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QUARTERLY STATEMENT

AS OF September 30, 2013

OF THE CONDITION AND AFFAIRS OF THE

AultCare Insurance Company

NAIC Group Code 0000 (Current Period), 0000 (Prior Period) NAIC Company Code 77216 Employer's ID Number 341624818

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

Country of Domicile United States of America

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

Incorporated/Organized 08/15/1989 Commenced Business 11/01/1989

Statutory Home Office 2600 Sixth Street SW (Street and Number), Canton, OH, 44710 (City or Town, State, Country and Zip Code)

Main Administrative Office 2600 Sixth Street SW (Street and Number)

Canton, OH, 44710 (City or Town, State, Country and Zip Code) (330)363-4057 (Area Code) (Telephone Number)

Mail Address 2600 Sixth Street SW (Street and Number or P.O. Box), Canton, OH, 44710 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2600 Sixth Street SW (Street and Number)

Canton, OH, 44710 (City or Town, State, Country and Zip Code) (330)363-4057 (Area Code) (Telephone Number)

Internet Web Site Address www.aultcare.com

Statutory Statement Contact Jeffrey Alan Scheatzle (Name) (330)363-4057 (Area Code)(Telephone Number)(Extension)

jscheatzle@aultman.com (E-Mail Address) (330)363-5012 (Fax Number)

OFFICERS

Name	Title
Rick L. Haines	President
Joseph J. Feltes	Secretary
Mark D. Wright	Treasurer
Edward J. Roth III	Executive Vice President

OTHERS

DIRECTORS OR TRUSTEES

William Wallace M.D.
Christopher E. Remark
Rick L. Haines
Mark D. Wright
Timothy L. Hagen D.O.
Allen Rovner M.D.
Gregory A. Haban M.D.
Edward J. Roth III
Michael A. Rich M.D.
John B. Humphrey Jr., M.D.
Darryl J. Dillenback
Joseph J. Feltes Esq.

State of Ohio
County of Stark ss

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

(Signature)	(Signature)	(Signature)
Rick L. Haines	Joseph J. Feltes	Mark D. Wright
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
______ day of ______, 2013

a. Is this an original filing? Yes[X] No[ ]
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

Mark N. Rose M.D.

ASSETS

		Current Statement Date			4
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	43,648,761		43,648,761	47,590,377
2.	Stocks:				
	2.1 Preferred stocks				
	2.2 Common stocks	14,128,121		14,128,121	17,844,193
3.	Mortgage loans on real estate:				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate:				
	4.1 Properties occupied by the company (less $...............0 encumbrances)				
	4.2 Properties held for the production of income (less $...............0 encumbrances)				
	4.3 Properties held for sale (less $...............0 encumbrances)				
5.	Cash ($......13,231,002), cash equivalents ($...............0) and short-term investments ($.......1,656,266)	14,887,268		14,887,268	8,944,349
6.	Contract loans (including $...............0 premium notes)				
7.	Derivatives				
8.	Other invested assets	14,387,183		14,387,183	16,478,301
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	87,051,333		87,051,333	90,857,220
13.	Title plants less $...............0 charged off (for Title insurers only)				
14.	Investment income due and accrued	385,101		385,101	407,640
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	1,699,037		1,699,037	3,079,565
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $...............0 earned but unbilled premiums)				
	15.3 Accrued retrospective premiums				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	981,311		981,311	2,376,425
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	5,207,681		5,207,681	5,386,128
18.1	Current federal and foreign income tax recoverable and interest thereon				666,895
18.2	Net deferred tax asset	4,694,000		4,694,000	4,694,000
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	601,717		601,717	
21.	Furniture and equipment, including health care delivery assets ($...............0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care ($.......9,540,902) and other amounts receivable	10,640,680	233,269	10,407,411	5,365,028
25.	Aggregate write-ins for other than invested assets				
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	111,260,860	233,269	111,027,590	112,832,900
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	111,260,860	233,269	111,027,590	112,832,900
DETAILS OF WRITE-INS					
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.					
2502.					
2503.					
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period 1 Covered	Current Period 2 Uncovered	Current Period 3 Total	Prior Year 4 Total
1.	Claims unpaid (less $.........977,700 reinsurance ceded)	30,110,524		30,110,524	31,727,580
2.	Accrued medical incentive pool and bonus amounts	1,998,202		1,998,202	2,377,535
3.	Unpaid claims adjustment expenses	554,100		554,100	572,800
4.	Aggregate health policy reserves, including the liability of $...............0 for medical loss ratio rebate per the Public Health Service Act	1,189,602		1,189,602	7,189,602
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	7,075,668		7,075,668	6,538,502
9.	General expenses due or accrued	4,609,810		4,609,810	4,594,143
10.1	Current federal and foreign income tax payable and interest thereon (including $...............0 on realized gains (losses))	1,092,797		1,092,797	
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable	1,821,981		1,821,981	869,617
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including $...............0 current) and interest thereon $...............0 (including $...............0 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with ($...............0 authorized reinsurers, $...............0 unauthorized reinsurers and $...............0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified ($...............0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans	819,719		819,719	598,858
23.	Aggregate write-ins for other liabilities (including $...............0 current)				
24.	Total liabilities (Lines 1 to 23)	49,272,404		49,272,404	54,468,637
25.	Aggregate write-ins for special surplus funds	XXX	XXX		
26.	Common capital stock	XXX	XXX	1,000,000	1,000,000
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	48,875,734	48,875,734
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX		
31.	Unassigned funds (surplus)	XXX	XXX	11,879,453	8,488,530
32.	Less treasury stock, at cost:				
	32.1 ....0 shares common (value included in Line 26 $...............0)	XXX	XXX		
	32.2 ....0 shares preferred (value included in Line 27 $...............0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	61,755,187	58,364,264
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	111,027,591	112,832,900
DETAILS OF WRITE-INS					
2301.					
2302.					
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.		XXX	XXX		
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	1,046,177	1,066,157	1,424,534
2.	Net premium income (including $..............0 non-health premium income)	X X X	340,219,561	350,844,874	468,467,855
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of $..............0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	340,219,561	350,844,874	468,467,855
Hospital and Medical:					
9.	Hospital/medical benefits		204,948,164	223,259,351	298,660,443
10.	Other professional services				
11.	Outside referrals		31,184,307	26,600,446	36,670,512
12.	Emergency room and out-of-area		6,635,262	6,469,673	8,646,330
13.	Prescription drugs		42,727,773	49,288,778	65,281,199
14.	Aggregate write-ins for other hospital and medical		7,561,502	7,856,978	12,559,972
15.	Incentive pool, withhold adjustments and bonus amounts		3,828,267	3,591,122	4,617,135
16.	Subtotal (Lines 9 to 15)		296,885,276	317,066,349	426,435,591
Less:					
17.	Net reinsurance recoveries		4,181,881	1,609,609	4,606,529
18.	Total hospital and medical (Lines 16 minus 17)		292,703,395	315,456,740	421,829,062
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including $.......5,090,555 cost containment expenses		7,697,691	5,268,726	7,415,839
21.	General administrative expenses		38,184,533	30,758,190	41,618,594
22.	Increase in reserves for life and accident and health contracts (including $..............0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		338,585,620	351,483,656	470,863,496
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	1,633,941	(638,782)	(2,395,640)
25.	Net investment income earned		1,343,750	1,511,082	2,175,377
26.	Net realized capital gains (losses) less capital gains tax of $.........132,393		882,619	(19,381)	103,783
27.	Net investment gains or (losses) (Lines 25 plus 26)		2,226,369	1,491,701	2,279,160
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $..............0) (amount charged off $..............0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	3,860,310	852,919	(116,480)
31.	Federal and foreign income taxes incurred	X X X	1,144,808	289,993	196,231
32.	Net income (loss) (Lines 30 minus 31)	X X X	2,715,502	562,927	(312,711)
DETAILS OF WRITE-INS					
0601.		X X X			
0602.		X X X			
0603.		X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.		X X X			
0702.		X X X			
0703.		X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	Reinsurance Claims		7,561,502	7,856,978	12,559,972
1402.					
1403.					
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		7,561,502	7,856,978	12,559,972
2901.					
2902.					
2903.					
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	58,364,264	57,436,096	57,436,096
34.	Net income or (loss) from Line 32	2,715,502	562,927	(312,711)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of $...............0	558,156	1,716,187	1,567,528
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets	117,265	231,563	(326,649)
40.	Change in unauthorized and certified reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
	44.1 Paid in			
	44.2 Transferred from surplus (Stock Dividend)			
	44.3 Transferred to surplus			
45.	Surplus adjustments:			
	45.1 Paid in			
	45.2 Transferred to capital (Stock Dividend)			
	45.3 Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	3,390,923	2,510,677	928,168
49.	Capital and surplus end of reporting period (Line 33 plus 48)	61,755,187	59,946,773	58,364,264
DETAILS OF WRITE-INS				
4701.	0			
4702.	0			
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	Cash from Operations			
1.	Premiums collected net of reinsurance	337,089,619	350,035,925	467,702,183
2.	Net investment income	1,631,888	1,854,054	2,516,019
3.	Miscellaneous income			
4.	TOTAL (Lines 1 to 3)	338,721,507	351,889,979	470,218,202
5.	Benefit and loss related payments	298,229,787	324,514,500	431,969,752
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	45,485,950	38,495,434	53,312,830
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $..............0 tax on capital gains (losses)	(614,884)	196,231	196,231
10.	TOTAL (Lines 5 through 9)	343,100,853	363,206,165	485,478,813
11.	Net cash from operations (Line 4 minus Line 10)	(4,379,346)	(11,316,186)	(15,260,611)
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	21,365,419	13,884,020	18,049,020
	12.2 Stocks	5,250,000	680,979	680,979
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets	4,582,437	943,907	
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(1,209)		
	12.7 Miscellaneous proceeds	0	0	1,384,081
	12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	31,196,647	15,508,906	20,114,080
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	17,422,225	5,176,009	5,441,263
	13.2 Stocks	250,441	943,480	1,229,023
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets	2,600,000		
	13.6 Miscellaneous applications			
	13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	20,272,666	6,119,489	6,670,286
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	10,923,981	9,389,417	13,443,794
	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock			
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders			
	16.6 Other cash provided (applied)	(601,717)		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(601,717)		
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	5,942,919	(1,926,769)	(1,816,817)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	8,944,349	10,761,167	10,761,167
	19.2 End of period (Line 18 plus Line 19.1)	14,887,268	8,834,398	8,944,349

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

20.0001	Cumulative effect of changes in accounting principles			

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	120,306	6,463	47,700	84		10,482	2,551	22,661		30,365
2. First Quarter	117,258	6,562	46,413	99		11,668	2,630	20,598		29,288
3. Second Quarter	115,497	6,567	46,003	99		11,570	2,617	20,655		27,986
4. Third Quarter	114,800	6,609	46,013	116		11,113	2,589	20,696		27,664
5. Current Year										
6. Current Year Member Months	1,046,177	59,064	416,860	914		103,252	23,558	185,675		256,854
Total Member Ambulatory Encounters for Period:										
7. Physician	289,428	17,697	141,074	92			11,199	119,366		
8. Non-Physician	901,294	45,175	359,138	361			27,978	468,642		
9. Total	1,190,722	62,872	500,212	453			39,177	588,008		
10. Hospital Patient Days Incurred	41,255	889	8,719	24			789	30,834		
11. Number of Inpatient Admissions	7,705	211	2,225	4			127	5,138		
12. Health Premiums Written (a)	347,993,971	14,203,941	133,022,506	137,295		2,423,315	12,807,848	178,305,656		7,093,410
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	347,993,971	14,203,941	133,022,506	137,295		2,423,315	12,807,848	178,305,656		7,093,410
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	294,870,783	11,286,978	111,423,608	101,091		1,805,434	10,964,446	154,102,695		5,186,531
18. Amount Incurred for Provision of Health Care Services	296,885,276	11,803,478	111,820,882	101,091		1,765,730	10,962,969	152,869,623		7,561,502

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....178,168,359.

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid						
0499999 Subtotals						
0599999 Unreported claims and other claim reserves						31,088,224
0799999 Total Claims Unpaid						31,088,224
0899999 Accrued Medical Incentive Pool And Bonus Amounts						1,998,202

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4		
Line of Business	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
1. Comprehensive (hospital & medical)	13,201,213	104,943,372		11,894,236	13,201,213	11,869,739
2. Medicare Supplement		101,091				
3. Dental only		1,805,434		215,465		255,168
4. Vision only						
5. Federal Employees Health Benefits Plan	690,424	10,274,023		585,182	690,424	586,659
6. Title XVIII - Medicare	14,318,731	139,783,964		15,795,642	14,318,731	17,296,014
7. Title XIX - Medicaid						
8. Other health	1,685,600	3,329,931		1,620,000	1,685,600	1,720,000
9. Health subtotal (Lines 1 to 8)	29,895,967	260,237,814		30,110,524	29,895,967	31,727,580
10. Healthcare receivables (a)	1,240,902				1,240,902	1,599,304
11. Other non-health						
12. Medical incentive pools and bonus amounts	4,207,600		(1,830,065)	3,828,267	2,377,535	2,377,535
13. Totals (Lines 9 - 10 + 11 + 12)	32,862,665	260,237,814	(1,830,065)	33,938,791	31,032,600	32,505,811

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

Notes to Financial Statement

SECTION A

1. Summary of Significant Accounting Policies
   A. The accompanying financial statements of AultCare Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.
   The Ohio Department of Insurance recognizes only statutory accounting prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio.
   B. The preparation of financial statement in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.
   C. Accounting Policy
   (1) No Change.
   (2) No Change.
   (3) No Change.
   (4) No Change.
   (5) No Change.
   (6) No Change.
   (7) The Company has investments in subsidiaries and affiliates with a book adjusted carrying value totaling $14,387,184. Of this amount, $116,926 is invested in McKinley Life Agency, Ltd. $3,051,986 is invested in AultCare Corporation. The remaining $11,218,272 is invested in West Tuscarawas Property Management.
   (8) No Change.
   (9) No Change.
   (10) No Change.
   (11) No Change.
   (12) No Change.
2. Accounting Changes and Corrections of Errors
   A. No Change.
3. Business Combinations and Goodwill
   A. No Change.
   B. No Change.
   C. No Change.
   D. No Change.
4. Discontinued Operations
   A. No Change.
5. Investments
   A. No Change.
   B. No Change.
   C. No Change.
   D. No Change.
   E. No Change.
   F. The Company owns $11,218,272 worth of shares in West Tuscarawas Property Management, an affiliate company.
   G. No Change.
6. Joint Ventures, Partnerships and Limited Liability Companies
   A. No Change.
   B. No Change.
7. Investment Income
   A. No Change.
8. Derivative Instruments
   A. No Change.
9. Income Taxes
   A. The components of the net deferred tax asset/ (liability) at Sept 30, 2013 are as follows:

1. (reported in thousands)		9/30/2013			9/30/2012			Change		
		(1) Ordinary	(2) Capital	(3) Col 1+2 Total	(4) Ordinary	(5) Capital	(6) Col 4+5 Total	(7) Col 1-4 Ordinary	(8) Col 2-5 Capital	(9) Col 7+8 Total
(a)	Gross Deferred Tax Assets	$4,694	$ -	$4,694	$4,694	$ -	$4,694	$ -	$ -	$ -

Notes to Financial Statement

(b)	Statutory Valuation Allowance Adjustment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(c)	Adjusted Gross Deferred Tax Assets(1a-1b)	$4,694	$ -	$4,694	$4,694	$ -	$4,694	$ -	$ -	$ -
(d)	Deferred Tax Assets Nonadmitted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(e)	Subtotal (Net Deferred Tax Assets) (1c-1d)	$4,694	$ -	$4,694	$4,694	$ -	$4,694	$ -	$ -	$ -
(f)	Deferred Tax Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	$4,694	$ -	$4,694	$4,694	$ -	$4,694	$ -	$ -	$ -

2. (reported in thousands)		9/30/2013			9/30/2012			Change		
Admission Calculation Components SSAP No. 101		(1) Ordinary	(2) Capital	(3) Col 1+2 Total	(4) Ordinary	(5) Capital	(6) Col 4+5 Total	(7) Col 1-4 Ordinary	(8) Col 2-5 Capital	(9) Col 7+8 Total
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$4,694	$ -	$4,694	$3,771	$ -	$3,771	$923	$ -	$923
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The lessor of 2(b)1 and 2(b)2 Below)	$ -	$ -	$ -	$923	$ -	$923	$(923)	$ -	$923)
	1 Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	$ -	$ -	$ -	$923	$ -	$923	$(923)	$ -	$(923)
	2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	$ -	XXX	XXX	$7,911	XXX	XXX	$(7,911)
(c)	Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(d)	Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	$4,694	$ -	$4,694	$4,694	$ -	$4,694	$ -	$ -	$ -

3. (reported in thousands)		2013	2012
(a)	Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	15%	15%
(b)	Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	$54,742	$53,670

4. (reported in thousands)		9/30/2013			9/30/2012			Change		
Impact of Tax Planning Strategies		(1) Ordinary	(2) Capital	(3) Col 1+2 Total	(4) Ordinary	(5) Capital	(6) Col 4+5 Total	(7) Col 1-4 Ordinary	(8) Col 2-5 Capital	(9) Col 7+8 Total
(a)	Adjusted Gross DTA's (% of total adjusted gross DTA's)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b)	Net Admitted Adjusted Gross DTA's (% of total net admitted adjusted gross DTA's)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(c)	Does the Company's Tax Planning Strategies Include the Use of Reinsurance?	Yes	No X							

B. Not Applicable

C. Current Income Taxes Incurred consist of the following major components:

	(1) 9/30/2013	(2) 9/30/2012	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	$607,000	$211,181	$395,819
(b) Foreign	$ -	$ -	$ -
(c) Subtotal	$607,000	$211,181	$395,819
(d) Federal Income Tax on Net Capital Gains	$ -	$ -	$ -
(e) Utilization of Capital Loss Carry-Forwards	$ -	$ -	$ -
(f) Other	$ -	$ -	$ -
(g) Federal and Foreign Income Taxes Incurred	$607,000	$211,181	$395,819
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of Unpaid Losses	$152,577	$152,577	$ -
(2) Unearned Premium Reserve	$444,618	$444,618	$ -
(3) Reserve for Return of Premium	$2,295,000	$2,295,000	$ -
(4) Other Accrued Expenses	$ -	$ -	$ -
(5) Contribution Carryover	$ -	$ -	$ -
(6) Policyholder Dividends Accrual	$ -	$ -	$ -
(7) Pension Accrual	$ -	$ -	$ -
(8) Compensation and Benefits Accrual	$364,018	$364,018	$ -
(9) Pension Accrual	$ -	$ -	$ -
(10) Receivables – Allowance	$77,787	$77,787	$ -
(11) Net Operating Loss Carry-Forward	$1,360,000	$1,360,000	$ -
(12) Tax Credit Carry-Forward	$ -	$ -	$ -

Notes to Financial Statement

	(13) Other (including items <5% of total ordinary tax assets)	$ -	$ -	$ -
	(14) Subtotal	$4,694,000	$4,694,000	$ -
(b)	Statutory valuation allowance adjustment	$ -	$ -	$ -
(c)	Nonadmitted	$ -	$ -	$ -
(d)	Admitted ordinary deferred tax assets (2a14- 2b-2c)	$4,694,000	$4,694,000	$ -
(e)	Capital			
	(1) Net Capital Loss Carry-Forward	$ -	$ -	$ -
	(2) Subtotal	$ -	$ -	$ -
(f)	Statutory valuation allowance adjustment	$ -	$ -	$ -
(g)	Nonadmitted	$ -	$ -	$ -
(h)	Admitted capital deferred tax assets (2e2 - 2f - 2g)	$ -	$ -	$ -
(i)	Admitted deferred tax assets (2d + 2h)	$4,694,000	$4,694,000	$ -
3.	Deferred Tax Liabilities			
(a)	Ordinary			
	(1) Investments	$ -	$ -	$ -
	(2) Subtotal	$ -	$ -	$ -
(b)	Capital	$ -	$ -	$ -
	(1) Investments	$ -	$ -	$ -
	(2) Subtotal	$ -	$ -	$ -
(c)	Deferred tax liabilities (3a2 + 3b2)	$ -	$ -	$ -
4.	Net deferred tax assets/liabilities (2i - 3c)	$4,694,000	$4,694,000	$ -

D. Among the more significant book to tax adjustments were the following:

	9/30/2013	Effective Tax Rate
Provision computed at statutory rate	$1,312,505	34.0%
Change in nonadmitted assets	$(117,265)	-3.0%
Tax exempt income, net of proration	$ -	0.0%
Dividends received deduction, net of proration	$ -	0.0%
Nondeductible expenses	$27,200	1.1%
Elimination of IMR Amortization	$ -	0.0%
Small Life Insurance Company Deduction	$ -	0.0%
Prior year under (over) accrual	$19,269	0.8%
Other	$ -	0.0%
Total statutory income tax expense (benefit)	$1,241,710	32.2%
	9/30/2013	Effective Tax Rate
Federal and foreign income taxes incurred	$607,000	15.7%
Realized capital gains (losses) tax	$ -	0.0%
Change in net deferred income taxes	$ -	0.0%
Total statutory income tax expense (benefit)	$607,000	15.7%

E. Operating Loss and Tax Credit Carry forwards and Protective Tax Deposits
(1) At Sept 30, 2013, the Company had no net operating loss carry forwards available to offset against future taxable income.
(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:
(a) 2012 $0
(b) 2011 $1,619,766
(c) 2010 $3,402,785

F. Not Applicable.

G. Federal or Foreign Income Tax Loss Contingencies
(1) The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries and Affiliates

A, B, C, The following transactions are all as of Sept 30, 2013; The Company has a capitation arrangement with Aultman Hospital and has paid $26,629,587 in capitated claims for its commercial enrollees and $48,437,079 in capitated claims for its Medicare enrollees under the terms of the existing agreement. The Company has paid a total of $75,066,666 in capitated claims to Aultman Hospital for its enrollees.
The Company has a management services agreement with Aultman Health Foundation, the parent and AultCare Corporation, an affiliate that allows various administrative, marketing, and claims processing services to be completed on behalf of the Company.

Notes to Financial Statement

The Company paid $499,444 to Aultman Health Foundation for management services that were provided and paid $13,808,516 of expense from AultCare Corporation for management services. The Company has an operating lease for office space and paid $562,522 to Aultman Health Foundation for rent. On Aug 30, 2013, the Company purchased 7 electronic computer equipment assets from AultCare Corporation and paid $655,822, which is the asset value reported on the financial statements. The assets included a NetApp Controller, FusionStorm hardware upgrade, terminal server, computer system expenses, thin client hardware, and disaster recovery installation site expenses.

D. At Sept 30, 2013, the Company reported $0 due from the parent company, Aultman Health Foundation. The Company has an intercompany revolving credit facility in place with AultCare Corporation, an affiliate that allows AultCare to borrow and repay operating funds. As of Sept 30, 2013, AultCare owes $3,051,986 under the terms of the agreement. The Company also has capitation arrangement with the parent company for anticipation of future services. As of Sept 30, 2013, the Company has paid $8,300,000 to Aultman Health Foundation for these future services.

E. No Change.

F. No Change.

G. No Change.

H. The Company has an investment in West Tuscarawas Property Management with an admitted asset value of $11,218,272. The Company also had an investment in a subsidiary, McKinley Life Agency, Ltd. of $116,926. Also, the Company had an investment in an affiliate, AultCare Corporation of $3,051,986.

I. No Change.

J. No Change.

K. No Change.

L. No Change.

11. Debt

A. No Change.

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

A. No Change.

B. Contributions of 3% of each employee’s compensation are made each year. The Company’s contribution for the defined contribution plan was $338,489 and $395,687 for 2013 and 2012 respectively.

C – F No Change.

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

(1) No Change.

(2) No Change.

(3) No Change.

(4) No Change.

(5) No Change.

(6) No Change.

(7) No Change.

(8) No Change.

(9) No Change.

(10) No Change.

(11) No Change.

(12) No Change.

(13) No Change.

14. Contingencies

A. No Change.

B. No Change.

C. No Change.

D. No Change.

E. During 2008, the Company underwent a Medicare Risk Adjustment Validation (“RADV”) audit by the Centers for Medicare and Medicaid Services on the Company’s 2006 Medicare Advantage data. Based on current available information obtained from the preliminary results of the Medicare RADV audit, the Company has established a reserve of $750,000 as of Sept 30, 2013, which represents Management’s best estimate of potential liability. Final audit results are pending Centers for Medicare & Medicaid Services review and pronouncement of findings.

15. Leases

A. Lessee Operating Lease

Notes to Financial Statement

(1) The Company leases office space in buildings from Aultman Health Foundation through operating lease agreements that will expire December 31, 2013. In 2013 and 2012 respectively, the company paid $562,522 and $702,518 to Aultman Health Foundation for rent expense. Certain rental commitments have renewal options extending through the year 2019. Some of these renewals are subject to adjustments in future periods.

(2) At January 1, 2013, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2013	$ 658,116

B. No Change.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk
A. No Change.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
A. No Change.
B. No Change.
C. No Change.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans (N/A – Title)
A. No Change.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (N/A – Title)
A. No Change.

20. Fair Value Measurement
A. The Company has assets that are measured at fair value on a recurring basis.

(1)

Fair Value Measurements at Reporting Date				
(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Common Stock	$ 14,128,121	$ -	$ -	$ -
Total assets at fair value	$ 14,128,121	$ -	$ -	$ -

(2) No Change.
(3) No Change.

21. Other Items
A. No Change.
B. No Change.
C. No Change.
D. At Sept 30, 2013 the Company had admitted assets of $1,699,037 in accounts receivable and amounts due from agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.
E. No Change.
F. No Change.
G. No Change.
H. On or about December 27, 2007, CSAHS/UHHS-Canton, Inc. d/b/a Mercy Medical Center ("Mercy"), a competitor of Aultman Hospital in Stark County, Ohio, filed an action in the Stark County Court of Common Pleas against Aultman Health Foundation, AultCare Corporation, Aultman Hospital, and AultCare Insurance Company (formerly McKinley Life Insurance Company) (collectively, "Defendants").

Mercy alleged that the four Defendants had each, among other things, violated Ohio's antitrust laws, tortuously interfered with Mercy's business relationships, engaged in unfair competition and deceptive practices, participated in a civil conspiracy, and violated Ohio's Pattern of Corrupt Activities Statute. The action went to trial, and in June, 2010, the jury rendered judgment in favor of the Defendants on five of the six Mercy claims that were still at issue by that time. With respect to the sixth claim, for an alleged violation of Ohio's Patten of Corrupt Activities Statute, the jury found "Aultman" liable to Mercy for $6,148,000 in damages. Mercy had sought $110,000,000 in damages. On October 19, 2010, the trial judge overruled the four Defendants' motion for judgment notwithstanding the verdict and for a new trial, but denied Mercy's claim for prejudgment interest. The trial judge also granted Mercy injunctive relief and attorneys fees of $4,000,000. Neither the one verdict on which Mercy prevailed nor any of the Court's

Notes to Financial Statement

October 19 orders allocated the jury's award among the four Defendants. The four Defendants appealed the jury verdict and the judge's orders on October 22, 2010. On March 5, 2012, the Court of Appeals affirmed the monetary awards to Mercy, but reversed the Trial Court's injunctive relief requiring payments to non-parties. On July 25, 2012, the Ohio Supreme Court accepted jurisdiction to hear that appeal. The parties' merit briefing was complete on December 21, 2012. On January 8, 2013, the Court scheduled oral Arguments or April 9, 2013. On January 14, 2013, Mercy filed a motion to dismiss the appeal as improvidently allowed, based in part on the change in Ohio Supreme Court Justices following the November 2012 elections. Defendants and several amici filed oppositions to the motion to dismiss on January 24, 2013. The Court granted Mercy's motion to dismiss without a written opinion on March 13, 2013. As a result of the Ohio Supreme Court's decision, Defendants became obligated to pay the original verdict of $6.1 million and attorney fees of $4.0 million plus the interest fees and Mercy's appellate costs. Accordingly, Defendants paid the judgment of $14.7 million.

22. Events Subsequent
    A. As of November 15, 2013, there have been no Type I events subsequent to September 30, 2013, which would have a material effect on the financial condition of the Company or on the financial statement issued November 15, 2013.
    B. As of November 15, 2013, there have been no Type II events subsequent to September 30, 2013, which would have a material effect on the financial condition of the Company or on the financial statement issued November 15, 2013.
23. Reinsurance
    A. No Change.
    B. No Change.
    C. No Change.
24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (N/A –Title)
    A. No Change.
    B. No Change.
    C. The Company has accrued $0 of net premiums written as of Sept 30, 2013 for the group health plan. No other net premiums written by the Company are subject to retrospective rating features.
25. Change in Incurred Claims and Claims Adjustment Expenses
    A. No Change.
26. Intercompany Pooling Arrangements
    A. No Change.
27. Structured Settlements
    A. No Change.
28. Health Care Receivables
    A.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received within 90 Days of Billing	Actual Rebates Received within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
9/30/2013	$1,019,786	$16,629	$ -	$ -	$ -
6/30/2013	$1,328,765	$7,650	$ -	$ -	$ -
3/31/2013	$1,385,627	$6,788	$ -	$361,010	$ -
12/31/2012	$1,383,510	$8,905	$ -	$686,934	$ -
9/30/2012	$1,565,867	$14,048	$ -	$520,891	$12,781
6/30/2012	$1,849,809	$11,356	$2,214	$847,167	$ -
3/31/2012	$2,079,769	$24,451	$3,674	$1,334,531	$194,358
12/31/2011	$2,088,068	$16,152	$ -	$961,472	$15,482
9/30/2011	$1,639,697	$14,523	$ -	$784,612	$10,203
6/30/2011	$1,177,689	$176,531	$ -	$913,051	$11,507
3/31/2011	$1,141,863	$212,357	$157,057	$1,083,839	$11,165
12/31/2010	$534,006	$820,214	$583,468	$248,771	$11,429

    B. No Change.
29. Participating Policies
    A. No Change.
30. Premium Deficiency Reserves
    A. No Change.
31. Anticipated Salvage and Subrogation
    A. No Change.

Notes to Financial 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[X]
1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
2.2 If yes, date of change: ....

3.1 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[X] No[ ]
3.2 If the response to 3.1 is yes, provide a brief description of those changes:
The Company (AIC) had no direct organizational changes in ownership, but the parent company, Aultman Health Foundation, and affiliates had the following changes: Aultman North Canton Medical Group, a non-insurance affiliate, was purchased by Aultman Health Foundation with ownership at 100%. AultCare Health Insuring Corporation, an insurance affiliate, was created by Aultman Health Foundation with ownership at 100%. Aultman Oncology Center of Excellence, LLC and Aultman Orthopaedic Center of Excellence, LLC were co-management arrangements established with independent providers that is controlled by Aultman Hospital at 51%.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[X] N/A[ ]
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010
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). 09/21/2011
6.4 By what department or departments?
Ohio Department of Insurance
6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
7.2 If yes, give full information

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

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

FINANCIAL

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

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $........... 11,218,272

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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[X] No[ ]
14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other	16,478,301	14,387,184
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	16,478,301	14,387,184
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[ ] No[X]
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]
If no, attach a description with this statement.

16. 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 $ 0
16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0
16.3 Total payable for securities lending reported on the liability page $ 0

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 Name of Custodian(s)	2 Custodian Address
FirstMerit Trust Company	4481 Munson St. NW #200, Canton, OH 44718
The Vanguard Group	P.O. Box 2600 Valley Forge, PA 19482

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 Name(s)	2 Location(s)	3 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 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

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

1 Central Registration Depository	2 Name(s)	3 Address

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

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1	A&H loss percent	86.450%
1.2	A&H cost containment percent	1.460%
1.3	A&H expense percent excluding cost containment expenses	10.970%

2.1	Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2	If yes, please provide the amount of custodial funds held as of the reporting date.	$ 0
2.3	Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4	If yes, please provide the balance of the funds administered as of the reporting date.	$ 0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
13647	26-4662908	01/01/2013	PRESIDIO REINS CORP	MT	QA/A/G	Yes[X] No[ ]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		Direct Business Only							
	1	2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	L	156,880,468	178,305,656		12,807,848			347,993,971	
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	XXX								
59. Subtotal	XXX	156,880,468	178,305,656		12,807,848			347,993,971	
60. Reporting entity contributions for Employee Benefit Plans	XXX								
61. Total (Direct Business)	(a) 1	156,880,468	178,305,656		12,807,848			347,993,971	
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

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

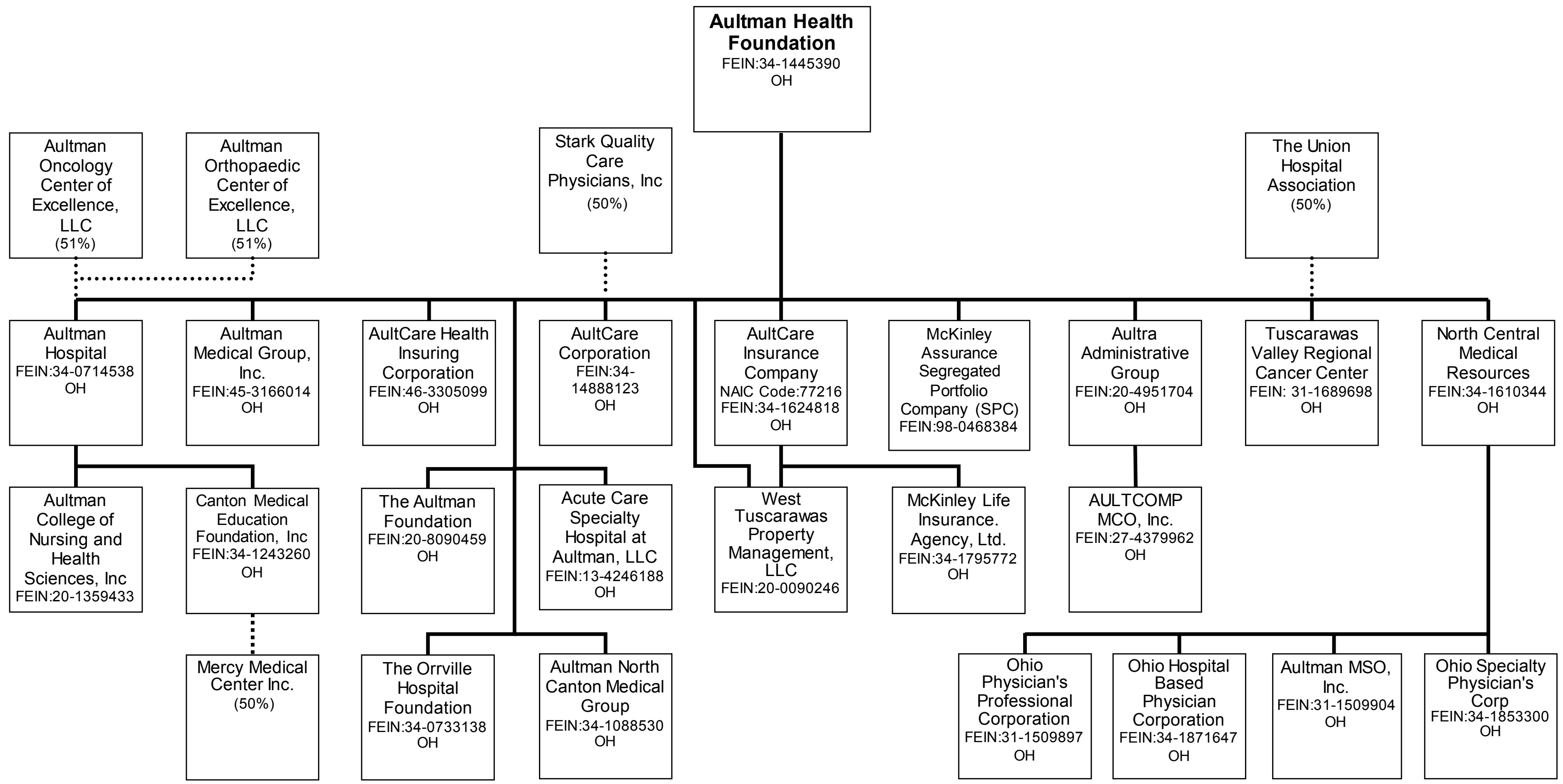
(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Aultman Organization Structure by Legal Entity



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 FEDERAL RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries Or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity / Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies) / Person(s)	15 *
		00000	34-1445390				Aultman Health Foundation	US	UDP	Aultman Health Foundation	Board of Directors		Aultman Health Foundation	
		00000	34-0714538				Aultman Hospital	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	4
		77216	34-1624818				AultCare Insurance Company	US	OTH	Self	Ownership	100.0	Aultman Health Foundation	
		00000	34-1488123				AultCare Corporation	US	IA	Aultman Health Foundation & Stark Quality Care Physicians, Inc	Other		Aultman Health Foundation	1
		00000	20-0090246				West Tuscarawas Property Management, LLC	US	DS	AultCare Insurance Company	Ownership	94.0	Aultman Health Foundation	
		00000	34-1795772				McKinley Life Insurance Agency, Ltd.	US	DS	AultCare Insurance Company	Ownership	100.0	Aultman Health Foundation	
		00000	20-4951704				Aultra Administrative Group	US	IA	AultCare Corporation	Management		Aultman Health Foundation	
		00000	27-4379962				AultComp MCO, Inc.	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	34-1853300				Ohio Specialty Physician's Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	
		00000	98-0468384				McKinley Assurance Segregated Portfolio Company (SPC)	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	20-1359433				Aultman College of Nursing and Health Sciences	US	NIA	Aultman Hospital	Ownership	100.0	Aultman Hospital	
		00000	31-1509904				Aultman MSO, Inc.	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	
		00000	20-8090459				The Aultman Foundation	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	31-1509897				Ohio Physicians Professional Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	
		00000	34-1610344				North Central Medical Resources	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	34-1871647				Ohio Hospital Based Physician Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	
		00000	31-1689698				Tuscarawas Valley Regional Cancer Center	US	NIA	Other	Ownership, Board of Directors	50.0	Aultman Health Foundation	2
		00000	13-4246188				Acute Care Specialty Hospital at Aultman, LLC	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	34-1243260				Canton Medical Education Foundation	US	NIA	Other	Ownership, Board of Directors	50.0	Aultman Hospital	3
		00000	453166014				Aultman Medical Group, Inc.	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	340733138				The Orrville Hospital Foundation	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	
		00000	341088530				Aultman North Canton Medical Group	US	NIA	Aultman Health Foundation	Ownership, Board of Directors	100.0	Aultman Health Foundation	
		00000	463305099				AultCare Health Insuring Corporation	US	IA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	

Asterisk	Explanation
0000001	AultCare Corporation's governance is controlled by Aultman Health Foundation 50% and Stark Quality Care Physicians, Inc 50%, 100% of equity owned by Aultman Health Foundation
0000002	Tuscarawas Valley Regional Cancer Center is controlled by Aultman Health Foundation 50% and a non-insurance affiliate entity Union Hospital 50%
0000003	Canton Medical Education Foundation is controlled by Aultman Hospital 50% and a non-insurance affiliate entity Mercy Medical Center 50%
0000004	Aultman Oncology Center of Excellence, LLC and Aultman Orthopaedic Center of Excellence, LLC are co-management arrangements with independent providers that is controlled by Aultman Hospital 51%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanations:

Bar Codes:

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	16,478,301	18,067,146
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition	2,600,000	
3.	Capitalized deferred interest and other		
4.	Accrual of discount	(108,681)	(204,764)
5.	Unrealized valuation increase (decrease)		(1,384,081)
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals	4,582,437	
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	14,387,183	16,478,301
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)	14,387,183	16,478,301

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	65,434,570	75,851,743
2.	Cost of bonds and stocks acquired	17,672,666	6,670,286
3.	Accrual of discount	27,904	39,379
4.	Unrealized valuation increase (decrease)	558,156	1,567,528
5.	Total gain (loss) on disposals	883,827	103,783
6.	Deduct consideration for bonds and stocks disposed of	26,615,419	18,729,999
7.	Deduct amortization of premium	184,823	68,150
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	57,776,882	65,434,570
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	57,776,882	65,434,570

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
BONDS								
1. Class 1 (a)	44,096,589	10,727,684	12,392,686	(38,086)	50,986,216	44,096,589	42,393,501	47,820,861
2. Class 2 (a)	1,093,884	171,682		(10,305)	1,098,087	1,093,884	1,255,262	
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	45,190,473	10,899,366	12,392,686	(48,390)	52,084,302	45,190,473	43,648,763	47,820,861
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	45,190,473	10,899,366	12,392,686	(48,390)	52,084,302	45,190,473	43,648,763	47,820,861

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

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	1,656,266	X X X	1,439,670		1,598

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	230,483	
2.	Cost of short-term investments acquired	1,984,748	230,605
3.	Accrual of discount	24	
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals	(1,209)	
6.	Deduct consideration received on disposals	539,032	
7.	Deduct amortization of premium	18,749	122
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	1,656,266	230,483
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	1,656,266	230,483

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

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

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

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

SI07 Schedule DB - Verification . . . . NONE

SI08 Schedule E - Verification (Cash Equivalents) . . . . NONE

E01 Schedule A Part 2 . . . . NONE

E01 Schedule A Part 3 . . . . NONE

E02 Schedule B Part 2 . . . . NONE

E02 Schedule B Part 3 . . . . NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
Any Other Class of Assets - Unaffiliated												
	West Tusc Property Management	Canton	Ohio	Internal Transfer		09/30/2013			2,600,000			
3799999 Subtotal - Any Other Class of Assets - Unaffiliated									2,600,000			XXX
3999999 Total - Unaffiliated									2,600,000			XXX
4199999 TOTALS									2,600,000			XXX

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9 + 10 - 11 + 12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Non-collateral Loans - Affiliated																			
	AultCare - Affiliated	Canton	Ohio	AultCare Insurance Company	01/01/2009	09/30/2013	7,634,423	(4,582,437)				(4,582,437)		3,051,986					
2699999 Subtotal - Non-collateral Loans - Affiliated							7,634,423	(4,582,437)				(4,582,437)		3,051,986					
4099999 Total - Affiliated							7,634,423	(4,582,437)				(4,582,437)		3,051,986					
4199999 TOTALS							7,634,423	(4,582,437)				(4,582,437)		3,051,986					

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828UT5	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,500,527	1,500,000	1,407	1
912828SP6	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	501,062	500,000	661	1
912828TZ3	U.S. TREASURY		08/12/2013	FIRSTMERIT	XXX	1,001,250	1,000,000	499	1
912828UK4	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,000,781	1,000,000	149	1
912828TX8	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	999,058	1,000,000	1,009	1
912828TB6	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	985,313	1,000,000	1,080	1
912828SN1	U.S. TREASURY		08/29/2013	FIRSTMERIT	XXX	984,531	1,000,000	6,189	1
912828TW0	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,223,298	1,250,000	2,904	1
912828RH5	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,235,303	1,250,000	6,762	1
0599999 Subtotal - Bonds - U.S. Governments					XXX	9,431,123	9,500,000	20,660	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
20451PDP8	COMPASS BANK CD		09/11/2013	FIRSTMERIT	XXX	225,000	225,000		1
02006LAC7	ALLY BANK CD		09/25/2013	FIRSTMERIT	XXX	200,000	200,000		1
010392EW4	ALABAMA POWER CO.		08/29/2013	FIRSTMERIT	XXX	55,597	50,000	216	1
010392EW4	ALABAMA POWER CO.		09/05/2013	FIRSTMERIT	XXX	16,684	15,000	79	1
68389XAQ8	ORACLE CORP		09/10/2013	FIRSTMERIT	XXX	49,321	50,000	178	1
464287457	ISHARES BARCLAYS 1-2 YR TIP		07/15/2013	FIRSTMERIT	XXX	499,938	5,934		1
464287457	ISHARES BARCLAYS 1-3 YR TIP		08/14/2013	FIRSTMERIT	XXX	250,022	2,962		1
50075NAV6	KRAFT FOODS		07/16/2013	FIRSTMERIT	XXX	82,102	70,000	1,703	2
05348EAM1	AVALONBAY COMMUNITY MTN		08/26/2013	FIRSTMERIT	XXX	89,581	80,000	2,039	2
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	1,468,243	698,896	4,215	XXX
8399997 Subtotal - Bonds - Part 3					XXX	10,899,366	10,198,896	24,875	XXX
8399999 Subtotal - Bonds					XXX	10,899,366	10,198,896	24,875	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX		XXX		XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	10,899,366	XXX	24,875	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues ....0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks 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	Foreign	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																					
912828RC6	U.S. TREASURY		07/11/2013	FIRSTMERIT	XXX	980,700	1,000,000	1,008,984	1,007,896		18,846		18,846		1,026,742		(26,742)	(26,742)	10,625	08/15/2021	1
912828RR3	U.S. TREASURY		07/11/2013	FIRSTMERIT	XXX	967,100	1,000,000	999,063	999,183		32,946		32,946		1,032,129		(32,129)	(32,129)	10,000	11/15/2021	1
31331YTT7	FFCB		07/11/2013	FIRSTMERIT	XXX	558,885	500,000	506,400	504,317		(59,096)		(59,096)		445,221		54,779	54,779	12,000	02/13/2023	1
912828KD1	U.S. TREASURY		07/11/2013	FIRSTMERIT	XXX	1,054,700	1,000,000	982,587	980,953		(53,159)		(53,159)		927,794		72,206	72,206	13,750	02/15/2019	1
313378CR0	FHLB		07/11/2013	FIRSTMERIT	XXX	932,440	1,000,000	999,500	999,542		67,585		67,585		1,067,126		(67,126)	(67,126)	11,250	03/11/2022	1
912828CA6	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,247,777	1,225,000	1,221,844	1,218,231		(19,286)		(19,286)		1,198,945		26,055	26,055	49,000	02/15/2014	1
3133MTZL5	FHLB		08/22/2013	FIRSTMERIT	XXX	1,003,340	1,000,000	1,000,000	1,000,000		(3,340)		(3,340)		996,660		3,340	3,340	10,000	01/30/2014	1
912828BR0	U.S. TREASURY		08/22/2013	FIRSTMERIT	XXX	1,513,828	1,500,000	1,490,095	1,496,969		(11,814)		(11,814)		1,485,155		14,845	14,845	31,875	11/15/2013	1
31398AXJ6	FNMA		08/22/2013	FIRSTMERIT	XXX	1,524,900	1,500,000	1,491,360	1,497,506		(23,842)		(23,842)		1,473,663		26,337	26,337	18,750	05/15/2014	1
3133XRX88	FHLB		09/06/2013	FIRSTMERIT	XXX	750,000	750,000	752,343	1,000,813		(250,805)		(250,805)		750,009		(9)	(9)	35,000	09/06/2013	1
31398A2S0	FNMA		09/23/2013	FIRSTMERIT	XXX	500,000	500,000	501,250	500,302		(276)		(276)		500,026		(26)	(26)	5,000	09/23/2013	1
0599999 Subtotal - Bonds - U.S. Governments					XXX	11,033,670	10,975,000	10,953,426	11,205,711		(302,241)		(302,241)		10,903,470		71,530	71,530	207,250	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
02004MB28	ALLY BK UT CD		07/30/2013	FIRSTMERIT	XXX	240,000	240,000	240,000	240,000						240,000					07/30/2013	1
05155TBK3	AURURA BK DE CD		07/19/2013	FIRSTMERIT	XXX	210,000	210,000	210,000	210,000						210,000					07/19/2013	1
47816HEM5	JOHNSON BANK WI CD		09/09/2013	FIRSTMERIT	XXX	200,000	200,000	200,000	200,000						200,000					09/09/2013	1
464287176	ISHARE BARCLAYS TIP BOND		07/15/2013	FIRSTMERIT	XXX	709,016		735,756	3,004,274						3,004,274		(62,589)	(62,589)	18,520		1
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	1,359,016	650,000	1,385,756	3,654,274						3,654,274		(62,589)	(62,589)	18,520	XXX	XXX
8399997 Subtotal - Bonds - Part 4					XXX	12,392,686	11,625,000	12,339,182	14,859,985		(302,241)		(302,241)		14,557,744		8,941	8,941	225,770	XXX	XXX
8399999 Subtotal - Bonds					XXX	12,392,686	11,625,000	12,339,182	14,859,985		(302,241)		(302,241)		14,557,744		8,941	8,941	225,770	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX		XXX													XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	12,392,686	XXX	12,339,182	14,859,985		(302,241)		(302,241)		14,557,744		8,941	8,941	225,770	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues ....0.

E06 Schedule DB Part A Section 1 . . . . NONE

E07 Schedule DB Part B Section 1 . . . . NONE

E08 Schedule DB Part D Section 1 . . . . NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity . . . . . . NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity . . . . . . NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets . . . . NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets . . . . NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository			2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter 6 First Month	7 Second Month	8 Third Month	9 *
open depositories										
FirstMerit Bank - Trust	Canton, Ohio			0.100	627		4,734,610	539,027	1,881,652	X X X
FirstMerit Bank - Brokered CDs	Canton, Ohio			0.100	51		471,896	250,745	27,773	X X X
Huntington National Bank	Canton, Ohio						5,766,829	24,221,387	5,994,632	X X X
FirstMerit Bank-ST CDs	Canton, Ohio									X X X
Huntington National Bank	Canton, Ohio						3,375,345	4,317,535	5,261,994	X X X
FirstMerit Bank - PIMCO	Canton, Ohio						930	930	930	X X X
FirstMerit Bank - Richmond Capital	Canton, Ohio			0.100	24		17,281	179,655	64,021	X X X
0199998 Deposits in ....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	701		14,366,892	29,509,279	13,231,002	X X X
0299998 Deposits in ....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	701		14,366,892	29,509,279	13,231,002	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	701		14,366,892	29,509,279	13,231,002	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

77216201336500103 2013 Document Code: 365

MEDICARE PART D COVERAGE SUPPLEMENT
Net of Reinsurance

NAIC Group Code: 0000 **NAIC Company Code: 77216**

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums Collected		XXX		XXX	
2. Earned Premiums		XXX		XXX	XXX
3. Claims Paid	191,062	XXX		XXX	191,062
4. Claims Incurred		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	XXX	(32)	XXX		(32)
6. Aggregate Policy Reserves - change		XXX		XXX	XXX
7. Expenses Paid		XXX		XXX	
8. Expenses Incurred		XXX		XXX	XXX
9. Underwriting Gain or Loss		XXX		XXX	XXX
10. Cash Flow Results	XXX	XXX	XXX	XXX	(191,030)

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

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