



**QUARTERLY STATEMENT**  
**AS OF June 30, 2012**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**Gateway Health Plan of Ohio, Inc.**

NAIC Group Code 0812 , 0812 NAIC Company Code 12325 Employer's ID Number 30-0282076  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health[ ] Property/Casualty[ ] Hospital, Medical & Dental Service or Indemnity[ ]  
 Dental Service Corporation[ ] Vision Service Corporation[ ] Health Maintenance Organization[X]  
 Other[ ] Is HMO Federally Qualified? Yes[ ] No[ ] N/A[X]

Incorporated/Organized 11/05/2004 Commenced Business 09/01/2005

Statutory Home Office 600 Grant St Fl 41, US Steel Tower , Pittsburgh, PA 15219-2713  
(Street and Number) (City, or Town, State and Zip Code)

Main Administrative Office 600 Grant St Fl 41, US Steel Tower  
(Street and Number)

Pittsburgh, PA 15219-2713 (412)255-4640  
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 600 Grant St Fl 41, US Steel Tower , Pittsburgh, PA 15219-2713  
(Street and Number or P.O. Box) (City, or Town, State and Zip Code)

Primary Location of Books and Records c/o Thompson Hine LLP, 41 S High St, Suite 1700  
(Street and Number)

Columbus, OH 43215-6101 (614)469-3268  
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.gatewayhealthplan.com

Statutory Statement Contact Cecil Eric Huss (412)255-1315  
(Name) (Area Code)(Telephone Number)(Extension)

ehuss@gatewayhealthplan.com (412)255-4670  
(E-Mail Address) (Fax Number)

**OFFICERS**

Name	Title
Charles Michael Blackwood	President
Karen Arcidiacono Barringer	Secretary
Cecil Eric Huss	Treasurer

**OTHERS - VICE PRESIDENTS**

Cecil Eric Huss	Margaret Rose Worek
Marcia Ann Martin	Karen Arcidiacono Barringer
Michael Anthony Madden MD	Augustine Odiaka Ifedirah
Janice Lynn Prewitt #	

**BOARD OF DIRECTORS**

Nanette Paden DeTurk	Horatio Ray Welch Jr.
Mark Thomas Bullock	Michael George Warfel
Joseph Hugh Bradley	Deborah L Rice #

State of Pennsylvania  
 County of Allegheny 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) Charles Michael Blackwood _____ (Printed Name) 1. President _____ (Title)	_____ (Signature) Karen Arcidiacono Barringer _____ (Printed Name) 2. Secretary _____ (Title)	_____ (Signature) Cecil Eric Huss _____ (Printed Name) 3. Treasurer _____ (Title)
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2012

a. Is this an original filing? Yes[X] No[ ]

b. If no, 1. State the amendment number \_\_\_\_\_  
 2. Date filed \_\_\_\_\_  
 3. Number of pages attached \_\_\_\_\_

\_\_\_\_\_  
 (Notary Public Signature)

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	456,708		456,708	458,191
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....3,191), cash equivalents (\$.....0) and short-term investments (\$.....1,934,128) .....	1,937,319		1,937,319	1,933,966
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	2,394,027		2,394,027	2,392,157
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	9,080		9,080	9,112
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....				
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 .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustments in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$.....0) and other amounts receivable .....				145
25. Aggregate write-ins for other than invested assets .....				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	2,403,107		2,403,107	2,401,414
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27) .....	2,403,107		2,403,107	2,401,414
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid Expenses .....				
2502. Prepaid Reinsurance .....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....				

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....				
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....				
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 reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....				
9. General expenses due or accrued .....		13,887	13,887	13,715
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....		1,874	1,874	
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
20. Reinsurance in unauthorized companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....				
23. Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24. Total liabilities (Lines 1 to 23) .....		15,761	15,761	13,715
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		
26. Common capital stock .....	X X X	X X X	1,500	1,500
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	4,034,735	4,034,735
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	(1,648,889)	(1,648,536)
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	2,387,346	2,387,699
34. Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	2,403,107	2,401,414
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
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 To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	X X X			
2. Net premium income (including \$.....0 non-health premium income) .....	X X X		1,270	1,270
3. Change in unearned premium reserves and reserves for rate credits .....	X X X			
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X			
5. Risk revenue .....	X X X			
6. Aggregate write-ins for other health care related revenues .....	X X X			
7. Aggregate write-ins for other non-health revenues .....	X X X			
8. Total revenues (Lines 2 to 7) .....	X X X		1,270	1,270
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		54	(231)	(11,102)
10. Other professional services .....				
11. Outside referrals .....				
12. Emergency room and out-of-area .....				
13. Prescription drugs .....				
14. Aggregate write-ins for other hospital and medical .....				
15. Incentive pool, withhold adjustments and bonus amounts .....				
16. Subtotal (Lines 9 to 15) .....		54	(231)	(11,102)
<b>Less:</b>				
17. Net reinsurance recoveries .....				
18. Total hospital and medical (Lines 16 minus 17) .....		54	(231)	(11,102)
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$.....0 cost containment expenses .....			681	
21. General administrative expenses .....		1,398	1,503	1,044
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) .....		1,452	1,953	(10,058)
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	(1,452)	(683)	11,328
25. Net investment income earned .....		1,099	1,902	5,574
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....				
27. Net investment gains or (losses) (Lines 25 plus 26) .....		1,099	1,902	5,574
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				(1,420)
29. Aggregate write-ins for other income or expenses .....				
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	(353)	1,219	15,482
31. Federal and foreign income taxes incurred .....	X X X			
32. Net income (loss) (Lines 30 minus 31) .....	X X X	(353)	1,219	15,482
<b>DETAILS OF WRITE-INS</b>				
0601. ....	X X X			
0602. Prior Year Income Tax Refund .....	X X X			
0603. ....	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X			
0701. ....	X X X			
0702. ....	X X X			
0703. ....	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X			
1401. DME .....				
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. Write-off claims software costs .....				
2902. Sanctions .....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	2,387,699	3,967,739	3,967,739
34. Net income or (loss) from Line 32 .....	(353)	1,219	15,482
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 .....			
39. Change in nonadmitted assets .....			4,478
40. Change in unauthorized reinsurance .....			
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 .....		(1,600,000)	(1,600,000)
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 .....			
48. Net change in capital and surplus (Lines 34 to 47) .....	(353)	(1,598,781)	(1,580,040)
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	2,387,346	2,368,958	2,387,699
<b>DETAILS OF WRITE-INS</b>			
4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....			

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....		(20,703)	(20,703)
2. Net investment income .....	2,786	3,855	8,087
3. Miscellaneous income .....			
4. Total (Lines 1 to 3) .....	2,786	(16,848)	(12,616)
5. Benefit and loss related payments .....	(91)	1,739	(3,575)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	1,398	137,700	140,153
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....			
10. Total (Lines 5 through 9) .....	1,307	139,439	136,578
11. Net cash from operations (Line 4 minus Line 10) .....	1,479	(156,287)	(149,194)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....			
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) .....			
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....			
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) .....			
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....			
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock .....		(1,600,000)	(1,600,000)
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) .....	1,874	(2,368)	(2,406)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	1,874	(1,602,368)	(1,602,406)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,353	(1,758,655)	(1,751,600)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	1,933,966	3,685,566	3,685,566
19.2 End of period (Line 18 plus Line 19.1) .....	1,937,319	1,926,911	1,933,966

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

20.0001				
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## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year .....										
2. First Quarter .....										
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....										
Total Member Ambulatory Encounters for Period:										
7. Physician .....										
8. Non-Physician .....	2							2		
9. Total .....	2							2		
10. Hospital Patient Days Incurred .....										
11. Number of Inpatient Admissions .....										
12. Health Premiums Written (a) .....										
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....										
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	54							54		
18. Amount Incurred for Provision of Health Care Services .....										

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

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

**Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> <p><b>N O N E</b></p> </div>						
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						.....

## UNDERWRITING AND INVESTMENT EXHIBIT

### ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
Line of Business						
1. Comprehensive (hospital & medical) .....						
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....	54				54	
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Lines 1 to 8) .....	54				54	
10. Healthcare receivables (a) .....						
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....						
13. Totals (Lines 9 - 10 + 11 + 12) .....	54				54	

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

## Notes to Financial Statement

### 1. Summary of Significant Accounting Policies

A. The accompanying financial statements of Gateway Health Plan of Ohio, Inc. (“GHPOI”) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (“the Department”). The Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under Ohio insurance law and regulations. The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures Manual, (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State of Ohio. There is no deviation from the NAIC *Accounting Practices and Procedures* manual.

	2012	2011
(1) Net income Ohio state basis:	(\$353)	\$ 15,482
(2) State Prescribed Practices (Income):	0	0
(3) State Permitted Practices (Income):	0	0
(4) Net Income, NAIC SAP:	(\$353)	\$ 15,482
(5) Statutory Surplus Ohio state basis:	\$2,387,346	\$2,387,699
(6) State Prescribed Practices (Surplus):	0	0
(7) State Permitted Practices (Surplus):	0	0
(8) Statutory Surplus, NAIC SAP:	\$2,387,346	\$2,387,699

### 2. Accounting Changes and Corrections of Errors

On November 6, 2011, SSAP No. 101, Income Taxes, A Replacement of SSAP No 10R and SSAP No 10, was adopted by the NAIC effective on January 1, 2012. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Finally, the guidance sets a more likely than not threshold for the recording of contingent liabilities. The cumulative effect of adopting this pronouncement is not material to GHPOI.

### 3. Business Combinations and Goodwill

No Material Changes

### 4. Discontinued Operations

No Material Changes

### 5. Investments

No Material Changes

### 6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Changes

### 7. Investment Income

No Material Changes

### 8. Derivative Instruments

No Material Changes

### 9. Income Taxes

No Material Changes

### 10. Information Concerning Parent, Subsidiaries and Affiliates

No Material Changes

### 11. Debt

No Material Changes

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

No Material Changes

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

No Material Changes

## Notes to Financial Statement

- 14. Contingencies**  
No Material Changes
- 15. Leases**  
No Material Changes
- 16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk**  
No Material Changes
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**
- A. No Material Changes
- B. No Material Changes
- C. None
- 18. Gains or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**  
No Material Changes
- 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**  
No Material Changes
- 20. Fair Value Measurements**
- A. Fair Market Value at Reporting Date– None
- B. Fair Value Information Disclosed Under Other Accounting Pronouncements – None
- C.
- | Type of Financial Instrument  | Aggregate<br>Fair Value | Admitted<br>Assets<br>(BACV) | Fair Value<br>(Level 1) | Fair Value<br>(Level 2) | Fair Value<br>(Level 3) | Not<br>Practicable<br>(Carrying<br>Value) |
|-------------------------------|-------------------------|------------------------------|-------------------------|-------------------------|-------------------------|---|
| <b>Total bonds</b>            | 586,376                 | 456,708                      | 586,376                 | -                       | -                       | -   |
| <b>Total preferred stocks</b> | -                       | -                            | -                       | -                       | -                       | -   |
| <b>Total common stocks</b>    | -                       | -                            | -                       | -                       | -                       | -   |
| <b>Total short term</b>       | 1,934,128               | 1,934,128                    | 1,934,128               | -                       | -                       | -   |
- D. Not Practicable to Estimate Fair Value – None
- 21. Other Items**  
No Material Changes
- 22. Events Subsequent**  
No Material Changes
- 23. Reinsurance**  
No Material Changes
- 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**  
No Material Changes
- 25. Change in Incurred Claims and Claim Adjustment Expenses**  
Reserves as of December 31, 2011 were \$0. As of June 30, 2012, \$54 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. There are no reserves remaining for prior years on the Medicare line of business. Therefore, there has been a \$54 unfavorable prior-year development since December 31, 2011 to June 30, 2012. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.
- 26. Inter-company Pooling Arrangements**  
No Material Changes
- 27. Structured Settlements**  
No Material Changes

## Notes to Financial Statement

### 28. Healthcare Receivables

#### A. Pharmacy Rebate Receivable:

The rebates accrued were an estimate based on historical rebates received per member per month (PMPM) and current volume.

GHPOI was primarily responsible for billing the rebates; however, Argus Health Systems, Inc. (“Argus”) was responsible for billing a few of the manufacturers directly. The majority of pharmacies sent payment for the rebates to GHPOI via wire-transfer.

Quarter	Estimated Rebates as Reported on FS *	Rebates Billed or Confirmed **	Actual Rebates Received Within		
			90 Days of Billing	91-180 Days of Billing	> 180 days Days of Billing
06/30/12	0	0	0	0	0
03/31/12	0	0	0	0	0
12/31/11	0	0	0	0	0
09/30/11	0	0	0	0	0
06/30/11	0	0	0	0	0
03/31/11	0	0	0	0	0
12/31/10	0	0	0	0	0
09/30/10	0	0	0	0	0
06/30/10	0	0	0	0	0
03/31/10	2,762	0	0	0	0
12/31/09	3,138	2,775	2,782	0	0
09/30/09	4,822	3,090	3,133	0	0

\* Estimated pharmacy rebates as reported on Financial Statements represents the admitted rebate receivable as reported on the financial statements.

\*\* Pharmacy rebates billed or confirmed represents rebates billed or confirmed in the quarter.

#### B. No Material Changes

### 29. Participating Policies

No Material Changes

### 30. Premium Deficiency Reserves

No Material Changes

### 31. Anticipated Salvage and Subrogation

No Material Changes

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]
  
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
- 2.2 If yes, date of change: .....
  
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[ ] No[X]  
If yes, complete the Schedule Y - Part 1 - organizational chart.
  
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[ ] N/A[X]  
If yes, attach an explanation.
  
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 03/11/2011
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
  
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 7.2 If yes, give full information
  
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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 FDIC	6 SEC
.....	.....	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
  - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 0

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
  
- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ ..... 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ ..... 0
  
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]
- 14.2 If yes, please complete the following:

## GENERAL INTERROGATORIES (Continued)

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....		
14.22 Preferred Stock .....		
14.23 Common Stock .....		
14.24 Short-Term Investments .....		
14.25 Mortgages Loans on Real Estate .....		
14.26 All Other .....		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

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

Yes[ ] No[X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

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

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[ ]

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

1 Name of Custodian(s)	2 Custodian Address
PNC Bank, NA .....	Pittsburgh, PA .....
Mellon Bank, NA .....	Pittsburgh, PA .....

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

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

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

Yes[ ] No[X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

Yes[X] No[ ]

17.2 If no, list exceptions:

## GENERAL INTERROGATORIES

### PART 2 - HEALTH

- |  |              |
|--|--------------|
| 1. Operating Percentages:  |              |
| 1.1 A&H loss percent   | ..... 0.000% |
| 1.2 A&H cost containment percent   | ..... 0.000% |
| 1.3 A&H expense percent excluding cost containment expenses                                | ..... 0.000% |
| 2.1 Do you act as a custodian for health savings accounts?                                 | Yes[ ] No[X] |
| 2.2 If yes, please provide the amount of custodial funds held as of the reporting date.    | \$..... 0    |
| 2.3 Do you act as an administrator for health savings accounts?                            | Yes[ ] No[X] |
| 2.4 If yes, please provide the balance of the funds administered as of the reporting date. | \$..... 0    |

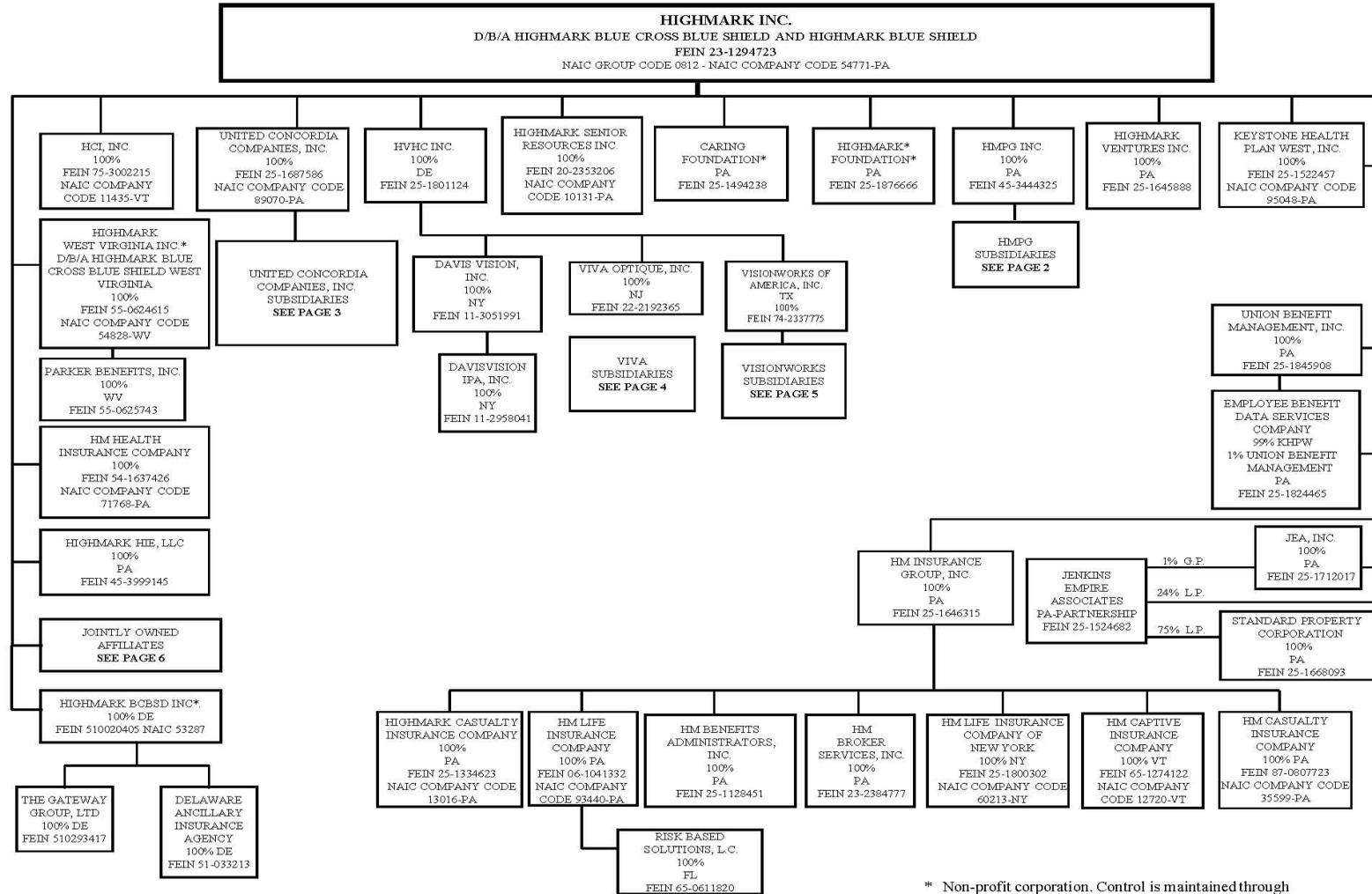
**13 Schedule S Ceded Reinsurance ..... NONE**

**14 Schedule T - Premiums and Other Consid. .... NONE**

# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

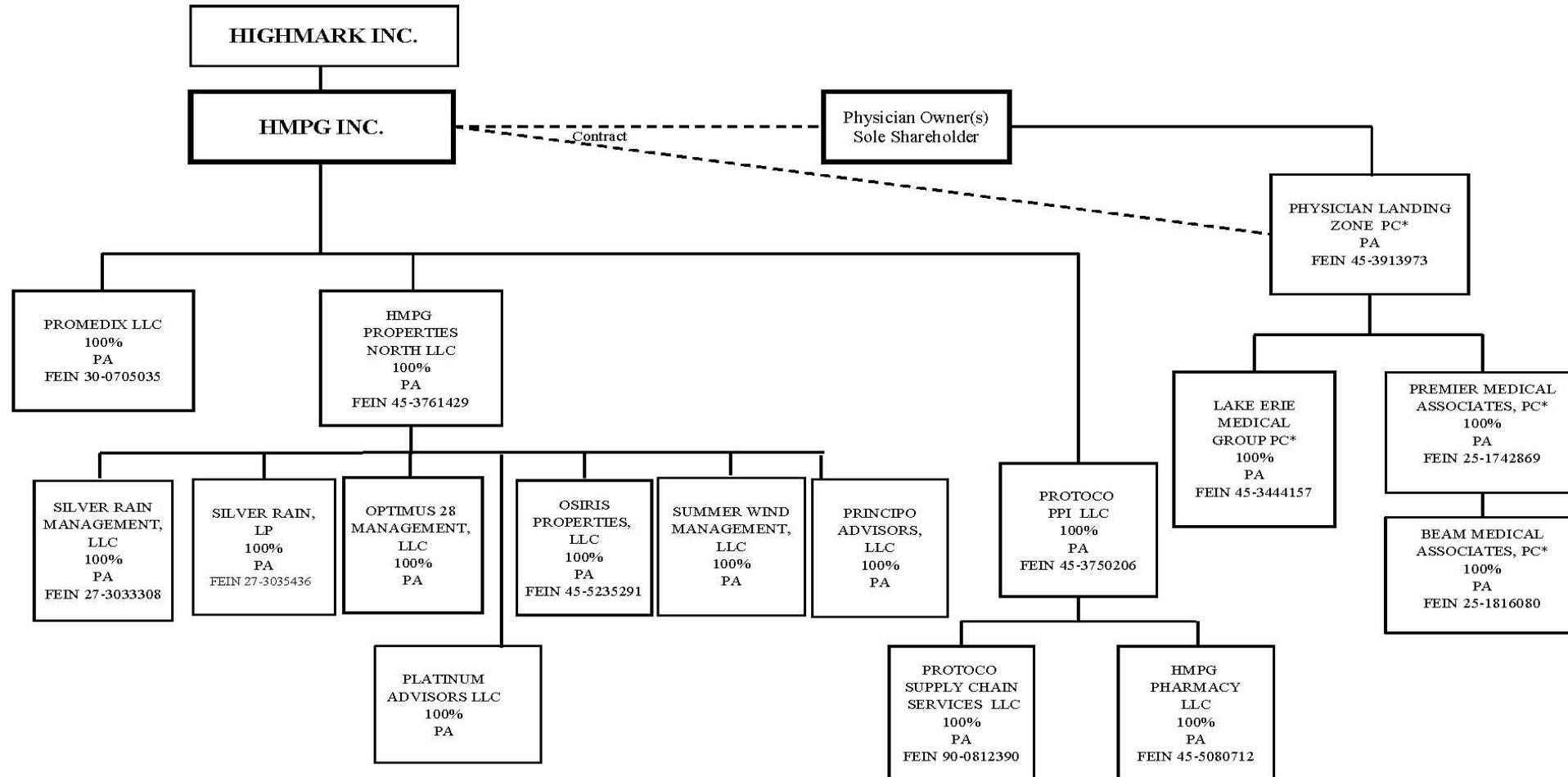
## MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART



\* Non-profit corporation. Control is maintained through ability to appoint the board of directors as sole member.

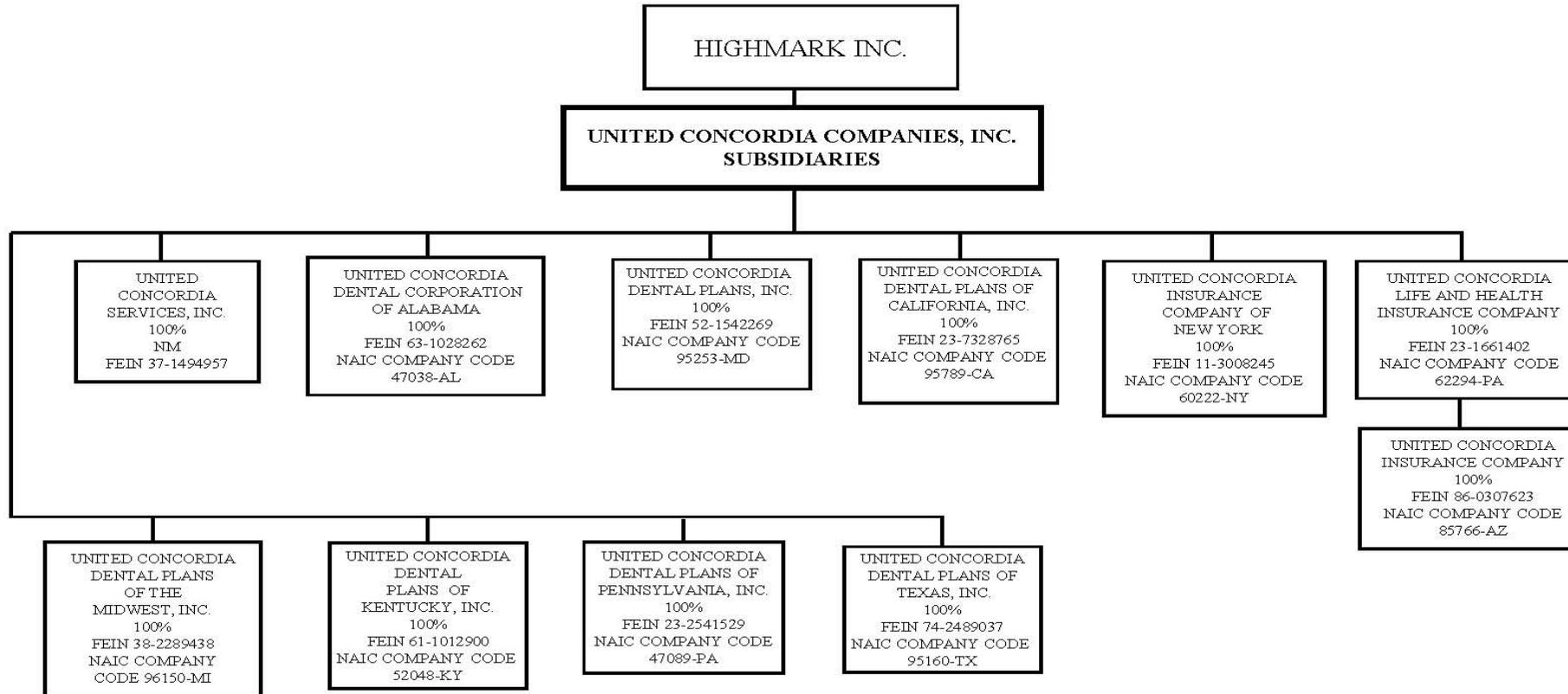
**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**



Q15.1

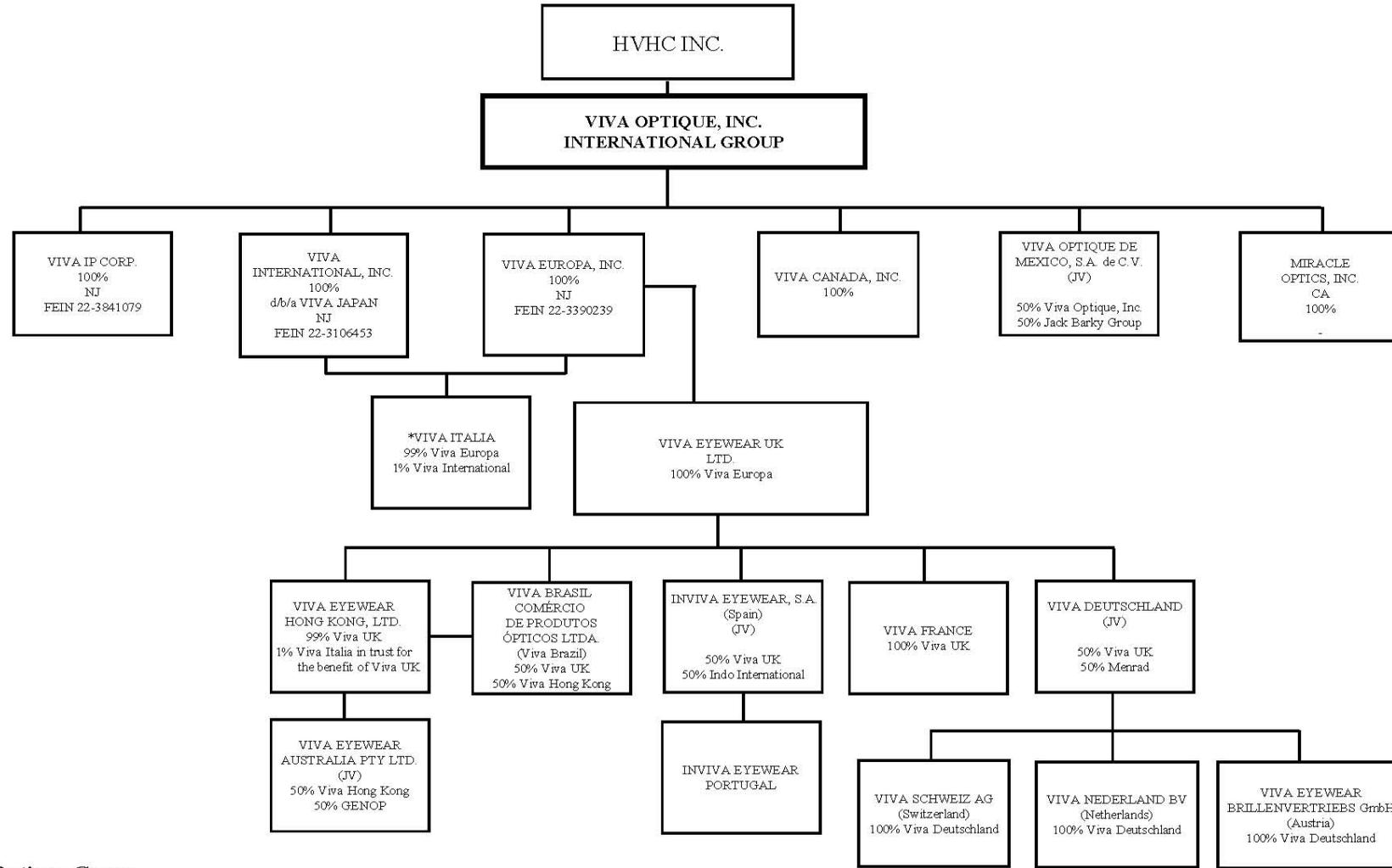
\*Captive PC

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



Q15.2

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



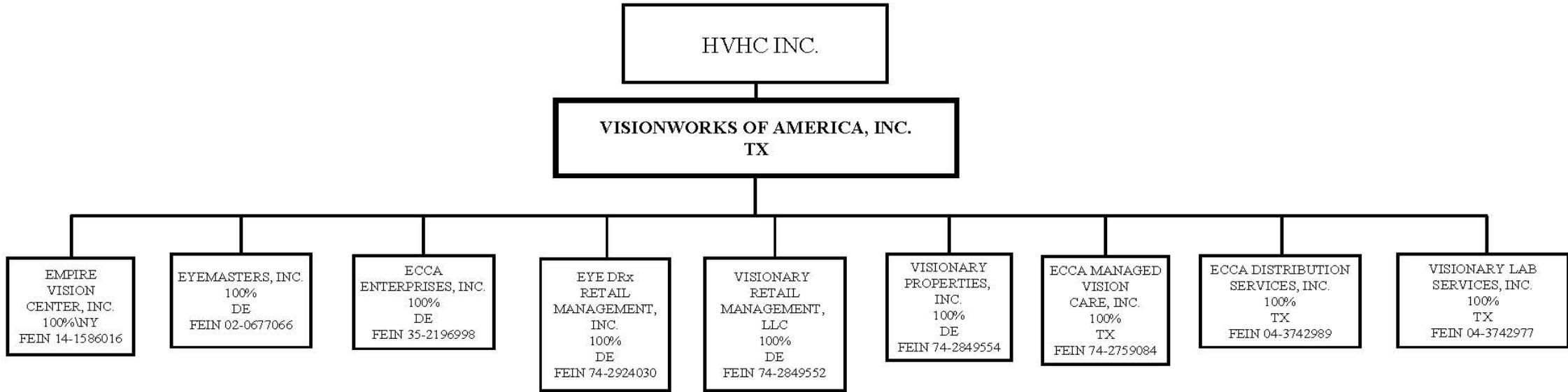
**Viva Optique Group**

\*Viva Italia Operations ceased September 2004  
– In process of dissolution

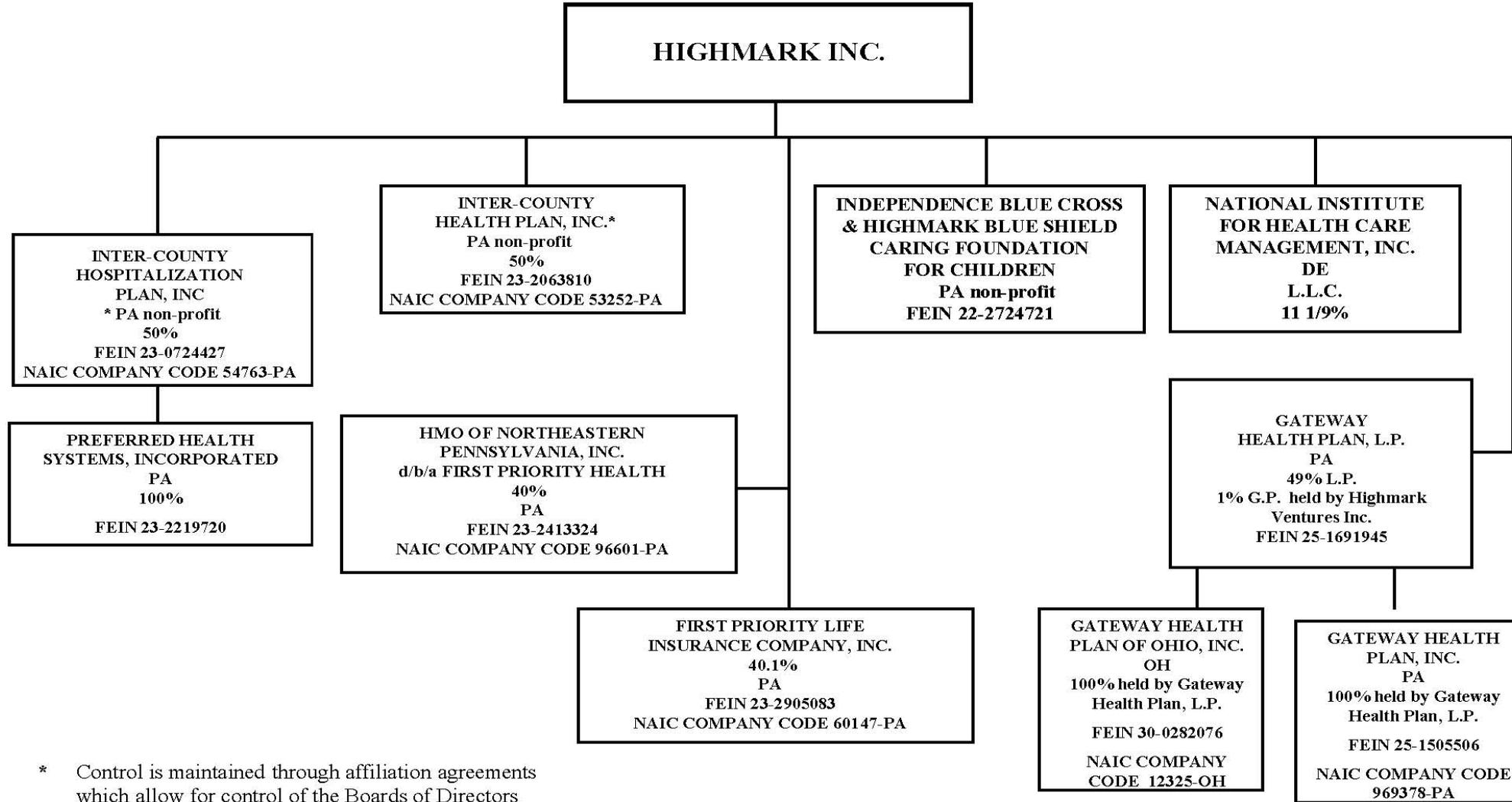
Q15.3

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

Q15.4



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



Q15.5

\* Control is maintained through affiliation agreements which allow for control of the Boards of Directors

**SCHEDULE Y****PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
812	Highmark	11435	75-3002215	0	0		HCI, INC.	VT	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	54828	55-0624615	0	0		HIGHMARK WEST VIRGINIA INC.	WV	IA	HIGHMARK INC.	BOARD		HIGHMARK INC.	0
812	Highmark	00000	55-0625743	0	0		PARKER BENEFITS, INC.	WV	DS	HIGHMARK WEST VIRGINIA INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	71768	54-1637426	0	0		HM HEALTH INSURANCE COMPANY	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-3999145	0	0		HIGHMARK HIE, LLC	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1645888	0	0		HIGHMARK VENTURES INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	95048	25-1522457	0	0		KEYSTONE HEALTH PLAN WEST, INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1845908	0	0		UNION BENEFIT MANAGEMENT, INC.	PA	DS	KEYSTONE HEALTH PLAN WEST, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1824465	0	0		EMPLOYEE BENEFIT DATA SERVICES COMPANY	PA	NIA	UNION BENEFIT MANAGEMENT, INC.	OWNERSHIP	1.0	HIGHMARK INC.	0
812	Highmark	00000	25-1824465	0	0		EMPLOYEE BENEFIT DATA SERVICES COMPANY	PA	DS	KEYSTONE HEALTH PLAN WEST, INC.	OWNERSHIP	99.0	HIGHMARK INC.	0
812	Highmark	10131	20-2353206	0	0		HIGHMARK SENIOR RESOURCES INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1712017	0	0		JEA INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1668093	0	0		STANDARD PROPERTY CORPORATION	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1524682	0	0		JENKINS EMPIRE ASSOCIATES	PA	DS	HIGHMARK INC.	OWNERSHIP	24.0	HIGHMARK INC.	0
812	Highmark	00000	25-1524682	0	0		JENKINS EMPIRE ASSOCIATES	PA	DS	STANDARD PROPERTY CORPORATION	OWNERSHIP	75.0	HIGHMARK INC.	0
812	Highmark	00000	25-1524682	0	0		JENKINS EMPIRE ASSOCIATES	PA	DS	JEA INC.	OWNERSHIP	1.0	HIGHMARK INC.	0
812	Highmark	00000	25-1646315	0	0		HM INSURANCE GROUP, INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	35599	25-1334623	0	0		HIGHMARK CASUALTY INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	93440	06-1041332	0	0		HM LIFE INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	65-0611820	0	0		RISK BASED SOLUTIONS, L.C	FL	DS	HM LIFE INSURANCE COMPANY	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	25-1128451	0	0		HM BENEFITS ADMINISTRATORS, INC.	PA	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	23-2384777	0	0		HM BROKER SERVICES, INC.	PA	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	60213	25-1800302	0	0		HM LIFE INSURANCE COMPANY OF NEW YORK	NY	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	12720	65-1274122	0	0		HM CAPTIVE INSURANCE COMPANY	VT	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	13016	87-0807723	0	0		HM CASUALTY INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	89070	25-1687586	0	0		UNITED CONCORDIA COMPANIES, INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	37-1494957	0	0		UNITED CONCORDIA SERVICES, INC.	NM	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	47038	63-1028262	0	0		UNITED CONCORDIA DENTAL CORPORATION OF ALABAMA	AL	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	95253	52-1542269	0	0		UNITED CONCORDIA DENTAL PLANS, INC.	MD	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0

**SCHEDULE Y****PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
812	Highmark	95789	23-7328765	0	0		UNITED CONCORDIA DENTAL PLANS OF CALIFORNIA, INC.	CA	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	60222	11-3008245	0	0		UNITED CONCORDIA INSURANCE COMPANY OF NEW YORK	NY	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	62294	23-1661402	0	0		UNITED CONCORDIA LIFE AND HEALTH INSURANCE COMPANY	PA	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	85766	86-0307623	0	0		UNITED CONCORDIA INSURANCE COMPANY	AZ	DS	UNITED CONCORDIA LIFE AND HEALTH INSURANCE COMPANY	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	96150	38-2289438	0	0		UNITED CONCORDIA DENTAL PLANS OF THE MIDWEST, INC.	MI	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	52048	61-1012900	0	0		UNITED CONCORDIA DENTAL PLANS OF KENTUCKY, INC.	KY	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	47089	23-2541529	0	0		UNITED CONCORDIA DENTAL PLANS OF PENNSYLVANIA, INC.	PA	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	95160	74-2489037	0	0		UNITED CONCORDIA DENTAL PLANS OF TEXAS, INC.	TX	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-3444325	0	0		HMPG INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	30-0705035	0	0		PROMEDIX LLC	PA	DS	HMPG INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-3761429	0	0		HMPG PROPERTIES NORTH LLC	PA	DS	HMPG INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	32-0371926	0	0		OPTIMUS 28 MANAGEMENT, LCC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-5235291	0	0		OSIRIS PROPERTIES, LLC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	27-3033308	0	0		SILVER RAIN MANAGEMENT, LLC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	27-3035436	0	0		SILVER RAIN, LP	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	99.0	HIGHMARK INC.	0
812	Highmark	00000	27-3035436	0	0		SILVER RAIN, LP	PA	DS	SILVER RAIN, LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	0	0	0		PLATINUM ADVISORS LLC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	0	0	0		SUMMER WIND MANAGEMENT, LLC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	0	0	0		PRINCIPO ADVISORS, LLC	PA	DS	HMPG PROPERTIES NORTH LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-3750206	0	0		PROTOCO PPI LLC	PA	DS	HMPG INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	90-0812390	0	0		PROTOCO SUPPLY CHAIN PARTNERS LLC	PA	DS	PROTOCO PPI LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-5080712	0	0		HMPG PHARMACY LLC	PA	DS	PROTOCO PPI LLC	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	45-3913973	0	0		PHYSICIAN LANDING ZONE PC	PA	DS	HMPG INC.	OTHER		HIGHMARK INC.	0
812	Highmark	00000	45-3444157	0	0		LAKE ERIE MEDICAL GROUP PC	PA	DS	PHYSICIAN LANDING ZONE PC	OTHER		HIGHMARK INC.	0
812	Highmark	00000	25-1742869	0	0		PREMIER MEDICAL ASSOCIATES, PC	PA	DS	PHYSICIAN LANDING ZONE PC	OTHER		HIGHMARK INC.	0
812	Highmark	00000	25-1816080	0	0		BEAM MEDICAL ASSOCIATES, PC	PA	DS	PHYSICIAN LANDING ZONE PC	OTHER		HIGHMARK INC.	0
812	Highmark	00000	25-1801124	0	0		HVHC INC.	DE	DS	HIGHMARK INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	11-3051991	0	0		DAVIS VISION, INC.	NY	DS	HVHC INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	11-2958041	0	0		DAVISVISION IPA, INC.	NY	DS	DAVIS VISION, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	74-2337775	0	0		VISIONWORKS OF AMERICA, INC.	TX	DS	HVHC INC.	OWNERSHIP	100.0	HIGHMARK INC.	0

Q16.1

## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
812	Highmark	00000	14-1586016	0	0		EMPIRE VISION CENTER, INC.	NY	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	02-0677066	0	0		EYEMASTERS, INC	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	35-2196998	0	0		ECCA ENTERPRISES, INC.	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	74-2924030	0	0		EYEDRX RETAIL MANAGEMENT, INC.	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	74-2849552	0	0		VISIONARY RETAIL MANAGEMENT, LLC	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	74-2849554	0	0		VISIONARY PORPERTIES, INC.	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	74-2759084	0	0		ECCA MANAGED VISION CARE, INC.	TX	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	04-3742989	0	0		ECCA DISTRIBUTION SERVICES, INC.	TX	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	04-3742977	0	0		VISIONARY LAB SERVICES, INC.	TX	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	22-2192365	0	0		VIVA OPTIQUE, INC.	NJ	DS	HVHC INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	22-3841079	0	0		VIVA IP CORP.	NJ	DS	VIVA OPTIQUE, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA CANADA, INC.	CN	DS	VIVA OPTIQUE, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA OPTIQUE DE MEXICO, S.A. de C.V.	MX	NIA	VIVA OPTIQUE, INC.	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		MIRACLE OPTICS, INC.	CA	DS	VIVA OPTIQUE, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	22-3106453	0	0		VIVA INTERNATIONAL, INC.	NJ	DS	VIVA OPTIQUE, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000	22-3390239	0	0		VIVA EUROPA, INC.	NJ	DS	VIVA OPTIQUE, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA ITALIA	IT	DS	VIVA INTERNATIONAL, INC.	OWNERSHIP	1.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA ITALIA	IT	DS	VIVA EUROPA, INC.	OWNERSHIP	99.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA EYEWEAR UK LTD.	GB	DS	VIVA EUROPA, INC.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA EYEWEAR HONG KONG, LTD	HK	DS	VIVA EYEWEAR UK LTD.	OWNERSHIP	99.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA EYEWEAR HONG KONG, LTD	HK	DS	VIVA ITALIA	OWNERSHIP	1.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA EYEWEAR AUSTRALIA PTY LTD.	AU	NIA	VIVA EYEWEAR HONG KONG, LTD	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA BRASIL COMERCIO DE PRODUTOS OPTICOS LTDA	BR	NIA	VIVA EYEWEAR UK LTD.	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA BRASIL COMERCIO DE PRODUTOS OPTICOS LTDA	BR	NIA	VIVA EYEWEAR HONG KONG, LTD	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		INVIVA EYEWEAR, S.A	ES	NIA	VIVA EYEWEAR UK LTD.	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		INVIVA EYEWEAR PORTUGAL	PT	DS	VIVA BRASIL	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA FRANCE	FR	DS	VIVA EYEWEAR UK LTD.	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA DEUTSCHLAND	DE	NIA	VIVA EYEWEAR UK LTD.	OWNERSHIP	50.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA SCHWEIZ AG	CH	DS	VIVA DEUTSCHLAND	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA NEDERLAND BV	NL	DS	VIVA DEUTSCHLAND	OWNERSHIP	100.0	HIGHMARK INC.	0
812	Highmark	00000		0	0		VIVA EYEWEAR							
812	Highmark	53252	23-2063810	0	0		BRILLENVERTRIEBS GmbH	AT	DS	VIVA DEUTSCHLAND	OWNERSHIP	100.0	HIGHMARK INC.	0
							INTER-COUNTY HEALTH PLAN, INC.	PA	IA	HIGHMARK INC.	OWNERSHIP	50.0	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	0

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## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
812	Highmark	54763	23-0724427	0	0		INTER-COUNTY HOSPITALIZATION PLAN, INC.	PA	IA	HIGHMARK INC.	OWNERSHIP	50.0	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	0
812	Highmark	00000	23-2219720	0	0		PREFERRED HEALTH SYSTEMS, INCORPORATED	PA	DS	INTER-COUNTY HOSPITALIZATION PLAN, INC.	OWNERSHIP	100.0	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	0
812	Highmark	96601	23-2413324	0	0		HMO OF NORTHEASTERN PENNSYLVANIA	PA	IA	HIGHMARK INC.	OWNERSHIP	40.0	HIGHMARK INC. / BLUE CROSS OF NORTHEASTERN PA	0
812	Highmark	60147	23-2905083	0	0		FIRST PRIORITY LIFE INSURANCE COMPANY, INC.	PA	IA	HIGHMARK INC.	OWNERSHIP	40.1	HIGHMARK INC. / BLUE CROSS OF NORTHEASTERN PA	0
812	Highmark	00000	25-1691945	0	0		GATEWAY HEALTH PLAN, L.P.	PA	IA	HIGHMARK INC.	OWNERSHIP	49.0	HIGHMARK INC. / MERCY HEALTH PLAN	0
812	Highmark	00000	25-1691945	0	0		GATEWAY HEALTH PLAN, L.P.	PA	IA	HIGHMARK VENTURES INC.	OWNERSHIP	1.0	HIGHMARK INC. / MERCY HEALTH PLAN	0
812	Highmark	12325	30-0282076	0	0		GATEWAY HEALTH PLAN OF OHIO, INC.	OH		GATEWAY HEALTHPLAN, L.P.	OWNERSHIP	100.0	HIGHMARK INC. / MERCY HEALTH PLAN	0
812	Highmark	96938	25-1505506	0	0		GATEWAY HEALTH PLAN, INC.	PA	IA	GATEWAY HEALTHPLAN, L.P.	OWNERSHIP	100.0	HIGHMARK INC. / MERCY HEALTH PLAN	0
812	Highmark	00000	25-1494238	0	0		CARING FOUNDATION	PA	OTH	HIGHMARK INC.	BOARD		HIGHMARK INC.	0
812	Highmark	00000	25-1876666	0	0		HIGHMARK FOUNDATION	PA	OTH	HIGHMARK INC.	BOARD		HIGHMARK INC.	0
812	Highmark	00000	22-2724721	0	0		INDEPENDENCE BLUE CROSS AND HIGHMARK BLUE SHIELD CARING FOUNDATION FOR CHILDREN	PA	OTH	HIGHMARK INC.	BOARD		HIGHMARK INC. / INDEPENDENCE BLUE CROSS	0
812	Highmark	00000		0	0		NATIONAL INSTITUTE FOR HEALTHCARE MANAGEMENT LLC	PA	OTH	HIGHMARK INC.	BOARD		HIGHMARK INC. / INDEPENDENCE BLUE CROSS	0
812	Highmark	53287	51-0020405	0	0		HIGHMARK BCBSD INC.	DE	OTH	HIGHMARK INC.	BOARD		PARTICIPATING BLUES PLANS	0
812	Highmark	00000	51-0293417	0	0		THE GATEWAY GROUP, LTD	DE	IA	HIGHMARK INC.	BOARD	100.0	HIGHMARK INC.	0
812	Highmark	00000	51-033213	0	0		DELAWARE ANCILLARY INSURANCE AGENCY	DE	DS	HIGHMARK BCBSD INC.	OWNERSHIP	100.0	HIGHMARK INC.	0

Q16.3

Asterisk	Explanation
0000001	

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

**RESPONSE**

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

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



12325201236500002

2012

Document Code: 365

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A - VERIFICATION****Real Estate**

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

**NONE****SCHEDULE B - VERIFICATION****Mortgage Loans**

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

**NONE****SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

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

**NONE****SCHEDULE D - VERIFICATION****Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	458,191	461,066
2. Cost of bonds and stocks acquired .....		
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration for bonds and stocks disposed of .....		
7. Deduct amortization of premium .....	1,483	2,875
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	456,708	458,191
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	456,708	458,191

## SCHEDULE D - PART 1B

**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	2,396,691	144	5,250	(748)	2,396,691	2,390,837		2,388,214
2. Class 2 (a) .....								
3. Class 3 (a) .....								
4. Class 4 (a) .....								
5. Class 5 (a) .....								
6. Class 6 (a) .....								
7. Total Bonds .....	2,396,691	144	5,250	(748)	2,396,691	2,390,837		2,388,214
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	2,396,691	144	5,250	(748)	2,396,691	2,390,837		2,388,214

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

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**SCHEDULE DA - PART 1****Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals .....	1,934,128	X X X	1,934,128	236	

**SCHEDULE DA - Verification****Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,930,023	3,591,699
2. Cost of short-term investments acquired .....	13,130	6,866,618
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	9,025	8,528,294
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	1,934,128	1,930,023
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	1,934,128	1,930,023

**SI04 Schedule DB - Part A Verification ..... NONE**

**SI04 Schedule DB - Part B Verification ..... NONE**

**SI05 Schedule DB Part C Section 1 ..... NONE**

**SI06 Schedule DB Part C Section 2 ..... NONE**

**SI07 Schedule DB - Verification ..... NONE**

**SI08 Schedule E - Verification (Cash Equivalent) ..... NONE**

<b>E01</b>	<b>Schedule A Part 2</b> .....	<b>NONE</b>
<b>E01</b>	<b>Schedule A Part 3</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 2</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 3</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 2</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 3</b> .....	<b>NONE</b>
<b>E04</b>	<b>Schedule D Part 3</b> .....	<b>NONE</b>
<b>E05</b>	<b>Schedule D Part 4</b> .....	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part A Section 1</b> .....	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part B Section 1</b> .....	<b>NONE</b>
<b>E08</b>	<b>Schedule DB Part D</b> .....	<b>NONE</b>
<b>E09</b>	<b>Schedule DL - Part 1 - Securities Lending Collateral Assets</b> .....	<b>NONE</b>
<b>E10</b>	<b>Schedule DL - Part 2 - Securities Lending Collateral Assets</b> .....	<b>NONE</b>

**SCHEDULE E - PART 1 - CASH****Month End Depository Balances**

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>open depositories</b>								
PNC Operating Medicaid .....							(250)	X X X
PNC Claims Medicaid .....								X X X
PNC Operating Medicare .....					4,197	4,197	4,197	X X X
PNC Claims Medicare .....					(1,005)	(1,005)	(1,005)	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories .....	X X X	X X X						X X X
0199999 Totals - Open Depositories .....	X X X	X X X			3,191	2,941	3,191	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories .....	X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....	X X X	X X X						X X X
0399999 Total Cash On Deposit .....	X X X	X X X			3,191	2,941	3,191	X X X
0499999 Cash in Company's Office .....	X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....	X X X	X X X			3,191	2,941	3,191	X X X

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>NONE</b>							
8699999 Total - Cash Equivalents .....							

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