



QUARTERLY STATEMENT

AS OF JUNE 30, 2013  
OF THE CONDITION AND AFFAIRS OF THE

KAISER FOUNDATION HEALTH PLAN OF OHIO

NAIC Group Code	0601	00601	NAIC Company Code	95204	Employer's ID Number	34-0922268
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States					
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 [ X ] No [ ]	
Incorporated/Organized	03/29/1962		Commenced Business		10/27/1976	
Statutory Home Office	1001 Lakeside Ave. Suite 1200			Cleveland, OH, US 44114-1153		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	1001 Lakeside Ave. Suite 1200		Cleveland, OH, US 44114-1153		216-621-5600	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	1001 Lakeside Ave. Suite 1200		Cleveland, OH, US 44114-1153			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1001 Lakeside Ave. Suite 1200		Cleveland, OH, US 44114-1153		216-621-5600	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address				KP.org		
Statutory Statement Contact	William Trexler			216-479-5116		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	William.Trexler@kp.org			216-623-8793		
	(E-mail Address)			(FAX Number)		

OFFICERS

Name	Title	Name	Title
George C. Halvorson	Chairman of the Board & CEO	Bernard J. Tyson	Chairman of the Board-Elect, CEO-Elect, President & Chief Operating Officer
Donna Lynne	Group President	Patricia Kennedy-Scott	Regional President

OTHER OFFICERS

Kathy Lancaster	Executive Vice President-CFO	Mark S. Zemelman	Senior Vice President, General Counsel, Secretary
Arthur M. Southam MD	Executive Vice President-Health Plan Operations	Thomas R. Meier	Senior Vice President and Treasurer
Donald H. Orndoff	Senior Vice President, National Facilities Services	Deborah Stokes	Senior Vice President, Corporate Controller & Chief Accounting Officer

DIRECTORS OR TRUSTEES

George C. Halvorson	Bernard J. Tyson	Daniel P. Garcia JD	Christine K. Cassel MD
Judith A. Johansen JD	Edward Pei	Cynthia A. Telles PhD	Thomas W. Chapman EdD
J. Eugene Grigsby III, PhD	Philip A. Marineau	William R. Graber	Kim J. Kaiser
Jenny J. Ming	Meg Porfido JD	Jeffrey Epstein	

State of .....Ohio.....

County of .....Cuyahoga.....

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

Patricia D. Kennedy-Scott  
Regional President

Thomas Meier  
Senior Vice President and Treasurer

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

b. If no:

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,

,

STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

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 .....	188,317,928		188,317,928	137,617,523
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ .....74,028   encumbrances).....	48,443,112		48,443,112	49,856,496
4.2 Properties held for the production of income (less \$ .....           encumbrances) .....			0	0
4.3 Properties held for sale (less \$ .....           encumbrances) .....			0	0
5. Cash (\$ .....19,902,442   ), cash equivalents (\$ .....0   ) and short-term investments (\$ .....2,692,968   ).....	22,595,410		22,595,410	90,735,902
6. Contract loans (including \$ .....           premium notes).....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....	376,579		376,579	0
10. Securities lending reinvested collateral assets.....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	259,733,029	0	259,733,029	278,209,921
13. Title plants less \$ .....           charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	919,788		919,788	718,757
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	9,901,465		9,901,465	8,914,380
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....           earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....	218,152	168,621	49,531	162,332
21. Furniture and equipment, including health care delivery assets (\$ .....11,489,085   ).....	12,374,064	884,979	11,489,085	12,552,071
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	63,836		63,836	70,922
24. Health care (\$ .....2,130,960   ) and other amounts receivable.....	4,332,808	1,728,825	2,603,983	1,715,497
25. Aggregate write-ins for other than invested assets .....	2,367,177	2,367,177	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	289,910,319	5,149,602	284,760,717	302,343,880
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	289,910,319	5,149,602	284,760,717	302,343,880
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Prepaid & Other Current Assets.....	2,367,177	2,367,177	0	0
2502. ....			0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	2,367,177	2,367,177	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded).....	27,007,160		27,007,160	27,288,303
2. Accrued medical incentive pool and bonus amounts .....			0	0
3. Unpaid claims adjustment expenses .....	868,610		868,610	868,610
4. Aggregate health policy reserves including the liability of \$ ..... for medical loss ratio rebate per the Public Health Service Act.....	22,700,000		22,700,000	23,300,000
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	6,603,865		6,603,865	8,331,743
9. General expenses due or accrued .....	1,666,471		1,666,471	1,016,579
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....	329,929		329,929	77,771
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	33,541,308		33,541,308	31,989,155
16. Derivatives.....			0	0
17. Payable for securities .....	344,226		344,226	342,623
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... certified reinsurers) .....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans .....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	145,768,080	0	145,768,080	140,820,772
24. Total liabilities (Lines 1 to 23).....	238,829,649	0	238,829,649	234,035,556
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX		0
27. Preferred capital stock .....	XXX	XXX		0
28. Gross paid in and contributed surplus .....	XXX	XXX		3,264
29. Surplus notes .....	XXX	XXX	205,000,000	205,000,000
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(159,068,932)	(136,694,940)
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		0
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	45,931,068	68,308,324
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	284,760,717	302,343,880
DETAILS OF WRITE-INS				
2301. Post Retirement.....	50,940,869		50,940,869	46,584,537
2302. Accrued Payroll and Related.....	12,219,658		12,219,658	12,683,714
2303. Workers Comp.....	2,757,239		2,757,239	2,704,617
2398. Summary of remaining write-ins for Line 23 from overflow page .....	79,850,314	0	79,850,314	78,847,904
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	145,768,080	0	145,768,080	140,820,772
2501. ....	XXX	XXX		0
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		0
3002. ....	XXX	XXX		0
3003. ....	XXX	XXX		0
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

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.....	XXX	500,408	556,195	1,077,067
2. Net premium income (including \$ non-health premium income).....	XXX	235,891,486	249,476,697	491,322,325
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0	0
4. Fee-for-service (net of \$ medical expenses) .....	XXX	1,061,106	1,299,127	2,745,905
5. Risk revenue .....	XXX		0	0
6. Aggregate write-ins for other health care related revenues .....	XXX	443,483	321,457	560,304
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	237,396,075	251,097,281	494,628,534
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		72,768,189	72,126,610	138,617,809
10. Other professional services .....		32,466,027	35,137,825	68,692,548
11. Outside referrals .....		18,888,970	19,699,664	39,139,633
12. Emergency room and out-of-area .....		11,889,325	13,328,455	32,543,007
13. Prescription drugs .....		25,133,540	27,726,183	52,942,352
14. Aggregate write-ins for other hospital and medical.....	0	66,736,502	69,724,813	141,002,130
15. Incentive pool, withhold adjustments and bonus amounts.....			0	0
16. Subtotal (Lines 9 to 15) .....	0	227,882,553	237,743,550	472,937,479
<b>Less:</b>				
17. Net reinsurance recoveries .....			0	0
18. Total hospital and medical (Lines 16 minus 17) .....	0	227,882,553	237,743,550	472,937,479
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 2,051,087 cost containment expenses.....		4,521,461	5,435,365	11,038,162
21. General administrative expenses.....		25,641,927	24,649,536	55,321,888
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		(600,000)	7,100,000	18,900,000
23. Total underwriting deductions (Lines 18 through 22) .....	0	257,445,941	274,928,451	558,197,529
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(20,049,866)	(23,831,170)	(63,568,995)
25. Net investment income earned .....		(238,736)	656,812	2,545,862
26. Net realized capital gains (losses) less capital gains tax of \$ .....		524,076	1,035,438	1,083,689
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	285,340	1,692,250	3,629,551
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ) (amount charged off \$ )] .....			0	0
29. Aggregate write-ins for other income or expenses .....	0	73,552	143,171	296,055
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	(19,690,974)	(21,995,749)	(59,643,389)
31. Federal and foreign income taxes incurred .....	XXX		0	0
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(19,690,974)	(21,995,749)	(59,643,389)
<b>DETAILS OF WRITE-INS</b>				
0601. Other Revenues.....	XXX	443,483	321,457	560,304
0602. ....	XXX		0	0
0603. ....	XXX		0	0
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	XXX	443,483	321,457	560,304
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	XXX	0	0	0
1401. Occupancy, Depreciation and Amortization.....		6,342,569	7,359,025	14,421,032
1402. Medical Office Facilities.....		15,520,237	16,213,263	33,153,345
1403. Professional Liability Insurance.....		1,518,257	2,509,033	4,831,635
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	43,355,439	43,643,492	88,596,118
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	66,736,502	69,724,813	141,002,130
2901. Miscellaneous.....		73,552	143,171	296,055
2902. ....			0	0
2903. ....			0	0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	73,552	143,171	296,055

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.....	68,308,324	28,227,428	28,227,428
34. Net income or (loss) from Line 32 .....	(19,690,974)	(21,995,749)	(59,643,389)
35. Change in valuation basis of aggregate policy and claim reserves .....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....		0	0
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0	0
38. Change in net deferred income tax .....		0	0
39. Change in nonadmitted assets .....	(3,481,508)	(1,212,268)	811,365
40. Change in unauthorized and certified reinsurance .....	0	0	0
41. Change in treasury stock .....		0	0
42. Change in surplus notes .....	0	21,000,000	111,000,000
43. Cumulative effect of changes in accounting principles .....		0	0
44. Capital Changes:			
44.1 Paid in .....		0	0
44.2 Transferred from surplus (Stock Dividend) .....		0	0
44.3 Transferred to surplus .....		0	0
45. Surplus adjustments:			
45.1 Paid in .....	(3,263)	0	0
45.2 Transferred to capital (Stock Dividend) .....	0	0	0
45.3 Transferred from capital .....		0	0
46. Dividends to stockholders .....		0	0
47. Aggregate write-ins for gains or (losses) in surplus .....	798,489	(307,842)	(12,087,080)
48. Net change in capital and surplus (Lines 34 to 47) .....	(22,377,256)	(2,515,859)	40,080,896
49. Capital and surplus end of reporting period (Line 33 plus 48)	45,931,068	25,711,569	68,308,324
<b>DETAILS OF WRITE-INS</b>			
4701. Unassigned funds pension liability.....	2,090,779	0	0
4702. Unassigned funds post retirement liability.....	(1,292,290)	0	(11,779,236)
4703. Aggregate write-ins for gains or (losses) in surplus.....		(307,842)	(307,844)
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	798,489	(307,842)	(12,087,080)

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.....	232,576,523	265,461,337	512,586,608
2. Net investment income .....	98,193	975,631	3,082,145
3. Miscellaneous income .....	(1,033,342)	742,898	3,949,524
4. Total (Lines 1 to 3) .....	231,641,374	267,179,866	519,618,277
5. Benefit and loss related payments .....	227,563,696	253,323,427	499,047,668
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	29,379,792	32,448,261	67,007,109
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9) .....	256,943,488	285,771,688	566,054,777
11. Net cash from operations (Line 4 minus Line 10) .....	(25,302,114)	(18,591,822)	(46,436,500)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	46,250,450	37,755,607	63,295,476
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	3,546,208	2,585,457	4,578,764
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	49,796,658	40,341,064	67,874,240
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	98,542,212	36,513,503	97,532,590
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	555,350	1,281,326	2,255,086
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	374,978	0	122,019
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	99,472,540	37,794,829	99,909,695
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(49,675,882)	2,546,235	(32,035,455)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	21,000,000	111,000,000
16.2 Capital and paid in surplus, less treasury stock.....	(3,264)	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	6,840,768	(12,643,910)	8,687,548
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	6,837,504	8,356,090	119,687,548
<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) .....	(68,140,492)	(7,689,497)	41,215,593
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	90,735,902	49,520,309	49,520,309
19.2 End of period (Line 18 plus Line 19.1) .....	22,595,410	41,830,812	90,735,902

STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	86,338	4,131	57,408	.0	.0	.0	6,818	17,981	.0	.0
2. First Quarter .....	84,075	3,838	55,287	.0	.0	.0	6,779	18,171	.0	.0
3. Second Quarter .....	82,982	3,821	54,259	.0	.0	.0	7,330	17,572	.0	.0
4. Third Quarter .....	.0									
5. Current Year	0									
6. Current Year Member Months	500,408	22,972	328,765				44,022	104,649		
Total Member Ambulatory Encounters for Period:										
7. Physician .....	161,551	4,922	83,306				12,199	61,124		
8. Non-Physician .....	121,756	3,565	65,712				7,920	44,559		
9. Total	283,307	8,487	149,018	0	0	0	20,119	105,683	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	3,031	88	1,315				199	1,429		
12. Health Premiums Written (a).....	235,891,486	7,915,305	130,831,078				21,044,064	76,101,039		
13. Life Premiums Direct.....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned .....	235,891,486	7,915,305	130,831,078				21,044,064	76,101,039		
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services .....	228,163,694	7,651,191	133,390,676				19,475,857	67,644,718		1,252
18. Amount Incurred for Provision of Health Care Services	227,882,553	7,644,286	132,419,384				19,413,919	68,403,655		1,309

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 56,415,739

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

[illegible]



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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	16,123,729	124,868,747	400,898	16,534,972	16,524,627	17,914,068
2. Medicare Supplement .....					.0	.0
3. Dental only .....					.0	.0
4. Vision only .....					.0	.0
5. Federal Employees Health Benefits Plan .....	2,192,534	17,277,517	52,353	2,111,670	2,244,887	2,225,961
6. Title XVIII - Medicare .....	7,211,155	61,067,341	64,019	7,843,191	7,275,174	7,148,273
7. Title XIX - Medicaid .....					.0	.0
8. Other health .....	(4)	1,256		57	(4)	.0
9. Health subtotal (Lines 1 to 8).....	25,527,414	203,214,861	517,270	26,489,890	26,044,684	27,288,302
10. Health care receivables (a) .....		578,581			.0	.0
11. Other non-health .....					.0	.0
12. Medical incentive pools and bonus amounts .....					.0	.0
13. Totals (Lines 9-10+11+12)	25,527,414	202,636,280	517,270	26,489,890	26,044,684	27,288,302

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

Kaiser Foundation Health Plan of Ohio  
Notes to Financial Statements  
For the Six Months Ended June 30, 2013 and the Year Ended December 31, 2012

1) Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Kaiser Foundation Health Plan of Ohio (“Health Plan”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures* manual, (“NAIC SAP”), the NAIC Annual Statement Instructions, and other accounting practices as prescribed or permitted by the State of Ohio – Ohio Department of Insurance (ODI). There were no reported differences to net income, statutory surplus, or risk based capital for specific practices, prescribed or permitted by the State of Ohio, that deviate from NAIC SSAP in the reported periods.

	State of Domicile	Six Months Ended 06/30/13 (in thousands)	Year Ended 12/31/12 (in thousands)
<b>NET INCOME</b>			
Health Plan state basis (page 4, Line 32, (1) Columns 2 & 3)	OH	\$ (19,691)	\$ (59,643)
State Prescribed Practices that increase / (2) (decrease) NAIC SAP:	OH	-	-
State Permitted Practices that increase / (3) (decrease) NAIC SAP:	OH	-	-
(4) NAIC SAP (1-2-3=4)	OH	<u>(19,691)</u>	<u>(59,643)</u>
<b>SURPLUS</b>			
Health Plan state basis (page 3, Line 33, (5) Columns 3 & 4)	OH	\$ 45,931	\$ 68,308
State Prescribed Practices that increase / (6) (decrease) NAIC SAP:	OH	-	-
State Permitted Practices that increase / (7) (decrease) NAIC SAP:	OH	-	-
(8) NAIC SAP (5-6-7=8)	OH	<u>45,931</u>	<u>68,308</u>

## B. Use of Estimates in the Preparation of the Financial Statements

The preparation of the statutory financial statements in conformity with NAIC SAP, the NAIC Annual Statement Instructions, and other accounting practices as prescribed or permitted by the ODI requires management to make estimates and assumptions that affect the reported amounts. Allowance for uncollectable premiums and health care receivables; estimated fair value of investments; Medicare revenue accruals; Medicare payables and reserves; reserves for unpaid claims and claims adjustment expense; pension and other retirement liabilities; premium deficiency reserves; self-insured workers' compensation and other legal liabilities; real estate, property, and equipment impairment and useful lives; and investment impairments represent significant estimates. Actual results could differ materially from those estimates. With respect to employee benefit plans, as occurs from time to time, negotiations with labor partners may result in changes to compensation and benefits. These changes are reflected in the statutory financial statements as appropriate when agreements are finalized.

## C. Accounting Policies

### Cash and Short Term Investments

Cash and short-term investments – net include interest-bearing deposits purchased with an original or remaining maturity of twelve months or less. Cash and investments that are restricted per contractual or regulatory requirements are classified as bonds and other invested assets and excluded from cash and short-term investments.

### Premiums and Health Care Receivables

Premiums and health care receivables exclude nonadmitted balances. Certain receivables are not admissible in accordance with the NAIC SAP. Nonadmitted amounts include all nongovernmental premiums and health care receivable greater than 90 days past due. In addition, when premiums and health care receivables greater than 90 days past due are more than a de minimus portion of the entire premiums and health care receivable balance, the entire premiums and health care receivable balance is nonadmitted.

### Bonds and Other Invested Assets

Bonds and other invested assets include money market funds, U.S. Treasury and government-sponsored agencies, loan-backed and or structured securities, industrial and miscellaneous bonds and all other government bonds. Recognized gains and losses are recorded on the specific identification basis. Interest income is included in net investment and other income.

Bonds are reported in accordance with NAIC Annual Statement Instructions (Statement Value). Accordingly, bonds that are designated highest quality, NAIC Designation 1 and 2, are reported at amortized cost using the effective interest method, and bonds that are classified as NAIC Designation 3 or lower are reported at lower of amortized cost or fair value.

Adjustments are made prospectively and repayment assumptions are obtained from a third party vendor data source for loan-backed and/or structured securities. The amortization method used is the scientific method.

Investments are regularly reviewed for impairment and a charge is recognized when the fair value is below cost basis and is judged to be other-than-temporary. Impairment is included in

recognized losses. In its review of assets for impairment that is deemed other-than-temporary, management generally follows the following guidelines:

- Substantially all investments are managed by outside investment managers who do not need KFHP's management pre-approval for sales, therefore substantially all declines in value below amortized cost are recognized as impairments that are other-than-temporary.
- For other securities, losses are recognized for known matters, such as bankruptcies, regardless of ownership period, and investments that have been continuously below book value for an extended period of time are evaluated for impairment that is other-than-temporary.

Health Plan's investment transactions are recorded on a trade-date basis.

Health Plan is required to keep investments on deposit in the State of Ohio, where it is licensed. At both June 30, 2013 and December 31, 2012, \$400 thousand in long-term U.S. Treasury notes were restricted to satisfy the state's regulatory requirements.

#### Real Estate, Property and Equipment

Real estate, property and equipment, which include land, buildings and improvements, furniture, equipment and software are stated at cost less accumulated depreciation and amortization. Interest is capitalized on facilities construction in progress and is added to the cost of the underlying asset, in accordance with Statement of Statutory Accounting Principles (SSAP) No. 44, *Capitalization of Interest*. Depreciation begins when the project is substantially complete and ready for its intended use. Software is amortized on a straight-line basis over three years. Buildings and equipment are depreciated on a straight line basis over the shorter of the asset's useful life or the estimated useful lives of the various classes of assets, generally ranging from 3 to 33 years. Leasehold improvements are depreciated on a straight-line basis over the lesser of the useful life or the terms of the base period, generally 5 years.

Management evaluates alternatives for delivering services that may affect the current and future utilization of existing and planned assets and could result in an adjustment to the carrying values of such land, buildings, equipment and software in the future. Management evaluates and records impairment losses, where applicable, based on expected utilization, projected cash flows and recoverable values.

Maintenance and repairs are expensed as incurred. Major improvements that increase the estimated useful life of an asset are capitalized. Upon the sale or retirement of assets, recorded cost and related accumulated depreciation are removed from the accounts, and any gain or loss on disposal is reflected in operations.

Included in property and equipment are health care delivery assets representing pharmaceutical inventory, as well as medical center furniture, fixtures and equipment used in the direct delivery of care. Pharmaceutical inventory is included in the furniture and equipment category.

Pharmaceutical inventory is not subject to depreciation. Medical center furniture, fixtures and equipment used in the direct delivery of care are depreciated over their estimated useful lives but for a period not to exceed three years.

#### Insured and Self Insured Risks

Health Plan purchases insurance including professional and general liabilities coverage. Certain insurance is purchased from affiliated organizations, as discussed in the *Information Concerning Parent, Subsidiaries and Affiliates* note. Health Plan self insures other risks, including workers' compensation and other legal liabilities. Costs associated with self-insured risks are charged to operations based upon actual and estimated claims. The estimate for incurred but not reported self-insured claims is based on actuarial projections of costs using historical claims and other relevant data. Estimates are monitored and reviewed and, as settlements are made or estimates are revised, adjustments are reflected in current operations. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate payments for self-insured claims are dependent on future developments, management is of the opinion that the reserve for self-insured risks is adequate. Insurance coverage, in excess of the per occurrence self-insured retention, has been secured with affiliated and unaffiliated insurers or reinsurers for specified amounts for workers' compensation liabilities. Decisions relating to the limit and scope of the self-insured layer and the amounts of excess insurance purchased are reviewed each year, subject to management's analysis of actuarial loss projections and the price and availability of acceptable commercial insurance.

#### Reserves for Claims Unpaid and Unpaid Claims Adjustment Expenses

The cost of health care services is recognized in the period in which services are provided. Reserves for unpaid claims and claims adjustment expense consists of unpaid health care expenses, which include an estimate of the cost of services provided to Health Plan's members by third-party providers that have been incurred but not reported. The estimate for incurred but not reported claims is based on actuarial projections of costs using historical paid claims and other relevant data. Estimates are monitored and reviewed and, as settlements are made or estimates are revised, adjustments 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 paid claims is dependent on future developments, management is of the opinion that the reserves for unpaid claims and claims adjustment expense are adequate to cover such claims. Negative amounts reported for incurred related to prior years result from claims being adjudicated and paid for amounts less than originally estimated.

The Ohio Permanente Medical Group, P.C. (the Medical Group) cooperates with Health Plan in conducting the Kaiser Permanente Medical Care Program. Health Plan contracts with the Medical Group to provide or arrange for hospital and medical services for members. Contract payments to the Medical Group represent a substantial portion of the expenses for medical services reported in the statutory financial statements. Included in the reserves for unpaid claims and claims adjustment expense is Health Plan's due to associated medical group. Due to associated medical group consists primarily of unpaid medical expenses owed to the Medical Group for medical services provided to members under a medical services agreement with Health Plan. Under the agreement, Health Plan reimburses the Medical Group for the cost of physician services provided by Medical Group and claims expense for referred medical services. The cost of medical services, including an estimate of claims incurred but not reported, is recognized by Health Plan in the period in which services are provided and is reflected as a component of medical and hospital expenses.

The payable to the Medical Group was \$11.7 million and \$8.5 million as of June 30, 2013 and December 31, 2012, respectively. Based upon the terms of the agreement with the Medical Group, Health Plan paid \$41.3 million and \$84.5 million to the Medical Group for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively.

#### Premium Deficiency Reserve

Premium deficiency reserve and related expense are recognized when it is probable that expected future health care and maintenance costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries over the contract period. Expected investment income and interest expense are included in the calculation of premium deficiency reserves, as appropriate. The level at which contracts are grouped for evaluation purposes is generally by geographic region. The methods for making such estimates and for establishing the resulting reserves are reviewed and updated, and any resulting adjustments are reflected in current operations. Given the inherent variability of such estimates, the actual liability could differ significantly from the calculated amount.

#### Receivables and Payables for Securities

Receivables and payables for securities represent current amounts for unsettled securities purchases or sales.

#### Donations and Grants Made or Received

Donations and grants made are recognized at fair value in the period in which a commitment is made, provided the payment of the donation or grant is probable and the amount is determinable. Donations or grants received are recognized at fair value in the period the donation or grant was committed unconditionally by the grantor or in the period the donation or grant requirements are met, if later.

#### Revenue Recognition

Net premium revenue includes premiums from employer groups, individuals and Medicare. Revenue is recognized over the period in which the members are entitled to health care services.

The majority of Health Plan's Medicare revenues are paid based on cost, with interim payments using pre-established rates, and the final settlement is made after the end of the year. Estimates of final settlements of the cost report are recorded by Health Plan. At June 30, 2013 and December 31, 2012, in connection with Health Plan's Medicare cost contract, Health Plan recorded allowances and reserves for adjustments of recorded revenues in the amount of \$25.5 million and \$25.9 million, respectively. For the six months ended June 30, 2013 and the year ended December 31, 2012, Medicare revenues increased by approximately \$4.1 million and \$9.3 million, respectively, due to prior year retrospective adjustments in excess of amounts previously estimated.

In addition, Medicare benefits include a voluntary prescription drug benefit (Part D). Revenues for Part D include capitated payments made from Medicare adjusted for health risk factor scores. Revenues also include amounts to reflect a portion of the health care costs for low-income Medicare beneficiaries and a risk-sharing arrangement to limit the exposure to unexpected expenses. Related accruals are recognized monthly based on cumulative experience and membership data. Part D revenue is finalized after all data is submitted to Medicare, and the final settlement is made after the end of the fiscal year.

Medicare Cost revenue and Medicare Part D revenue are subject to governmental audits and potential payment adjustments. The Centers for Medicare & Medicaid Services (CMS) performs coding audits to validate the supporting documentation maintained by Health Plan and its care providers.

Estimates of retrospective adjustments resulting from coding audits, cost reports and other contractual adjustments are recorded in the time period in which members are entitled to health care services. Actual retroactive adjustments may differ from initial estimates.

Premiums collected in advance are deferred and recorded as premiums received in advance. Revenue is adjusted to reflect estimates of collectability, including retroactive membership adjustment trends and economic conditions. Revenue and related receivables are exclusive of charity care. A portion of revenues derived under contracts with the United States Office of Personnel Management is subject to audit and potential retrospective adjustments.

#### Pension and Other Postretirement Benefits

Health Plan participates in defined benefit pension and postretirement plans that are administered by KFHP. Effective January 1, 2013, the plans are accounted for within the framework of SSAP No. 102 *Accounting for Pensions* and SSAP No. 92 *Accounting for Postretirement Benefits Other Than Pensions*, respectively, as described in Note 2, *Accounting Changes and Correction of Errors*. The plans are actuarially evaluated and involve various assumptions. Critical assumptions include the discount rate and the expected rate of return on plan assets (for pension) and the rate of increase for health care costs (for postretirement benefit plans other than pension), which are important elements of expense and/or liability measurement. Other assumptions involve demographic factors such as retirement age, mortality, turnover and the rate of compensation increases. KFHP evaluates assumptions annually or when significant plan adjustments occur and modifies them as appropriate. Pension and postretirement costs are allocated over the service period of the employees in the plan.

KFHP uses a discount rate to determine the present value of the future benefit obligations. The discount rate is established based on rates available for high-quality fixed-income debt at the measurement date whose maturity dates match the expected cash flows of the retirement plans.

Differences between actual and expected plan experience and changes in actuarial assumptions, in excess of a 10% corridor around the larger of plan assets or plan liabilities, are recognized into benefits expense over the expected average future service of active participants. Prior service costs and credits arise from plan amendments and are amortized into postretirement benefits expense over the expected average future service to full eligibility of active participants.

The defined benefit pension plan (Plan) administered by KFHP constitutes a single plan in which multiple employers who are related parties participate. The Employee Retirement Income Security Act provides for joint and several liability for all employers in the Health Plan's tax controlled group. The pension liability for Health Plan represents the estimated amount of liability for current and former employees of Health Plan only. Management believes it is remote that Health Plan would be required to pay benefits attributable to current or former employees of other controlled group members.

The other post-retirement benefits (primarily healthcare) are generally offered through a multiple-employer welfare plan (Health and Welfare Plan). Under the terms of the Health

and Welfare Plan, each participating employer is legally liable for the benefits for their own employees and retirees, and the Employee Retirement Income Security Act does not specify joint and several liability for all employers participating in a multiple-employer welfare plan. Management believes it is remote that Health Plan would be required to pay benefits attributable to current or former employees of any other employers participating in the Health and Welfare Plan.

#### Guarantee Funds and Assessments

Health Plan participates in the State of Ohio Health Reinsurance Program Open Enrollment Pool. This pool is designed to provide reinsurance for small group plans. There was no liability at June 30, 2013 and December 31, 2012.

Health Plan is annually required to support the operations of the ODI through an administrative expenses assessment. There was no liability at June 30, 2013 and December 31, 2012.

The Patient Protection and Affordable Care Act (PPACA) imposes a new Patient-Centered Outcomes Research Institute (PCORI) fee on issuers of individual and group health insurance policies. Health Plan is subject to the PCORI fee and has accrued \$119 thousand and \$63 thousand as of June 30, 2013 and December 31, 2012, respectively, for policies issued with policy years ending after September 31, 2012.

#### Cost Allocations

For reporting lines of business activity, expenses are allocated based on utilization and experience.

### 2) Accounting Changes and Corrections of Errors

#### New Accounting Pronouncements

In March 2012, the NAIC adopted SSAP No. 92 *Accounting for Postretirement Benefits Other Than Pensions* and SSAP No. 102 *Accounting for Pensions*. These new statutory reporting standards are effective January 1, 2013. Companies may choose to recognize the effect of this guidance as of January 1, 2013 or adopt a phase in period of up to 10 years. Health Plan has elected a 10 year phase in period. Management has evaluated the effect of this guidance on Health Plan's financial statements for 2013. Effective January 1, 2013, Health Plan recorded additional liability for statutory reporting for retirement benefits of \$4.0 million. Had Health Plan chosen to adopt immediate recognition of the impact, an additional liability of \$76.7 million would have been required for statutory reporting as of January 1, 2013. Retirement benefits expense for statutory reporting now includes accruals for both vested and unvested plan participants. Statutory accounting principles in effect prior to these new standards did not require expense accruals for unvested plan participants. For additional information, see Note 12, *Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences, and Post-retirement Benefit Plans*.

### 3) Business Combinations and Goodwill

No significant changes from the 2012 annual statement.

### 4) Discontinued Operations



No significant changes from the 2012 annual statement.

5) Investments

A -C

For the six months ending June 30, 2013 and the year ended December 31, 2012, Health Plan had no investments in mortgage loans, restructured debt or reverse mortgages.

D) Loan-Backed Securities

(1) & (2) Fair Values and Concentrations of Credit Risk

Health Plan's accounting policies regarding investments, including prepayment assumptions, are described in Note 1, "Summary of Significant Accounting Policies."

At June 30, 2013, Health Plan held loan-backed securities with the following fair values and concentrations of credit risk (in thousands):

<u>Type</u>	<u>Class</u>	<u>Book Value</u>	<u>Fair Value</u>
Commercial Mortgage Backed and Other Loan-Backed and Structured Securities	Industrial & Misc	\$ 24,021	\$ 24,035
Total		<u>\$24,021</u>	<u>\$24,035</u>

At December 31, 2012, Health Plan held loan-backed securities with the following fair values and concentrations credit risk (in thousands):

<u>Type</u>	<u>Class</u>	<u>Book Value</u>	<u>Fair Value</u>
Commercial Mortgage Backed and Other Loan-Backed and Structured Securities	Industrial & Misc	\$ 12,891	\$ 12,969
Total		<u>\$12,891</u>	<u>\$12,969</u>

Other-than-temporary impairment (OTTI) recognized for the six months ended June 30, 2013 related to loan-backed securities is as follows (in thousands):

	(1)	(2)	(3)
	Amortized Cost Basis Before Other-than- Temporary Impairment	Other-than- Temporary Impairment Recognized in Loss	Fair Value (1) - ( 2)
OTTI recognized 1st Quarter			
a. Intent to sell	\$ -	\$ -	\$ -
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ 3,410	\$ 10	\$ 3,400
c. Total 1st Quarter	<u><u>\$ 3,410</u></u>	<u><u>\$ 10</u></u>	<u><u>\$ 3,400</u></u>
OTTI recognized 2nd Quarter			
a. Intent to sell	\$ -	\$ -	\$ -
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ 14,838	\$ 57	\$ 14,781
c. Total 2nd Quarter	<u><u>\$ 14,838</u></u>	<u><u>\$ 57</u></u>	<u><u>\$ 14,781</u></u>

Other-than-temporary impairment (OTTI) recognized for the year ended December 31, 2012 related to loan-backed securities is as follows (in thousands):

	(1)	(2)	(3)
	Amortized Cost Basis Before Other-than- Temporary Impairment	Other-than- Temporary Impairment Recognized in Loss	Fair Value (1) - (2)
OTTI recognized 1st Quarter			
a. Intent to sell	\$ -	\$ -	\$ -
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ 354	\$ 1	\$ 353
c. Total 1st Quarter	<b>\$ 354</b>	<b>\$ 1</b>	<b>\$ 353</b>
OTTI recognized 2nd Quarter			
d. Intent to sell	\$ -	\$ -	\$ -
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ 852	\$ 2	\$ 850
f. Total 2nd Quarter	<b>\$ 852</b>	<b>\$ 2</b>	<b>\$ 850</b>
OTTI recognized 3rd Quarter			
g. Intent to sell	\$ -	\$ -	\$ -
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ -	\$ -	\$ -
i. Total 3rd Quarter	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
OTTI recognized 4th Quarter			
j. Intent to sell	\$ -	\$ -	\$ -
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.	\$ 489	\$ 1	\$ 488
l. Total 4th Quarter	<b>\$ 489</b>	<b>\$ 1</b>	<b>\$ 488</b>
m. Annual Aggregate Total		<b>\$ 4</b>	

(3) Loan-backed securities held as of June 30, 2013 with a recognized other-than-temporary impairment are as follows (in thousands):

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost after Other-Than- Temporary Impairment	Fair Value at time of OTTI	Date of Financial Statement Where Reported
05947U2R8	\$950	\$946	\$4	\$946	\$946	6/30/2013
12513EAG9	\$2,264	\$2,251	\$13	\$2,251	\$2,251	6/30/2013
161571FX7	\$2,390	\$2,379	\$11	\$2,379	\$2,379	6/30/2013
20047AAD2	\$604	\$603	\$1	\$603	\$603	6/30/2013
33766QAA5	\$1,150	\$1,147	\$3	\$1,147	\$1,147	6/30/2013
396789FT1	\$2,317	\$2,313	\$4	\$2,313	\$2,313	6/30/2013
44921SAE2	\$1,700	\$1,694	\$6	\$1,694	\$1,694	6/30/2013
46625YGP2	\$521	\$519	\$2	\$519	\$519	6/30/2013
46625YXP3	\$1,089	\$1,085	\$4	\$1,085	\$1,085	6/30/2013
52108HXM1	\$353	\$352	\$1	\$352	\$352	6/30/2013
59022HMU3	\$1,500	\$1,492	\$8	\$1,492	\$1,492	6/30/2013
12513EAF1	\$298	\$295	\$3	\$295	\$295	3/31/2013
396789FT1	\$1,042	\$1,038	\$4	\$1,038	\$1,038	3/31/2013
46625YXP3	\$1,103	\$1,102	\$1	\$1,102	\$1,102	3/31/2013
52108HXM1	\$576	\$575	\$1	\$575	\$575	3/31/2013
52108HXM1	\$292	\$291	\$1	\$291	\$291	12/31/2012
34529VAD4	\$501	\$500	\$1	\$500	\$500	6/30/2012
36828QHK5	\$351	\$350	\$1	\$350	\$350	6/30/2012
36828QHK5	\$354	\$353	\$1	\$353	\$353	3/31/2012
07383FAT5	\$459	\$458	\$1	\$458	\$458	12/31/2011
20047GBQ9	\$550	\$549	\$1	\$549	\$549	12/31/2011
36828QDN3	\$940	\$938	\$2	\$938	\$938	9/30/2011
20047AAD2	\$914	\$911	\$3	\$911	\$911	9/30/2011
12513EAF1	\$475	\$473	\$2	\$473	\$473	9/30/2011
59023BAD6	\$297	\$295	\$2	\$295	\$295	9/30/2011
36828QRX6	\$171	\$169	\$2	\$169	\$169	9/30/2011
36828QRX6	\$121	\$120	\$1	\$120	\$120	9/30/2011
20047GBQ9	\$550	\$549	\$1	\$549	\$549	9/30/2011
07383FAT5	\$464	\$463	\$1	\$463	\$463	9/30/2011
07383FAT5	\$470	\$468	\$2	\$468	\$468	6/30/2011

- (4) For the six months ended June 30, 2013 and the year ended December 31, 2012, there were no impaired loan-backed securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss.
- E) For the six months ending June 30, 2013 and the year ending December 31, 2012, Health Plan was not a party to repurchase agreements or securities lending transactions.
- F) Real Estate

There were no impairment losses on real estate for the six months ending June 30, 2013 and the year ended December 31, 2012. Additionally, Health Plan held no real estate investments held for sale, and had no real estate investments with participating mortgage loan features during the six months ended June 30, 2013 and the year ending December 31, 2012.

G) During the six months ended June 30, 2013 and the year ended December 31, 2012, Health Plan had no investments in low-income housing credits.

6) Joint Ventures, Partnerships & Limited Liability Companies

No significant changes from the 2012 annual statement.

7) Investment Income

No significant changes from the 2012 annual statement.

8) Derivative Instruments

No significant changes from the 2012 annual statement.

9) Income Taxes

No significant changes from the 2012 annual statement.

10) Information Concerning Parent, Subsidiaries and Affiliates

A - L

Health Plan is a subsidiary of Kaiser Foundation Health Plan, Inc. (KFHP). KFHP is affiliated with Kaiser Foundation Hospitals (Hospitals) because their governing boards and management are substantially the same. Health Plan contracts with Kaiser Foundation Hospitals to provide or arrange hospital services to members. Based upon the terms of the Hospital Service Agreement, Health Plan was charged \$30.6 million and \$52.3 million by Hospitals for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively.

Costs of services provided by KFHP and Hospitals to Health Plan were based on the actual cost incurred to provide those services. Services provided include, but are not limited to the following: information technology, treasury, general management, administrative support, and transaction processing. In addition to the services noted above, effective January 2013, many of Health Plan's accounts payable and accounting transactions are processed by KFHP under the terms of the amended Administrative Services Agreement. Charges for services provided by KFHP and Hospitals were approximately \$25.9 million and \$57.6 million for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively. For the six months ended June 30, 2013, Health Plan received no investment income from Hospitals. For the year ended December 31, 2012, Health Plan received \$6 thousand in investment income from Hospitals. In addition, Health Plan was charged interest expense of \$36 thousand and \$81 thousand by KFHP and Hospitals with respect to amounts paid by KFHP and Hospitals on behalf of Health Plan for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively.

Additionally, Health Plan purchased professional liability and other insurance from affiliated organizations primarily Lokahi Assurance, Ltd. (Lokahi). Health Plan's premium

expense under these arrangements for the six months ended June 30, 2013 and the year ended December 31, 2012 was \$1.6 million and \$5 million, respectively.

Health Plan contracts with Kaiser Permanente Insurance Company, a subsidiary of KFHP, to provide administrative services including, but not limited to, product development, rating and underwriting, marketing and sales, advertising, claims adjudication, member services, utilization management, and premium billing and collection. Pursuant to this contract, Health Plan received revenues of \$440 thousand and \$560 thousand for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively. In addition, Health Plan and KPIC cooperate in the delivery of services under Point of Service products. Under this arrangement, premiums from customers are allocated between Health Plan and KPIC based on prospective estimates of utilization. Pursuant to this arrangement, Health Plan received \$7.4 million and \$16.9 million in premium revenue from KPIC for the six months ended June 30, 2013 and the year ended December 31, 2012, respectively.

Health Plan has also entered into reciprocal business relationships with KFHP whereby Health Plan and KFHP and its subsidiaries provided medical services to visiting members. Net revenue recorded for services provided by Health Plan for the six months ended June 30, 2013 and the year ended December 31, 2012 in 2012 was \$462 thousand and \$1,147 thousand, respectively. Net expense for services provided to Health Plan members for the six months ended June 30, 2013 and the year ended December 31, 2012 was \$401 thousand and \$932 thousand, respectively.

Health Plan has a guaranty agreement with the parent, KFHP, in which the parent, without exception, guarantees all obligations of Health Plan, including a guarantee to provide health care services to Health Plan's subscribers, enrollees and dependents in the event that Health Plan is discontinued prior to the expiration of Health Plan's contracts. In addition, Hospitals has loaned certain subordinated debt to Health Plan as described in the footnote *Minimum Capital and Surplus*.

Due from (due to) Hospitals generally represents funds transferred by Hospitals to Health Plan to satisfy Health Plan's operational requirements and liability for payment of Hospitals' claims payable of \$8.3 million and \$7.7 million at June 30, 2013 and December 31, 2012, respectively. Hospitals' claims expense is included in Health Plan's operating expenses, primarily hospital services. Health Plan used proceeds from the sale of short-term investments to settle \$28.9 million due Hospitals in the second quarter of 2012.

Amounts due from (due to) affiliated organizations at June 30, 2013 and December 31, 2012 (in thousands):

	<u>6/30/2013</u>	<u>12/31/2012</u>
Due to Related Parties:		
Kaiser Foundation Health Plan, Inc.	\$ 5,058	\$ 6,121
Kaiser Foundation Hospitals	27,540	24,756
Kaiser Permanente Insurance Corp	708	837
Other Related Parties	235	275
Total Due to Related Parties	<u>\$ 33,541</u>	<u>\$ 31,989</u>
Due from Related Parties:		
Lokahi Assurance, Ltd.	54	68
Kaiser Permanente Insurance Corp	-	
Other Related Parties	10	3
Total Due from Related Parties	<u>\$ 64</u>	<u>\$ 71</u>

During the six months ended June 30, 2013 and the year ended December 31, 2012, Health Plan had no amount deducted from its asset value or from KFHP's asset value due to their affiliation. Additionally, Health Plan had no investments in subsidiary, controlled or affiliated entities as of June 30, 2013 or December 31, 2012.

#### 11) Debt

No significant changes from the 2012 annual statement.

12) Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences, and Post-retirement Benefit Plans

***a. Defined Benefit Plan- Pension***

Health Plan participates with affiliated organizations in a defined benefit pension plan covering substantially all its employees. Benefits are based on age at retirement, years of credited service, and average compensation for a specified period prior to retirement. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future.

The pension plan is administered by KFHP. Plan assets for Health Plan are not segregated and, accordingly, are not disclosed below. However, KFHP separately accounts for Health Plan liability and expense, and KFHP allocates pension expense and related prepaid or accrued benefit costs to Health Plan based on participant demographics and plan provisions.

The accrued pension plan liability at December 31, 2012 and the change through June 30, 2013 are as follows (in millions):

Pension liability at December 31, 2012	\$	2,854
Reversal of additional minimum pension liability		(2,195)
January 1, 2013 recognized transition liability		2,359
Provision		550
Payments		<u>(286)</u>
Pension plan liability at June 30, 2013		3,282
Unrecognized transition liability		3,525
Additional GAAP basis provision		<u>8</u>
GAAP basis pension obligation at June 30, 2013	\$	<u><u>6,815</u></u>



For the six months ended June 30, pension expense was as follows (in millions):

	<b>2013</b>
Service cost	\$ 524
Interest cost	299
Expected return on plan assets	(285)
Special termination benefits	12
Amortization of net actuarial loss	178
Amortization of prior service cost	68
Amortization of incremental asset	(35)
Net pension expense	<u>761</u>
Other changes in plan assets and benefit obligations recognized in capital and surplus:	
Reversal of additional minimum pension liability	(2,195)
January 1, 2013 recognized transition liability	2,359
Amortization of net actuarial loss	(178)
Amortization of prior service cost	(68)
Amortization of incremental asset	35
Total recognized in surplus	<u>(47)</u>
Total recognized in net periodic benefit cost and surplus	<u>\$ 714</u>

Plan assets and actuarial assumptions are consistent with the 2012 annual statement.

### ***Health Plan Allocations***

The accrued pension plan liability allocated to Health Plan at December 31, 2012 and the change through June 30, 2013 are as follows (in thousands):

Allocated pension plan liability at December 31, 2012	\$ 54,639
Reversal of additional minimum pension liability	(39,686)
January 1, 2013 recognized transition liability	41,055
Provision	5,537
Payments	<u>(3,149)</u>
Allocated pension plan liability at June 30, 2013	58,396
Unrecognized transition liability	59,259
Additional GAAP basis provision	127
Allocated GAAP basis pension obligation at June 30, 2013	<u>\$ 117,782</u>

Of the \$59.3 million unrecognized transition liability at June 30, 2013, Health Plan will recognize annually at least \$10.0 million as a reduction to surplus and will fully recognize

the transition liability no later than 2019. Recognition amounts could differ due to actual experience different from actuarial assumptions or if Health Plan chooses to accelerate the reflection of the unrecognized transition liability.

For the six months ended June 30, pension expense allocated to Health Plan was as follows (in thousands):

	<b>2013</b>
Service cost	\$ 5,313
Interest cost	4,634
Expected return on plan assets	(4,410)
Special termination benefits	—
Amortization of net actuarial loss	2,755
Amortization of prior service cost	758
Amortization of incremental asset	(54)
Net pension expense	<u>8,996</u>
Other changes in plan assets and benefit obligations recognized in capital and surplus:	
Reversal of additional minimum pension liability	(39,686)
January 1, 2013 recognized transition liability	41,055
Amortization of net actuarial loss	(2,755)
Amortization of prior service cost	(758)
Amortization of incremental asset	54
Total recognized in surplus	<u>(2,090)</u>
Total recognized in net periodic benefit cost and surplus	<u>\$ 6,906</u>

***b. Postretirement Benefits Other than Pensions***

Certain employees may become eligible for postretirement health care and life insurance benefits while working for Health Plan. Benefits available to retirees, through both affiliated and unaffiliated provider networks, vary by employee group. Postretirement health care benefits available to retirees include subsidized Medicare premiums, medical, and prescription drug benefits.

The accrued liability for postretirement benefits at December 31, 2012 and the change through June 30, 2013 are as follows (in thousands):

Postretirement benefits liability at December 31, 2012	\$ 46,585
January 1, 2013 recognized transition liability	2,584
Provision	2,446
Benefits paid or provided	(674)
Postretirement benefits liability at June 30, 2013	<u>50,941</u>
Unrecognized transition liability	<u>13,493</u>
GAAP basis accumulated postretirement obligation at June 30, 2013	<u>\$ 64,434</u>

Of the \$13.5 million unrecognized transition liability at June 30, 2013, Health Plan will recognize annually at least \$1.6 million as a reduction to surplus and will fully recognize the transition liability no later than 2022. Recognition amounts could differ due to actual experience different from actuarial assumptions or if Health Plan chooses to accelerate the reflection of the unrecognized transition liability.

For the six months ended June 30, postretirement benefits expense was as follows (in thousands):

	<b>2013</b>
Service cost	\$ 932
Interest cost	1,514
Amortization of prior service cost	1,292
Amortization of net actuarial loss	—
Postretirement benefits expense	<u>3,738</u>
Other changes in plan assets and benefit obligations recognized in capital and surplus:	
January 1, 2013 recognized transition liability	2,584
Amortization of prior service cost	(1,292)
Amortization of net actuarial loss	—
Total recognized in surplus	<u>1,292</u>
Total recognized in net periodic benefit cost and surplus	<u>\$ 5,030</u>

Actuarial assumptions are consistent with the 2012 annual statement.

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

#### (1) – (2)

Health Plan is a nonprofit, charitable corporation and does not issue stock. KFHP is the sole corporate member of Health Plan and no individual or entity has any ownership interest in Health Plan. Health Plan, KFHP and Hospitals share a common Board of Directors in addition to sharing certain corporate officers.

#### (3) – (6)

For the six months ended June 30, 2013 and the year ended December 31, 2012, Health Plan paid no dividends. In accordance with the Ohio Revised Code, Health Plan must receive approval from the ODI to pay a dividend or distribution during 2013 which, when combined with dividends or distributions paid within the preceding 12 months exceeds the greater of either (a) 10% of Health Plan's statutory capital and surplus at December 31, 2012 or (b) Health Plan's net gain from operations on a statutory basis for the year ended December 31, 2012. Accordingly, during 2013, prior approval from the ODI is required for any dividend or distribution payment, which exceeds \$6.8 million.

(7) - (9)

At June 30, 2013 and December 31, 2012, Health Plan held no stock for special purposes. Additionally, Health Plan is not a mutual reciprocal, and had no special surplus funds.

(10) No portion of surplus is represented by cumulative unrealized gains or losses.

(11) Subordinated notes (the Notes) issued by Health Plan to Hospitals were as follows (in thousands):

Date issued	Interest rate	Par value (Face Amount of Notes)	Carrying Value of Note	Interest And / Or Principal Paid Current Year	Total Interest And / Or Principal Paid	Unapproved Interest And / Or Principal	Date of Maturity
December 28, 2009	8.50%	-	\$ 5,000			\$ 1,351	December 28, 2016
December 28, 2009	8.50%	-	10,000			2,743	December 28, 2016
September 2, 2010	7.50%	-	25,000			4,756	September 2, 2017
September 27, 2010	7.50%	-	20,000			3,690	September 27, 2017
March 31, 2011	7.50%	-	5,000			735	March 29, 2018
October 31, 2011	7.50%	-	10,000			1,031	October 31, 2018
November 30, 2011	7.50%	-	15,000			1,454	November 30, 2018
December 28, 2011	7.50%	-	4,000			365	December 28, 2018
January 30, 2012	7.50%	-	11,000			929	January 30, 2019
May 7, 2012	7.50%	-	10,000			643	May 7, 2019
August 17, 2012	7.50%	-	20,000			866	August 17, 2019
October 18, 2012	7.50%	-	15,000			459	October 18, 2019
December 28, 2012	7.50%	-	55,000			879	December 28, 2019
			<u>205,000</u>			<u>19,901</u>	

Payment of principal or interest is subject to approval by the ODI. Payment of the principal or interest of these Notes is subordinated to the prior payment of all general liabilities of Health Plan and the claims of its policyholders and all classes of creditors. Unapproved interest payable at June 30, 2013 and December 31, 2012 totaled \$19.9 million and \$16.8 million, respectively. The Notes, which have been issued to maintain risk-based capital requirement, have been recorded as an increase to capital for statutory purposes. Unapproved interest payable is not accrued for statutory purposes.

Beginning January 1, 2013, Hospitals waived, on a prospective basis, certain amounts of interest on the Notes issued as of December 19, 2012, and any notes issued after December 19, 2012, to the extent interest due per the terms of the Notes exceeds the cost of debt to hospitals, which is determined on a monthly basis. The waiver extends for four consecutive rolling quarters, subject to termination and reversion by Hospitals. Hospitals will provide notice 30 days prior to the start of any quarter,

informing Health Plan of the termination of the waiver and that the interest rate will revert to the rate stated in the Notes, which termination and reversion shall become effective at the end of four consecutive quarters from the date of the notice.

Unassigned surplus is reduced by \$5.1 million for the six months ended June 30, 2013 and \$1.7 million for the year ended December 31, 2012 for nonadmitted assets.

(12) – (13)

Health Plan did not undergo any quasi-reorganization in the six months ended June 30, 2013 or the year ended December 31, 2012.

14) Contingencies

No significant changes from the 2012 annual statement.

15) Leases

No significant changes from the 2012 annual statement.

16) Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No significant changes from the 2012 annual statement.

17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Health Plan has no transactions subject to the disclosure requirements of this footnote during the reporting period.

A-B Health Plan had no transfers of receivables or transfers of financial assets.

C SSAP No. 91R, *Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities (SSAP No.91R)*, paragraph 100 requires a reporting entity to disclose any wash sales involving securities with a NAIC designation of 3 or below. Health Plan's investment strategy does not include purchasing any securities with a NAIC designation of 3 or below. During the six months ended June 30, 2013 and the year ended December 31, 2012, Health Plan did not participate in any wash sale as defined by SSAP No. 91.

18) Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.

A-B Health Plan had no ASO or ASC plans on which to report.

C (1) – (4) No significant changes from the 2012 annual statement.

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

No significant changes from the 2012 annual statement.

20) Fair Value Measurements

A - B Health Plan has no assets or liabilities that are measured and reported at fair value in the statement of financial position after initial recognition.

C Health Plan utilizes a three-level valuation hierarchy for fair value measurements. An instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement. For instruments classified in Level 1 of the hierarchy, valuation inputs are quoted prices for identical instruments in active markets at the measurement date. For instruments classified in Level 2 of the hierarchy, valuation inputs are directly observable but do not qualify as Level 1 inputs. Examples of Level 2 inputs include: quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in inactive markets; other observable inputs such as interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates; and market-correlated inputs that are derived principally from or corroborated by observable market data. For instruments classified in Level 3 of the hierarchy, valuation inputs are unobservable inputs for the instrument. Level 3 inputs incorporate assumptions about the factors that market participants would use in pricing the instrument.

Investments are reported at lower of amortized cost or fair value, with impairment recorded if amortized cost is greater than fair value. The fair values of investments are based on quoted market prices, if available, or estimated using quoted market prices for similar investments. If listed prices or quotes are not available, fair value is based upon other observable inputs or models that primarily use market-based or independently sourced market parameters as inputs. In addition to market information, models also incorporate transaction details such as maturity. Fair value adjustments, including credit, liquidity and other factors, are included, as appropriate, to arrive at a fair value measurement.

Investments at statement value and estimated fair value, at June 30, 2013 included (in thousands):

<b>Type of Financial Instrument</b>	<b>Aggregate Fair Value</b>	<b>Admitted Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Not Practicable (Carrying Value)</b>
Short-term investments:						
Money market funds	\$ 2,693	\$ 2,693	\$ —	\$ 2,693	\$ —	\$ —
Total short-term investments	2,693	2,693	—	2,693	—	—
Bonds and other invested assets:						
U.S. Treasury and government-sponsored agencies	7,159	7,132	—	7,159	—	—
All other government bonds	7,394	7,339	—	7,394	—	—
Loan-backed and/or structured securities	24,035	24,021	—	24,035	—	—
Industrial and miscellaneous bonds	150,840	149,826	—	150,840	—	—
Total bonds and other invested assets	189,428	188,318	—	189,428	—	—
Total investments	\$ 192,121	\$ 191,011	\$ —	\$ 192,121	\$ —	\$ —

Investments at statement value and estimated fair value, at December 31, 2012 included (in thousands):

<b>Type of Financial Instrument</b>	<b>Aggregate Fair Value</b>	<b>Admitted Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Not Practicable (Carrying Value)</b>
Short-term investments:						
Money market funds	\$ 73,640	\$ 73,640	\$ —	\$ 73,640	\$ —	\$ —
Total short-term investments	73,640	73,640	—	73,640	—	—
Bonds and other invested assets:						
U.S. Treasury and government-sponsored agencies	12,369	12,175	—	12,369	—	—
All other government bonds	8,801	8,711	—	8,801	—	—
Loan-backed and/or structured securities	12,969	12,891	—	12,969	—	—
Industrial and miscellaneous bonds	105,923	103,841	—	105,923	—	—
Total bonds and other invested assets	140,062	137,618	—	140,062	—	—
Total investments	\$ 213,702	\$ 211,258	\$ —	\$ 213,702	\$ —	\$ —

D There were no investments at June 30, 2013 or December 31, 2012 for which it was not practicable to estimate fair value.

## 21) Other Items

On May 22, 2013, Kaiser Foundation Health Plan, Inc., the sole member of Kaiser Foundation Health Plan of Ohio, entered into an agreement to transfer all of its membership interest in Kaiser Foundation Health Plan of Ohio to Catholic Health Partners. The agreement is subject to several conditions precedent to closing. If all of these conditions

are either satisfied or waived and the other covenants set forth in the agreement are performed, Catholic Health Partners will become the sole member of Kaiser Foundation Health Plan of Ohio. The parties are working towards a projected closing in fall 2013.

22) Events Subsequent

Health Plan has no subsequent events to report.

23) Reinsurance

No significant changes from the 2012 annual statement.

24) Retrospectively Rated Contracts

No significant changes from the 2012 annual statement.

25) Change in Incurred Claims and Claim Adjustment Expenses

Analysis of claims activity as of and for the six months ended June 30, 2013 and the year ended December 31, 2012 (in thousands):

	6/30/2013	12/31/2012
Claims Payable:		
Balance at Beginning of Period	\$27,288	\$34,498
Balance at End of Period	27,007	27,288
Change in Claims Payable - Increase (Decrease)	<u>(281)</u>	<u>(7,210)</u>
Incurred Claims:		
Insured Events of Current Year	229,126	474,060
Increase/(Decrease) Insured Events of Prior Year	<u>(1,243)</u>	<u>(1,122)</u>
Total Incurred Claims	<u>227,883</u>	<u>472,938</u>
Payment of Claims:		
Claims Incurred in Prior Years	25,528	33,007
Claims Incurred in Current Year	<u>202,636</u>	<u>447,141</u>
Total Claims Paid	<u>\$228,164</u>	<u>\$480,148</u>

No additional premiums or return premiums have been accrued as a result of the prior-year effects.

26) Intercompany Pooling Arrangements

No significant changes from the 2012 annual statement.

27) Structured Settlements



No significant changes from the 2012 annual statement.

28) Health Care Receivables

No significant changes from the 2012 annual statement.

29) Participating Policies

No significant changes from the 2012 annual statement.

30) Premium Deficiency Reserves

At June 30, 2013 and December 31, 2012, Health Plan established premium deficiency reserves as follows (in thousands):

	6/30/2013	12/31/2012
1 Liability carried for premium deficiency reserves	\$ 22.7	\$ 23.3
2 Date of the most recent evaluation of this liability	6/30/2013	12/31/2012
3 Was anticipated investment income utilized in the calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

31) Anticipated Salvage and Subrogation

No significant changes from the 2012 annual statement.

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 ☒
- 1.2

If yes, has the report been filed with the domiciliary state? .....

Yes ☐ No ☐
- 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 ☒
- 2.2

If yes, date of change: .....
- 3.1

Have there been any substantial changes in the organizational chart since the prior quarter end? .....

Yes ☐ No ☒
- 3.2

If the response to 3.1 is yes, provide a brief description of those changes.  
.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5.

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

Yes ☐ No ☐ NA ☒
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2010
- 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. ....

12/31/2010
- 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). ....

07/09/2012
- 6.4

By what department or departments?  
Ohio Department of Insurance.....
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with? .....

Yes ☐ No ☐ NA ☒
- 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 ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

GENERAL INTERROGATORIES

- 9.1

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

Yes [X] No [ ]
- 9.11

If the response to 9.1 is No, please explain:  
.....
- 9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).  
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers? .....

Yes [ ] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

FINANCIAL

- 10.1

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

Yes [X] No [ ]
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$ .....

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: .....\$ .....
13.

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

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

- 15.1

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

Yes [ ] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....

Yes [ ] No [ ]
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page
- \$ .....

\$ .....

\$ .....

17. 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 [ ]

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

1	2
Name of Custodian(s)	Custodian Address
Key Bank Association.....	P0 Box 94718 Cleveland, OH 44114.....
State Street Bank and Trust Company.....	2 Ave de Lafayette, Boston, MA 02111.....

- 17.2 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	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? .....
- Yes [ ] No [X]

- 17.4 If yes, give full and complete information relating thereto:

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

- 17.5 Identify all investment advisors, 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	Name(s)	Address
104973.....	Wells Capital Management.....	525 Market St, 10th Fl, San Francisco, CA 94510.....

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? .....
- 18.2 If no, list exceptions:
- .....
- Yes [X] No [ ]

GENERAL INTERROGATORIES  
PART 2 - HEALTH

1.	Operating Percentages:	
1.1	A&H loss percent.....	97.2 %
1.2	A&H cost containment percent .....	0.9 %
1.3	A&H expense percent excluding cost containment expenses.....	11.9 %
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.....	\$
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.....	\$

**STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO**

## SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

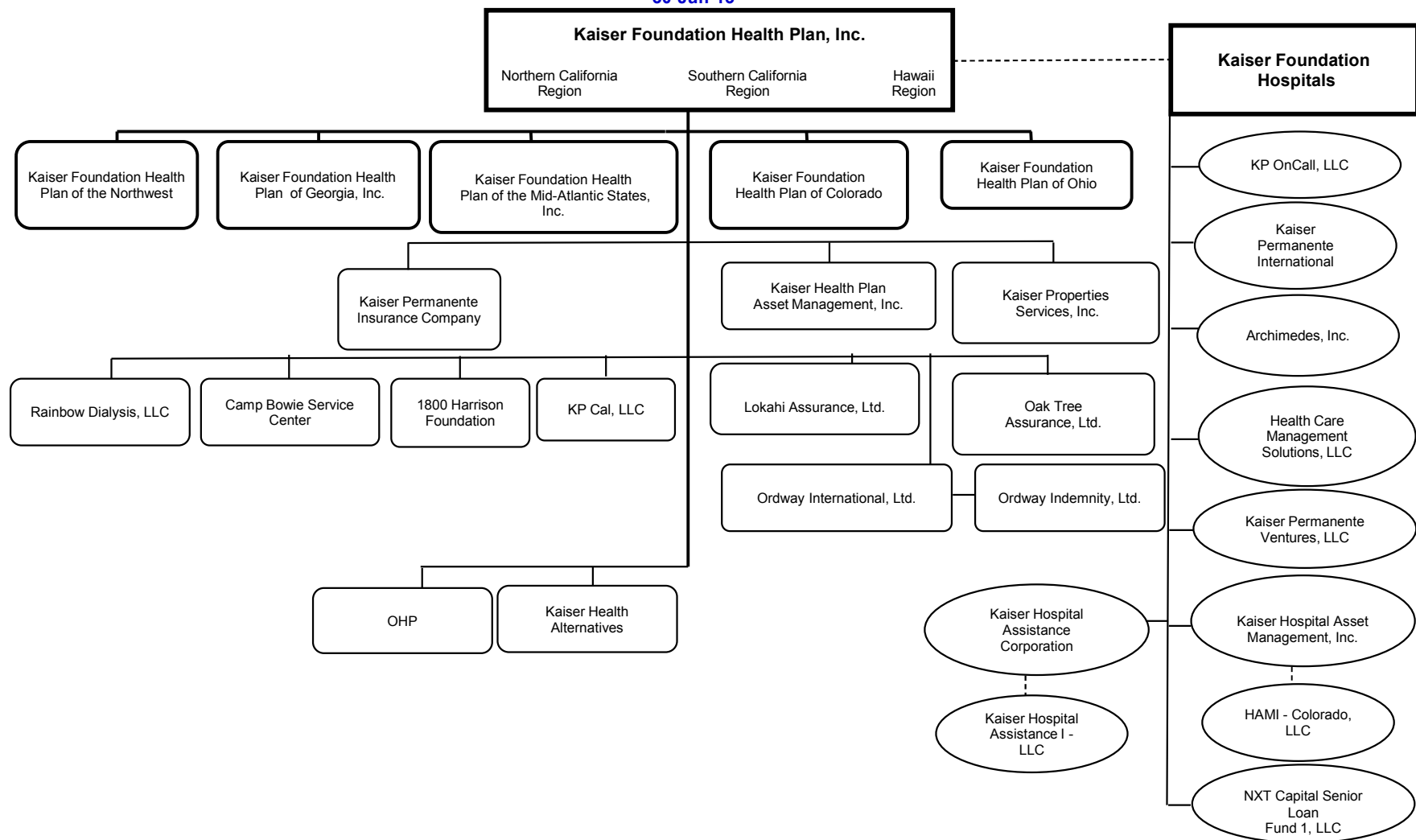
1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			NONE			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	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						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. Dist. Columbia	DC	N						0		
10. Florida	FL	N						0		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	N						0		
21. Maryland	MD	N						0		
22. Massachusetts	MA	N						0		
23. Michigan	MI	N						0		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	L	156,661,602	56,626,051	22,603,833			235,891,486		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	N						0		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CAN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	156,661,602	56,626,051	0	22,603,833	0	0	235,891,486	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 1	156,661,602	56,626,051	0	22,603,833	0	0	235,891,486	0	
DETAILS OF WRITE-INS										
58001	XXX							0		
58002	XXX									
58003	XXX									
58998 Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	0	0	
58999 Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	

(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.

**KAISER FOUNDATION HEALTH PLAN, INC. AND KAISER FOUNDATION HOSPITALS**  
**SUBSIDIARIES AND AFFILIATED CORPORATIONS**  
**30-Jun-13**





STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

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)	*
00601	KAISER FOUNDATION HEALTH PLAN INC	95669	84-0591617				KAISER FOUNDATION HLTH PLAN OF Colorado	CO	NIA	KPHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	03-0329760				Oak Tree Assurance, Ltd.	VT	OTH	KFHP	Ownership	100.0	KFHP	.1
00601	KAISER FOUNDATION HEALTH PLAN INC	95639	52-0954463				KAISER FOUNDATION HEALTH PLAN OF THE MID-ATLANTIC STATES INC.	MD	NIA	KFHP	Ownership	100.0	KFHP	.0
00601	KAISER FOUNDATION HEALTH PLAN INC	96237	58-1592076				KAISER FOUNDATION HEALTH PLAN OF GEORGIA, INC	GA	NIA	KFHP	Ownership	100.0	KFHP	.0
00601	KAISER FOUNDATION HEALTH PLAN INC	95204	34-0922268				KAISER FOUNDATION HEALTH PLAN OF OHIO	OH		KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	94-3299124				KAISER HEALTH PLAN ASSET MANAGEMENT, INC	CA	NIA	KFHP	Ownership	100.0	KFHP	.0
00601	KAISER FOUNDATION HEALTH PLAN INC	60053	94-3203402				KAISER PERMANENTE INS CO	CA	IA	KFHP	Ownership	100.0	KFHP	.2
00601	KAISER FOUNDATION HEALTH PLAN INC	00000	94-1340523				KAISER FOUNDATION HEALTH PLAN, INC. ("KFHP")	CA	UDP		Board of Directors	.0.0	KFHP	.0
00601	KAISER FOUNDATION HEALTH PLAN INC	95540	93-0798039				KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST ("KFHP-NW")	OR	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	94-3259432				KAISER PROPERTIES SERVICES, INC	CA	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	93-0954562				KAISER HEALTH ALTERNATIVES	OR	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HOSPITALS	00000	94-3245176				KAISER PERMANENTE INTERNATIONAL	CA	NIA	KFH	Ownership	100.0	KFH	.0
	KAISER FOUNDATIN HOSPITALS	00000	94-3299125				KAISER HOSPITAL ASSET MANAGEMENT, INC	CA	NIA	KFH	Ownership	100.0	KFH	.0
	KAISER FOUNDATION HEALTH PLAN, INC	00000	94-3299123				CAMP BOWIE SERVICE CENTER	CA	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HOSPITALS	00000	94-1105628				KAISER FOUNDATION HOSPITALS ("KFH")	CA	NIA		Board of Directors	.0.0	KFH	.0
	KAISER FOUNDATION HEALTH PLAN, INC	00000	91-2171891				LOKAHI ASSURANCE LTD.	HI	OTH	KFHP	Ownership	100.0	KFHP	.1
	KAISER FOUNDATION HEALTH PLAN INC	00000	20-2712661				KP CAL, LLC	CA	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	90-0031974				ORDWAY INDEMNITY, LTD.	BMJ	OTH	KFHP	Ownership	100.0	KFHP	.1
	KAISER FOUNDATION HEALTH PLAN INC	00000					ORDWAY INTERNATIONAL, LTD	BMJ	OTH	KFHP	Ownership	100.0	KFHP	.3
	KAISER FOUNDATION HEALTH PLAN INC	00000	93-0480268				OHP	WA	NIA	KFHP	Ownership	100.0	KFHP	.0
	KAISER FOUNDATION HOSPITALS	00000					HAMI-COLORADO, LLC	DE	NIA	KAISER HOSPITAL ASSET MANAGEMENT, INC	Management	.0.0	KFH	.0
	KAISER FOUNDATION HOSPITALS	00000	20-3774729				ARCHIMEDES, INC	CA	NIA	KFH	Ownership, Board of Directors	.94.9	KFH	.4
	KAISER FOUNDATION HOSPITALS	00000	20-3924985				HEALTH CARE MANAGEMENT SOLUTIONS, LLC	CA	NIA	KFH	Ownership	.83.0	KFH	.5
	KAISER FOUNDATION HOSPITALS	00000	91-2166347				KP ONCALL, LLC	CA	NIA	KFH	Ownership	100.0	KFH	.0
	KAISER FOUNDATION HEALTH PLAN INC	00000	94-3317484				1800 HARRISON FOUNDATION	CA	NIA	KFHP	Board of Directors	.0.0	KFHP	.0

## 16.1

[illegible]

Asterisk	Explanation
0000001	Relation to reporting entity-captive insurance company controlled by KFHP.
0000002	100% of preferred stock owned by KFHP, 50% of voting stock owned by KFHP and 50% owned by Permanente Medical Groups.
0000003	Relation to reporting entity - holding company - holds 100% of the shares of Ordway Indemnity, Ltd.
0000004	Remaining ownership interest of 5.058% is held by The Permanente Federation LLC.
0000005	KFH owns 100% of the preferred shares of HCMS. In addition, KFHP owns 50% of the common shares and The Permanente Federation LLC owns the remaining 50% of the common shares of HCMS.
0000006	KFH and the Kaiser Permanente Group Trust are the Participation members of this LLC, and KFHP owns 75.1% and Kaiser Permanente Group Trust owns 24.9%. Kaiser Foundation Health Plan, Inc. is the fiduciary of Kaiser Permanente Group Trust. NXT Capital Loan Servicing, LLC is the Designated member.
0000007	There is also a Series B with a different tax id #. No member of the Holding Company Group is an owner.

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.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

MQ003 Additional Aggregate Lines for Page 03 Line 23.  
\*LIAB

	1 Covered	2 Uncovered	3 Total	4 Total
2304. Rent Payable.....	956,897		956,897	362,842
2305. Pension Liability.....	58,395,564		58,395,564	54,639,410
2306. Medicare Reserves / Payables.....	20,497,853		20,497,853	23,845,652
2307. ....			0	0
2308. ....			0	0
2309. ....			0	0
2397. Summary of remaining write-ins for Line 23 from Page 03	79,850,314	0	79,850,314	78,847,904

MQ004 Additional Aggregate Lines for Page 04 Line 14.  
\*REVEX1

	1 Current Year To Date Uncovered	2 Current Year To Date Total	3 Prior Year To Date Total	4 Prior Year Ended December 31 Total
1404. Medical Administration.....		35,433,958	35,341,055	71,005,018
Other Benefits (Home Care, Hospice, Admn Excep, DME) excluding				
1405. payroll.....		1,706,311	2,741,084	4,881,549
1406. Community Service.....		6,215,170	5,561,353	12,709,551
1407. ....			0	0
1408. ....			0	0
1409. ....			0	0
1410. ....			0	0
1411. ....			0	0
1412. ....			0	0
1413. ....			0	0
1414. ....			0	0
1497. Summary of remaining write-ins for Line 14 from Page 04	0	43,355,439	43,643,492	88,596,118

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	49,856,495	51,707,113
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....	555,350	0
3. Current year change in encumbrances .....		2,263,504
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other than temporary impairment recognized .....		0
8. Deduct current year's depreciation .....	1,968,733	4,114,122
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	48,443,112	49,856,495
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	48,443,112	49,856,495

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	0	0

NONE

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	137,617,523	102,847,727
2. Cost of bonds and stocks acquired .....	98,542,207	97,532,590
3. Accrual of discount .....	54,050	94,486
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....	524,076	1,205,708
6. Deduct consideration for bonds and stocks disposed of .....	46,250,442	63,295,476
7. Deduct amortization of premium .....	592,010	645,493
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....	1,577,475	122,019
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	188,317,929	137,617,523
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	188,317,929	137,617,523

STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

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).....	146,382,497	52,383,629	53,514,668	(742,860)	146,382,497	144,508,598	0	176,960,823
2. Class 2 (a).....	45,853,024	6,035,195	4,331,841	(1,054,083)	45,853,024	46,502,295	0	34,296,907
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	192,235,521	58,418,824	57,846,509	(1,796,943)	192,235,521	191,010,893	0	211,257,730
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0				0	0	0	0
9. Class 2 .....	0				0	0	0	0
10. Class 3 .....	0				0	0	0	0
11. Class 4 .....	0				0	0	0	0
12. Class 5 .....	0				0	0	0	0
13. Class 6 .....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	192,235,521	58,418,824	57,846,509	(1,796,943)	192,235,521	191,010,893	0	211,257,730

(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 \$ ..... ; NAIC 2 \$ ..... ;  
NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

SCHEDULE DA - PART 1  
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	2,692,968	XXX	2,692,968	130	

SCHEDULE DA - VERIFICATION  
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	73,640,210	32,596,839
2. Cost of short-term investments acquired .....	39,742,226	230,401,434
3. Accrual of discount .....		434
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	110,689,468	189,358,497
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,692,968	73,640,210
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,692,968	73,640,210

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE



SCHEDULE E - VERIFICATION  
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of cash equivalents acquired .....	6,894,110	21,198,451
3. Accrual of discount .....	4,992	1,549
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals.....	424	0
6. Deduct consideration received on disposals .....	6,899,526	21,200,000
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	0	0
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator <sup>(a)</sup>
Bonds - Industrial and Miscellaneous (Unaffiliated)									
037833-AJ-9	Apple Inc 1.000% 05/03/18		04/30/2013	Goldman Sachs Co		1,892,989	1,900,000		1FE
060516-ET-2	Bank of America Corp MTN 2.000% 01/11/		04/25/2013	Oppenheimert Co Inc		1,640,768	1,635,000	9,722	1FE
12513E-AG-9	Citigroup/Deutsche Bank Comm Ser 2005-CD		06/25/2013	Various		2,267,245	2,095,000	4,872	1FE
125896-BG-4	Cms Energy Corp 5.050% 02/15/18		05/30/2013	Morgan Stanley Co		483,238	425,000	6,498	2FE
149123-BY-6	Caterpillar Inc 0.950% 06/26/15		05/07/2013	Deutsche Bank Securities		681,993	675,000	2,387	1FE
161571-FX-7	Chase Issuance Trust Ser 2013-A5 Cl A		05/16/2013	Chase Securities		2,389,975	2,390,000		1FE
172967-GS-4	Citigroup Inc 1.750% 05/01/18		04/24/2013	Citigroup Global Markets		1,274,095	1,275,000		1FE
25459H-AY-1	Directv Holdings/Fing 3.500% 03/01/16		05/17/2013	Barclays Capital Inc		820,712	770,000	6,064	2FE
256677-AA-3	DFC Global Corp 4.125% 07/15/17		06/26/2013	Various		338,140	320,000	6,087	2FE
268648-AP-7	Emc Corp/Massachusetts 1.875% 06/01/18		06/03/2013	Oppenheimert Co Inc		1,549,117	1,550,000		1FE
33766Q-AA-5	Firstenergy Ohio Pirb Special Ser 2013-1		06/12/2013	Citigroup Global Markets		1,149,999	1,150,000		1FE
34540U-AA-7	Ford Motor Credit Co Llc 2.375% 01/16/		05/06/2013	Deutsche Bank Securities		779,890	775,000	6,033	2FE
378272-AB-4	Glencore Funding Llc Series 144A 1.700		05/22/2013	Oppenheimert Co Inc		1,224,498	1,225,000		2FE
396789-FT-1	Greenwich Capital Commercial F Ser 2004-		04/17/2013	MESIROW		1,409,422	1,372,575	3,882	1FM
40428H-PG-1	HSBC USA Inc 2.375% 02/13/15		05/08/2013	HSBC Securities		720,601	700,000	4,156	1FE
49326E-EC-3	Keycorp MTN 3.750% 08/13/15		04/01/2013	HSBC Securities		900,897	845,000	4,489	2FE
59022H-MU-3	Merrill Lynch Mortgage Trust Ser 2005-CK		04/05/2013	MESIROW		4,849	4,437	6	1
59022H-MU-3	Merrill Lynch Mortgage Trust Ser 2005-CK		06/13/2013	Various		1,514,950	1,390,213	2,221	1FE
617446-TU-7	Morgan Stanley 2.125% 04/25/18		04/23/2013	Various		1,377,599	1,375,000	81	1FE
61746B-DG-8	Morgan Stanley 1.750% 02/25/16		04/18/2013	Morgan Stanley Co		615,935	610,000	1,720	1FE
628530-BA-4	Mylan Inc/Pa Series 144A 2.600% 06/24/		06/18/2013	Various		599,291	600,000		2FE
68389X-AN-5	Oracle Corp 1.200% 10/15/17		05/07/2013	MIZUHO SECURITIES USA INC		387,695	385,000	321	1FE
89233P-6J-0	Toyota Motor Credit Corp 0.875% 07/17/		05/23/2013	Southwest Securities Inc		1,841,547	1,830,000	5,871	1FE
94106L-AX-7	Waste Management Inc 2.600% 09/01/16		05/29/2013	Barclays Capital Inc		423,028	406,000	2,698	2FE
884903-BL-8	Thomson Reuters Corp 0.875% 05/23/16	A	05/16/2013	RBS SECURITIES INC		428,848	430,000		1FE
89114Q-AG-3	Toronto Dominion Bank Series MTN 1.400	A	04/23/2013	Goldman Sachs Co		1,029,310	1,030,000		1FE
00084D-AF-7	Abn Amro Bank Nv 144A 1.375% 01/22/16	F	05/31/2013	Various		1,236,239	1,235,000	5,939	1FE
44890A-AA-6	Hyundai Motor Manufactur 144A 4.500% 0	F	04/19/2013	RBC Capital		465,502	440,000	495	2FE
65557F-AE-6	Nordea Bank Ab Series 144A 0.875% 05/1	F	05/07/2013	Goldman Sachs Co		1,097,767	1,100,000		1FE
74728G-AD-2	Qbe Insurance Group Ltd Series 144A 2	F	04/24/2013	Barclays Capital Inc		289,469	290,000		1FE
780099-CC-9	Royal Bk ScotInd Grp Plc 2.550% 09/18/	F	05/21/2013	Credit Suisse Securities		133,955	130,000	608	1FE
82937T-AB-8	Sinopec Capital 2013 Series 144A 1.875	F	04/18/2013	Oppenheimert Co Inc		2,571,704	2,575,000		1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						33,541,267	32,933,225	74,150	XXX
8399997 - Subtotals- Bonds - Part 3						33,541,267	32,933,225	74,150	XXX
8399999 - Subtotals - Bonds						33,541,267	32,933,225	74,150	XXX
9999999 Totals						33,541,267	XXX	74,150	XXX

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

STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
912628-RF-9...	US Treasury N/B 1.000% 08/31/16.....		..05/08/2013..	Goldman Sachs Co.....		..688,289	.....675,000	.....675,844	.....675,633		.....(60)		.....(60)		.....675,573		.....12,716	.....12,716	.....4,659	...08/31/2016..	....1....
912628-RU-6...	US Treasury N/B 0.875% 11/30/16.....		..06/26/2013..	Various.....		..1,101,438	..1,100,000	..1,095,358	..1,096,093		.....461		.....461		..1,096,554		.....4,884	.....4,884	.....5,358	...11/30/2016..	....1....
0599999 - Bonds - U.S. Governments						1,789,727	1,775,000	1,771,202	1,771,726	0	401	0	401	0	1,772,127	0	17,600	17,600	10,017	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
13063A-5F-7...	California St 5.650% 04/01/39.....		..04/01/2013..	Call 100.0000.....		..610,000	..610,000	..610,000	..617,363		.....27	.....7,390	.....(7,363)		..610,000				..17,233	...04/01/2039..	....1FE....
1799999 - Bonds - U.S. States, Territories and Possessions						610,000	610,000	610,000	617,363	0	27	7,390	(7,363)	0	610,000	0	0	0	17,233	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
060516-EB-1...	Bank of America Corp 4.500% 04/01/15.....		..04/24/2013..	Oppenheimert Co Inc.....		..312,989	.....295,000	.....312,098	.....309,917	.....(2,125)			.....(2,125)		.....307,792		.....5,197	.....5,197	.....7,670	...04/01/2015..	....1FE....
060516-EG-0...	Bank of America Corp MTN 3.625% 03/17/15.....		..04/23/2013..	Oppenheimert Co Inc.....		..413,930	.....390,000	.....414,590		.....(2,238)			.....(2,238)		.....412,351		.....1,579	.....1,579	.....8,600	...03/17/2016..	....1FE....
060516-ER-6...	Bank of America Corp 1.500% 10/09/15.....		..04/25/2013..	Various.....		..1,115,702	..1,110,000	..1,113,041	..611,316	.....(264)	.....849		.....(1,113)		..1,112,763		.....2,938	.....2,938	.....9,215	...10/09/2015..	....1FE....
06406H-BN-8...	Bank of New York Mellon 3.100% 01/15/11.....		..06/10/2013..	Merrill Lynch Pierce Fenner.....		..1,401,684	..1,346,000	..1,380,740	..1,363,956	.....(3,851)			.....(3,851)		..1,360,104		.....41,580	.....41,580	.....37,785	...01/15/2015..	....1FE....
12513E-AF-1...	Citigroup/Deutsche Bank Comm Ser 2005-CD.....		..06/01/2013..	Paydown.....		..25,855	.....25,855	..26,272	..26,638	.....(514)	.....269		.....(783)		.....25,855			.....0	.....568	...07/15/2044..	....1FM....
14041N-ED-9...	Capital One Multi-Asset Execut Ser 2008.....		..04/15/2013..	Call 100.0000.....		..520,000	..520,000	..559,584	..525,673	.....(5,673)			.....(5,673)		..520,000			.....0	.....8,753	...02/15/2016..	....1FE....
172967-FH-9...	Citigroup Inc 4.587% 12/15/15.....		..04/24/2013..	Various.....		..1,251,334	..1,150,000	..1,218,939	..1,214,434	.....(7,018)			.....(7,018)		..1,207,416		.....43,917	.....43,917	.....19,635	...12/15/2015..	....1FE....
172967-GG-0...	Citigroup Inc 1.250% 01/15/16.....		..04/24/2013..	Various.....		..1,504,167	..1,500,000	..1,498,002		.....135	.....243		.....(108)		..1,498,119		.....6,048	.....6,048	.....5,677	...01/15/2016..	....1FE....
20047A-AD-2...	Commercial Mortgage Pass-Throu Ser 2004.....		..06/01/2013..	Paydown.....		..174,686	.....174,686	..182,189	..179,172	.....(4,486)			.....(4,486)		..174,686			.....0	.....4,071	...03/10/2039..	....1FM....
20047G-BP-1...	Commercial Mortgage Pass-Throu Ser 2004.....		..06/01/2013..	Paydown.....		..113,478	.....113,478	..116,215	..115,477	.....(1,999)			.....(1,999)		..113,478			.....0	.....2,374	...07/10/2037..	....1FM....
205887-BP-6...	Conagra Foods Inc 1.300% 01/25/16.....		..06/19/2013..	US Bank NA.....		..201,246	.....200,000	..199,912		.....11			.....11		..199,923		.....1,323	.....1,323	.....1,076	...01/25/2016..	....2FE....
268648-AP-7...	Emc Corp/Massachusetts 1.875% 06/01/18.....		..06/28/2013..	RBC Capital.....		..1,050,166	..1,065,000	..1,064,393		.....2			.....2		..1,064,395		.....(14,229)	.....(14,229)	.....1,319	...06/01/2018..	....1FE....
35671D-BE-4...	Freeport-Mcmoran Copper & Gold 144A 2.....		..05/09/2013..	Jeffries & Co.....		..420,042	.....415,000	.....414,959		.....(5)			.....(5)		..414,953		.....5,089	.....5,089	.....1,834	...03/15/2018..	....2FE....
36828Q-DN-3...	GE Capital Commercial Mortgage Ser 2004.....		..06/01/2013..	Paydown.....		..45,834	.....45,834	..47,748	..46,552	.....(718)			.....(718)		..45,834			.....0	.....737	...11/10/2038..	....1FM....
36828Q-RX-6...	GE Capital Commercial Mortgage Ser 2006.....		..06/01/2013..	Paydown.....		..3,662	.....3,662	..3,798	.....3,742	.....(80)			.....(80)		..3,662			.....0	.....82	...03/10/2044..	....1FM....
396789-FT-1...	Greenwich Capital Commercial F Ser 2004.....		..06/01/2013..	Paydown.....		..111,916	.....111,916	..114,999		.....(3,668)	.....230		.....(3,898)		..111,916			.....0	.....1,287	...06/10/2036..	....1FM....
413875-AJ-4...	Harris Corporation 5.000% 10/01/15.....		..05/28/2013..	Call 110.7385.....		..830,539	..750,000	..822,405	..822,405	.....8,134			.....8,134		..830,539			.....0	.....24,688	...10/01/2015..	....2FE....
52108H-UM-4...	LB-UBS Commercial Mortgage Ser 2003-C7 C.....		..04/11/2013..	Paydown.....		..388,241	.....388,241	..390,266	..392,968	.....(3,898)	.....830		.....(4,728)		..388,241			.....0	.....6,381	...09/15/2035..	....1FM....
52108H-XM-1...	LB-UBS Commercial Mortgage Ser 2003-C8 C.....		..06/11/2013..	Paydown.....		..218,310	.....218,310	..220,590	..222,798	.....(4,008)	.....480		.....(4,488)		..218,310			.....0	.....4,231	...11/15/2032..	....1FM....
565849-AJ-5...	Marathon Oil Corp 0.900% 11/01/15.....		..05/16/2013..	Various.....		..335,623	.....335,000	..334,183	..334,961	.....39	.....782		.....(743)		..334,218		.....1,405	.....1,405	.....1,614	...11/01/2015..	....2FE....
59022H-MU-3...	Merrill Lynch Mortgage Trust Ser 2005-CK.....		..06/01/2013..	Paydown.....		..4,437	.....4,437	..4,849		.....(411)			.....(411)		..4,437			.....0	.....32	...11/12/2037..	....1....
59023B-AD-6...	Merrill Lynch Mortgage Trust Ser 2006-C1.....		..06/01/2013..	Paydown.....		..19,360	.....19,360	..20,546	..20,119	.....(759)			.....(759)		..19,360			.....0	.....460	...05/12/2039..	....1FM....
61746B-DG-8...	Morgan Stanley 1.750% 02/25/16.....		..04/23/2013..	Various.....		..1,813,183	..1,800,000	..1,804,422		.....56			.....56		..1,804,478		.....8,705	.....8,705	.....5,338	...02/25/2016..	....1FE....
651229-AN-6...	Newell Rubbermaid Inc 2.050% 12/01/17.....		..04/17/2013..	US Bank NA.....		..292,651	.....290,000	..289,672	..289,675	.....19			.....19		..289,694		.....2,957	.....2,957	.....2,279	...12/01/2017..	....2FE....
666807-BB-7...	Northrop Grumman Systems 3.700% 08/01/15.....		..05/17/2013..	Chase Securities.....		..440,320	.....425,000	..444,763	..434,569	.....(2,341)			.....(2,341)		..432,228		.....8,092	.....8,092	.....12,711	...08/01/2014..	....2FE....
68268N-AF-0...	Oneok Partners LP 3.250% 02/01/16.....		..06/27/2013..	Barclays Capital Inc.....		..312,423	.....300,000	..298,521	..298,861	.....121			.....121		..298,982		.....13,441	.....13,441	.....8,856	...02/01/2016..	....2FE....
74254P-AK-8...	Principal Life Inc Fdg MTN 5.100% 04/1.....		..05/09/2013..	US Bank NA.....		..1,877,904	..1,800,000	..1,910,376	..1,835,391	.....(9,966)			.....(9,966)		..1,825,425		.....52,479	.....52,479	.....53,295	...04/15/2014..	....1FE....

## SCHEDULE D - PART 4

## E05.1

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

**STATEMENT AS OF JUNE 30, 2013 OF THE KAISER FOUNDATION HEALTH PLAN OF OHIO**

## SCHEDULE E - PART 1 - CASH

[illegible]

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
NONE							
8699999 Total Cash Equivalents					0	0	0