,367	27,567	25,256	25,983	24,007
17. TOTAL Members Months (Column 6, Line 7)	281,800	331,836	299,596	312,942	295,479
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	85.0	84.4	85.5	89.0	85.5
20. Cost containment expenses	0.7	0.6	0.2	0.4	0.3
21. Other claims adjustment expenses	1.0	1.1	0.9	1.2	1.1
22. TOTAL Underwriting Deductions (Line 23)	106.1	106.1	108.7	116.2	110.5
23. TOTAL Underwriting Gain (Loss) (Line 24)	2.0	2.7	0.9	(5.0)	(0.4)
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	20,754,940	18,885,621	6,297,065	7,704,000	4,784,000
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	23,437,007	23,262,255	6,279,226	8,020,393	5,522,651
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. TOTAL of Above Lines 26 to 31					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[] No[] N/A[X]

If no, please explain::

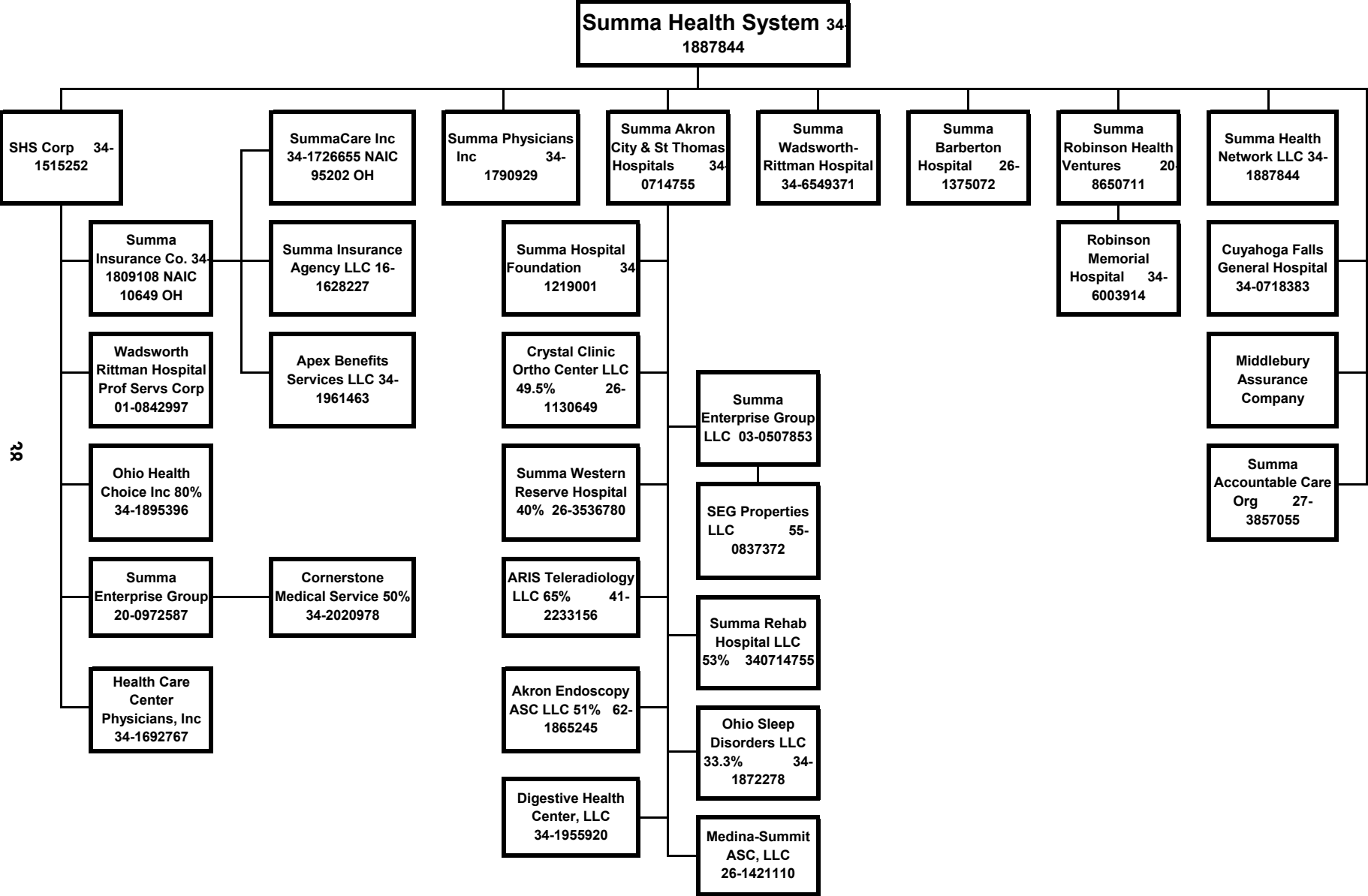
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
ALLOCATED BY STATES AND TERRITORIES

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & 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	2,126,954	254,576,343					256,703,297	
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 Marianas Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	2,126,954	254,576,343					256,703,297	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	TOTAL (Direct Business)	(a).... 1	2,126,954	254,576,343					256,703,297	
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.
Explanation of basis of allocation of premiums by states, etc.: All premiums are written in the State of Ohio.

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



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ANNUAL STATEMENT

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