

QUARTERLY STATEMENT

OF THE

DELTA DENTAL PLAN

OF

ARKANSAS, INC.

of **SHERWOOD**

in the state of **ARKANSAS**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

March 31, 2008

HEALTH

2008



47155200820100101

HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2008
OF THE CONDITION AND AFFAIRS OF THE
Delta Dental Plan of Arkansas, Inc.

NAIC Group Code 0000 0 NAIC Company Code 47155 Employer's ID Number 71-0561140
(Current Period) (Prior Period)

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

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

Incorporated/Organized March 15, 1982 Commenced Business: August 1, 1982

Statutory Home Office: 1513 Country Club Road, Sherwood, AR 72120
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office: 1513 Country Club Road (Street and Number)
Sherwood, AR 72120 (City or Town, State and Zip Code) 501-835-3400 (Area Code) (Telephone Number)

Mail Address: 1513 Country Club Road, Sherwood, AR 72120
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records: 1513 Country Club Road Sherwood, AR 72120 501-835-3400
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address: www.deltadentalar.com

Statutory Statement Contact: Phyllis L Rogers 501-835-3400-1616
(Name) (Area Code) (Telephone Number) (Extension)
progers@deltadentalar.com 501-992-1617
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title
1. <u>Eddie Allen Choate</u>	<u>President and CEO</u>
2. <u>Robert Joe Matlock</u>	<u>Secretary</u>
3. <u>Ebb Weldon Johnson</u>	<u>Treasurer</u>

VICE-PRESIDENTS

Name	Title	Name	Title
<u>Ina Lynn Harbert</u>	<u>Senior Vice President and COO</u>	<u>Phyllis Lynn Rogers</u>	<u>Senior Vice President and CFO</u>
<u>Herman Eldon Hurd</u>	<u>Vice President of Provider Relations</u>	<u>Allen Dale Moore</u>	<u>Vice President of Information Technolog</u>
<u>Timothy Wayne Carney</u>	<u>Senior Vice President of Sales and M</u>	<u>James Durette Johnson</u>	<u>Senior Vice President of Business Devel</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

DIRECTORS OR TRUSTEES

<u>Ronald Paul Ownbey</u>	<u>Harold Wayne Perrin</u>	<u>Robert Joe Matlock</u>	<u>Robert Howard Gladden</u>
<u>Ebb Weldon Johnson</u>	<u>James Talbert Johnston</u>	<u>Daniel Austin Lieblong</u>	<u>Byron Scott Southern</u>
<u>Paul David Fitzgerald</u>	<u>Susan Jane Fletcher Smith</u>	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

State of _____
County of _____ ss

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.

_____ (Signature) <u>Eddie Allen Choate</u> (Printed Name) 1. President and CEO (Title)	_____ (Signature) <u>Robert Joe Matlock</u> (Printed Name) 2. Secretary (Title)	_____ (Signature) Not Required (Printed Name) 3. Treasurer (Title)
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Subscribed and sworn to before me this _____ day of _____, 2008

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

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	17,605,207	0	17,605,207	17,384,236
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	13,100,332	2,993,580	10,106,752	9,884,607
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	6,547,650	0	6,547,650	6,543,703
4.2 Properties held for the production of income (less \$ encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances)	36,807	0	36,807	36,807
5. Cash (\$ 4,459,017), cash equivalents (\$), and short-term investments (\$)	4,459,017	0	4,459,017	8,464,667
6. Contract loans (including \$ premium notes)	0	0	0	0
7. Other invested assets	0	0	0	0
8. Receivables for securities	0	0	0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	41,749,013	2,993,580	38,755,433	42,314,020
11. Title plants less \$ charged off (for Title insurers only)	0	0	0	0
12. Investment income due and accrued	200,184	0	200,184	205,734
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	342,784	0	342,784	362,754
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	0	0	0	0
13.3 Accrued retrospective premiums	0	0	0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	0	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0	0
15. Amounts receivable relating to uninsured plans	9,874,356	0	9,874,356	5,507,256
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
16.2 Net deferred tax asset	0	0	0	0
17. Guaranty funds receivable or on deposit	0	0	0	0
18. Electronic data processing equipment and software	2,938,376	1,581,182	1,357,194	1,592,765
19. Furniture and equipment, including health care delivery assets (\$)	406,666	406,666	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates	3,811	0	3,811	157,700
22. Health care (\$) and other amounts receivable	0	0	0	11,902
23. Aggregate write-ins for other than invested assets	470,702	470,702	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	55,985,892	5,452,130	50,533,762	50,152,131
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
26. Total (Lines 24 and 25)	55,985,892	5,452,130	50,533,762	50,152,131

DETAILS OF WRITE-IN LINES				
0901.	0	0	0	0
0902.	0	0	0	0
0903.	0	0	0	0
0998. Summary of remaining write-ins for Line 09 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	0	0	0	0
2301. Prepaid Expenses	470,702	470,702	0	0
2302.	0	0	0	0
2303.	0	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	470,702	470,702	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	2,326,585	0	2,326,585	2,167,570
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	87,956	0	87,956	84,310
4. Aggregate health policy reserves	0	0	0	0
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserve	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	789,519	0	789,519	1,281,055
9. General expenses due or accrued	843,692	0	843,692	1,126,556
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))	0	0	0	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	366,671	0	366,671	389,412
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	1,032,169	0	1,032,169	808,328
16. Payable for securities	0	0	0	0
17. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)	0	0	0	0
18. Reinsurance in unauthorized companies	0	0	0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
20. Liability for amounts held under uninsured plans	2,176,865	0	2,176,865	2,171,165
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	7,623,457	0	7,623,457	8,028,396
23. Aggregate write-ins for special surplus funds	X X X	X X X	0	0
24. Common capital stock	X X X	X X X	0	0
25. Preferred capital stock	X X X	X X X	0	0
26. Gross paid in and contributed surplus	X X X	X X X	0	0
27. Surplus notes	X X X	X X X	0	0
28. Aggregate write-ins for other than special surplus funds	X X X	X X X	50,000	50,000
29. Unassigned funds (surplus)	X X X	X X X	42,860,305	42,073,735
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24 \$)	X X X	X X X	0	0
30.2 shares preferred (value included in Line 25 \$)	X X X	X X X	0	0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	42,910,305	42,123,735
32. Total liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	50,533,762	50,152,131

DETAILS OF WRITE-IN LINES				
2101.	0	0	0	0
2102.	0	0	0	0
2103.	0	0	0	0
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	0	0	0	0
2301.	X X X	X X X	0	0
2302.	X X X	X X X	0	0
2303.	X X X	X X X	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X	0	0
2801. Surplus required by the Arkansas Insurance Department	X X X	X X X	50,000	50,000
2802.	X X X	X X X	0	0
2803.	X X X	X X X	0	0
2898. Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X	50,000	50,000

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	405,493	373,606	1,537,199
2. Net premium income (including \$ non-health premium income)	X X X	17,563,092	15,868,818	65,081,078
3. Change in unearned premium reserves and reserve for rate credits	X X X	0	0	0
4. Fee-for-service (net of \$ medical expenses)	X X X	0	0	0
5. Risk revenue	X X X	0	0	0
6. Aggregate write-ins for other health care related revenues	X X X	0	0	0
7. Aggregate write-ins for other non-health revenues	X X X	5,434	13,804	113,361
8. Total revenues (Lines 2 to 7)	X X X	17,568,526	15,882,622	65,194,439
Hospital and Medical:				
9. Hospital/medical benefits	0	13,793,274	12,198,015	47,862,962
10. Other professional services	0	0	0	0
11. Outside referrals	0	0	0	0
12. Emergency room and out-of-area	0	0	0	0
13. Prescription drugs	0	0	0	0
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts	0	0	0	0
16. Subtotal (Lines 9 to 15)	0	13,793,274	12,198,015	47,862,962
Less:				
17. Net reinsurance recoveries	0	0	0	0
18. Total hospital and medical (Lines 16 minus 17)	0	13,793,274	12,198,015	47,862,962
19. Non-health claims (net)	0	0	0	0
20. Claims adjustment expenses, including \$ cost containment expenses	0	918,631	815,929	2,655,009
21. General administrative expenses	0	1,894,588	1,810,434	8,121,714
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)	0	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	0	16,606,493	14,824,378	58,639,685
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	962,033	1,058,244	6,554,754
25. Net investment income earned	0	516,896	482,819	1,041,197
26. Net realized capital gains (losses) less capital gains tax of \$	0	(258,057)	15,624	434,173
27. Net investment gains (losses) (Lines 25 plus 26)	0	258,839	498,443	1,475,370
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]	0	0	0	0
29. Aggregate write-ins for other income or expenses	0	0	0	0
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	1,220,872	1,556,687	8,030,124
31. Federal and foreign income taxes incurred	X X X	0	0	0
32. Net income (loss) (Lines 30 minus 31)	X X X	1,220,872	1,556,687	8,030,124

DETAILS OF WRITE-IN LINES				
0601.	X X X	0	0	0
0602.	X X X	0	0	0
0603.	X X X	0	0	0
0698. Summary of remaining write-ins for Line 06 from overflow page	X X X	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	X X X	0	0	0
0701. Miscellaneous Income	X X X	5,434	13,804	113,361
0702.	X X X	0	0	0
0703.	X X X	0	0	0
0798. Summary of remaining write-ins for Line 07 from overflow page	X X X	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 above)	X X X	5,434	13,804	113,361
1401.	0	0	0	0
1402.	0	0	0	0
1403.	0	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901.	0	0	0	0
2902.	0	0	0	0
2903.	0	0	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	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	42,123,735	36,772,911	36,772,911
34. Net income or (loss) from Line 32	1,220,872	1,556,687	8,030,124
35. Change in valuation basis of aggregate policy and claim reserves	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(1,057,370)	180,081	(1,576,702)
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38. Change in net deferred income tax	0	0	0
39. Change in nonadmitted assets	623,068	144,461	(1,102,598)
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock	0	0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles	0	0	0
44. Capital Changes:			
44.1 Paid in	0	0	0
44.2 Transferred from surplus (Stock Dividend)	0	0	0
44.3 Transferred to surplus	0	0	0
45. Surplus adjustments:			
45.1 Paid in	0	0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital	0	0	0
46. Dividends to stockholders	0	0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	786,570	1,881,229	5,350,824
49. Capital and surplus end of reporting period (Line 33 plus 48)	42,910,305	38,654,140	42,123,735

DETAILS OF WRITE-IN LINES			
4701.	0	0	0
4702.	0	0	0
4703.	0	0	0
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)	0	0	0

CASH FLOW

	1	2
	Current Year To Date	Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	17,091,526	65,751,064
2. Net investment income	460,782	1,028,681
3. Miscellaneous income	17,336	76,554
4. Total (Lines 1 to 3)	17,569,644	66,856,299
5. Benefit and loss related payments	13,439,924	47,770,037
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	7,336,994	10,356,445
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	20,776,918	58,126,482
11. Net cash from operations (Line 4 minus Line 10)	(3,207,274)	8,729,817
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	6,862,248
12.2 Stocks	920,102	4,062,287
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	660,209
12.8 Total investment proceeds (Lines 12.1 to 12.7)	920,102	11,584,744
13. Cost of investments acquired (long-term only):		
13.1 Bonds	207,362	10,594,534
13.2 Stocks	1,475,124	8,222,696
13.3 Mortgage loans	0	0
13.4 Real estate	35,992	70,696
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	1,194,076
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,718,478	20,082,002
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(798,376)	(8,497,258)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	0	0
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)	(4,005,650)	232,559
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	8,464,667	8,232,108
19.2 End of period (Line 18 plus Line 19.1)	4,459,017	8,464,667

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001	0	0
20.0002	0	0
20.0003	0	0

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	132,689	0	0	0	1,641	131,048	0	0	0	0
2. First Quarter	138,755	0	0	0	3,891	134,864	0	0	0	0
3. Second Quarter	0	0	0	0	0	0	0	0	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	405,493	0	0	0	8,781	396,712	0	0	0	0
Total Member Ambulatory Encounters for Period:										
7. Physician	0	0	0	0	0	0	0	0	0	0
8. Non-Physician	0	0	0	0	0	0	0	0	0	0
9. Totals	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0	0	0	0	0	0	0	0	0	0
11. Number of Inpatient Admissions	0	0	0	0	0	0	0	0	0	0
12. Health Premiums Written (a)	17,091,526	0	0	0	214,450	16,877,076	0	0	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	17,563,092	0	0	0	183,181	17,379,911	0	0	0	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	13,634,259	0	0	0	90,349	13,543,910	0	0	0	0
18. Amount Incurred for Provision of Health Care Services	13,793,274	0	0	0	91,403	13,701,871	0	0	0	0

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

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)	0	0	0	0	0	0
2. Medicare Supplement	0	0	0	0	0	0
3. Dental only	1,367,038	12,176,872	249,286	2,061,065	1,616,324	2,151,336
4. Vision only	14,482	75,867	1,752	14,482	16,234	16,234
5. Federal Employees Health Benefits Plan	0	0	0	0	0	0
6. Title XVIII - Medicare	0	0	0	0	0	0
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	1,381,520	12,252,739	251,038	2,075,547	1,632,558	2,167,570
10. Health care receivables (a)	0	0	0	0	0	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	0	0	0	0	0
13. Totals	1,381,520	12,252,739	251,038	2,075,547	1,632,558	2,167,570

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. No Change
- b. No Change
- c. (1) No Change
- (2) No Change
- (3) No Change
- (4) No Change
- (5) No Change
- (6) No Change
- (7) No Change
- d. No Change

NOTE 2 - ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No Change

NOTE 3 - BUSINESS COMBINATIONS AND GOODWILL

No Change

NOTE 4 - DISCONTINUED OPERATIONS

No Change

NOTE 5 - INVESTMENTS

No Change

NOTE 6 - JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No Change

NOTE 7 - INVESTMENT INCOME

No Change

NOTE 8 - DERIVATIVE INSTRUMENTS

No Change

NOTE 9 - INCOME TAXES

No Change

NOTE 10 - INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No Change

NOTE 11 - DEBT

No Change

NOTE 12 - RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSESNES AND OTHER POSTRETIREMENT BENEFIT PLANS

No Change

NOTE 13 - CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No Change

NOTE 14 CONTINGENCIES **NOTES TO FINANCIAL STATEMENTS**

No Change

NOTE 15 - LEASES

No Change

NOTE 16 - INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No Change

NOTE 17 - SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES

No Change

NOTE 18 - GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND FROM THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

b. The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows for the three months ended March 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
(a) Gross reimbursement for medical costs incurred	\$ 58,301,177	\$ 51,357,558
(b) Gross Administrative fees accrued	3,377,321	3,006,182
(c) Other income and expenses	(61,678,498)	(54,363,740)
(d) Total net gain or loss from operations	-	-
(e) Total net Gain or loss from operations	<u>\$ -</u>	<u>\$ -</u>

NOTE 19 - DIRECT PREMIUMS WRITTEN OR PRODUCED BY MANAGING GENERAL AGENTS OR THIRD PARTY ADMINISTRATORS

No Change

NOTE 20 - OTHER ITEMS

No Change

NOTE 21 - EVENTS SUBSEQUENT

On April 16, 2008, DDAR closed on the purchase of 40,000 square foot building in Little Rock, Arkansas. The new building will serve as an alternate work site and disaster recovery site. The total purchase price of the building and land was \$2,103,155.50.

NOTE 22 - REINSURANCE

Delta Dental Insurance Company (DDIC) and the United States Department of Veterans Affairs ("VA") have entered into a dental service contract pursuant to Project HERO (Healthcare Effectiveness through Resource Optimization), whereby DDIC has agreed to arrange for eligible VA patients to obtain access to dental services from Delta Dental network dentists and to pay for those dental services in return for a fixed price per procedure reimbursement from the VA when such dental services are not otherwise available at the VA. Through a contract with DDIC effective January 14, 2008, DDAR is acting as a reinsurer for this business and, via trust agreement, assuming a 3.9% quota share of DDIC's liability arising out of the VA HERO Contract. As of March 31, 2008, no transactions had been conducted under this agreement.

NOTE 23 - RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

No Change

NOTE 24 - CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

No Change

NOTE 25 - INTERCOMPANY POOLING ARRANGEMENTS

No Change

NOTES TO FINANCIAL STATEMENTS

NOTE 26 - STRUCTURED SETTLEMENTS

No Change

NOTE 27 - HEALTH CARE RECEIVABLES

No Change

NOTE 28 - PARTICIPATING POLICIES

No Change

NOTE 29 - PREMIUM DEFICIENCY RESERVES

No Change

NOTE 30 - ANTICIPATED SALVAGE AND SUBROGATION

No Change

NOTE 31 - ORGANIZATION AND OPERATION

No Change

NOTE 32 - MINIMUM NET WORTH

No Change

NOTE 33 - PROPERTY AND EQUIPMENT

No Change

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

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 [X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y – Part 1 – organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [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. _____ 08/10/2005
- 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. _____ 09/19/2005
- 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). _____ 09/19/2005
- 6.4 By what department or departments?
Arkansas Insurance Department

- 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 [X] No [] N/A []
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES (Continued)

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 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

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

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

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

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ _____ 0

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

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	\$ 0	\$ 0
14.22 Preferred Stock	\$ 0	\$ 0
14.23 Common Stock	\$ 918,880	\$ 1,047,361
14.24 Short-Term Investments	\$ 0	\$ 0
14.25 Mortgage Loans on Real Estate	\$ 0	\$ 0
14.26 All Other	\$ 0	\$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 918,880	\$ 1,047,361
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

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

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G – Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

GENERAL INTERROGATORIES (Continued)

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

1 Name of Custodian(s)	2 Custodian Address
Stephens Capital Management	111 Center Street, Little Rock, AR 72201

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

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

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

Yes [] No [X]

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

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

16.5 Identify all investment advisors, 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 Central Registration Depository	2 Name(s)	3 Address
184352813	Stephens Capital Mangement	111 Center Street, Little Rock, AR 72201
184354153		
183462370		
185569879		
185579341		

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

Yes [X] No []

17.2 If no, list exceptions:

.....

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 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
NONE						

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

States, Etc.	1		Direct Business Only							
	Active Status	L	2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property / Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama	AL	N	0	0	0	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0	0	0	0
4. Arkansas	AR	L	17,091,526	0	0	0	0	0	17,091,526	0
5. California	CA	N	0	0	0	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0	0	0	0
9. District of Columbia	DC	N	0	0	0	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal		XXX	17,091,526	0	0	0	0	0	17,091,526	0
60. Reporting entity contributions for Employee Benefit Plans		XXX	0	0	0	0	0	0	0	0
61. Totals (Direct Business)		(a) 1	17,091,526	0	0	0	0	0	17,091,526	0

DETAILS OF WRITE-INS										
5801		XXX	0	0	0	0	0	0	0	0
5802		XXX	0	0	0	0	0	0	0	0
5803		XXX	0	0	0	0	0	0	0	0
5898	Summary of remaining write-ins for Line 58	XXX	0	0	0	0	0	0	0	0
5899	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

NONE Schedule Y - Part 1

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:

Bar Code:



47155200836500001

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	6,580,509	6,600,139
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions	35,992	70,696
2.2 Additional investment made after acquisitions	0	36,806
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	32,044	127,132
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	6,584,457	6,580,509
10. Deduct total nonadmitted amount	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	6,584,457	6,580,509

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	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions	0	0
2.2 Additional investment made after acquisitions	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest	0	0
10. Deduct current year's other than temporary impairment recognized	0	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. Deduct total nonadmitted accounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

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	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions	0	0
2.2 Additional investment made after acquisitions	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	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 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	31,244,976	25,437,604
2. Cost of bonds and stocks acquired	1,682,482	18,817,230
3. Accrual of discount	13,608	58,654
4. Unrealized valuation increase (decrease)	(1,057,370)	(2,566,209)
5. Total gain (loss) on disposals	(258,055)	434,173
6. Deduct consideration for bonds and stocks disposed of	920,102	10,924,532
7. Deduct amortization of premium	0	11,944
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	30,705,539	31,244,976
11. Deduct total nonadmitted amounts	2,993,580	3,976,133
12. Statement value at end of current period (Line 10 minus Line 11)	27,711,959	27,268,843

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)	5,357,298	0	0	0	5,357,298	0	0	5,357,298
2. Class 2 (a)	12,026,938	207,362	0	0	12,234,300	0	0	12,026,938
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	0	0	0	0	0	0	0	0
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	17,384,236	207,362	0	0	17,591,598	0	0	17,384,236
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	17,384,236	207,362	0	0	17,591,598	0	0	17,384,236

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(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 \$

NONE Schedule DA - Part 1 and Verification

NONE Schedule DB - Part F - Section 1

NONE Schedule DB - Part F - Section 2

NONE Schedule E Verification

NONE Schedule B - Part 2 and 3

NONE Schedule BA - Part 2 and 3

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
31359M-ZC-0	Federal National Mortgage Association (10/15/2015) (4.375%)		03/20/2008	Stephens Capital Management		207,362	200,000.00	3,865	ZZ
1099999	Total Bonds All Other Governments				X X X	207,362	200,000.00	3,865	X X X
6099997	Total Bonds Part 3				X X X	207,362	200,000.00	3,865	X X X
6099998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
6099999	Total Bonds				X X X	207,362	200,000.00	3,865	X X X
313904-30-5	Alcatel-Lucent		02/20/2008	Stephens Capital Management	5,265.000	31,853			0 L
060505-10-4	Bank of America Corporation		02/20/2008	Stephens Capital Management	590.000	25,252			0 L
060505-10-4	Bank of America Corporation		03/25/2008	Stephens Capital Management	140.000	5,730			0 L
110122-10-8	Bristol-Myers Squibb Company		02/20/2008	Stephens Capital Management	1,110.000	25,574			0 L
14040H-10-5	Capital One Financial		02/20/2008	Stephens Capital Management	645.000	31,521			0 L
172967-10-1	Citigroup, Inc.		02/20/2008	Stephens Capital Management	1,520.000	38,730			0 L
285661-10-4	Electronic Data Systems Corporation		03/25/2008	Stephens Capital Management	1,865.000	32,131			0 L
313586-10-9	Federal National Mortgage Association		02/20/2008	Stephens Capital Management	1,635.000	48,462			0 L
313400-30-1	Freddie Mac		02/20/2008	Stephens Capital Management	1,645.000	46,934			0 L
437076-10-2	Home Depot		02/20/2008	Stephens Capital Management	1,030.000	28,490			0 L
708160-10-6	JC Penney Company		02/20/2008	Stephens Capital Management	680.000	32,695			0 L
532716-10-7	Limited Brands, Inc.		01/08/2008	Stephens Capital Management	1,005.000	16,090			0 L
532716-10-7	Limited Brands, Inc.		02/20/2008	Stephens Capital Management	885.000	15,638			0 L
594918-10-4	Microsoft Corporation		03/25/2008	Stephens Capital Management	1,080.000	31,525			0 L
929903-10-2	Wachovia Corp		02/20/2008	Stephens Capital Management	1,165.000	39,634			0 L
929903-10-2	Wachovia Corp		03/25/2008	Stephens Capital Management	855.000	25,608			0 L
939322-10-3	Washington Mutual, Inc.		02/20/2008	Stephens Capital Management	1,365.000	23,123			0 L
939322-10-3	Washington Mutual, Inc.		03/25/2008	Stephens Capital Management	875.000	11,026			0 L
G98255-10-5	XL Capital Ltd.		02/20/2008	Stephens Capital Management	410.000	15,669			0 L
013904-30-5	Alcatel-Lucent		02/20/2008	Stephens Capital Management	6,290.000	38,180			0 L
05329W-10-2	Autonation, Inc.		02/20/2008	Stephens Capital Management	2,670.000	41,427			0 L
07556Q-10-5	Beazer Homes USA, Inc.		03/06/2008	Stephens Capital Management	1,810.000	11,909			0 L
126117-10-0	CNA Financial Corporation		03/06/2008	Stephens Capital Management	525.000	13,519			0 L
152312-10-4	Centex Corporation		02/20/2008	Stephens Capital Management	925.000	21,752			0 L
17285T-10-6	Citadel Broadcasting Corporation		03/06/2008	Stephens Capital Management	13,560.000	18,577			0 L
125581-10-8	CIT Group, Inc.		02/20/2008	Stephens Capital Management	780.000	19,483			0 L
200340-10-7	Comerica		03/06/2008	Stephens Capital Management	715.000	25,475			0 L
208464-88-3	Conseco, Inc.		03/06/2008	Stephens Capital Management	1,235.000	12,847			0 L
254709-10-8	Discover Financial Services		02/20/2008	Stephens Capital Management	2,590.000	37,710			0 L
285661-10-4	Electronic Data Systems Corporation		03/06/2008	Stephens Capital Management	1,235.000	20,810			0 L
285661-10-4	Electronic Data Systems Corporation		03/25/2008	Stephens Capital Management	925.000	15,938			0 L
320517-10-5	First Horizon National Corp		02/20/2008	Stephens Capital Management	2,545.000	47,247			0 L
344849-10-4	Foot Locker		03/06/2008	Stephens Capital Management	1,655.000	19,394			0 L
451663-10-8	Idearc, Inc.		03/06/2008	Stephens Capital Management	620.000	3,255			0 L
451713-10-1	IKON Office Solutions, Inc.		03/06/2008	Stephens Capital Management	1,995.000	14,324			0 L
460690-10-0	Interpublic Group of Companies		03/06/2008	Stephens Capital Management	810.000	6,788			0 L
480074-10-3	Jones Apparel Group		02/20/2008	Stephens Capital Management	2,805.000	41,963			0 L

E4

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
493267-10-8	KeyCorp		02/20/2008	Stephens Capital Management	965.000	22,667		0	L
532716-10-7	Limited Brands, Inc.		01/08/2008	Stephens Capital Management	4,135.000	66,243		0	L
56418H-10-0	Manpower, Inc.		02/20/2008	Stephens Capital Management	1,010.000	56,834		0	L
635405-10-3	National City Corp		03/06/2008	Stephens Capital Management	305.000	4,487		0	L
693320-20-2	PHH Corporation		03/06/2008	Stephens Capital Management	780.000	14,844		0	L
745867-10-1	Pulte Home, Inc.		03/06/2008	Stephens Capital Management	685.000	8,356		0	L
74955W-30-7	RH Donnelley		03/06/2008	Stephens Capital Management	3,775.000	21,279		0	L
76009N-10-0	Rent A Center, Inc.		02/20/2008	Stephens Capital Management	260.000	4,930		0	L
76009N-10-0	Rent A Center, Inc.		03/06/2008	Stephens Capital Management	300.000	4,956		0	L
879664-10-0	Tellabs, Inc.		02/20/2008	Stephens Capital Management	2,885.000	19,330		0	L
939322-10-3	Washington Mutual, Inc.		03/25/2008	Stephens Capital Management	1,560.000	19,765		0	L
G98255-10-5	XL Capital Ltd.		03/06/2008	Stephens Capital Management	760.000	25,369		0	L
464287-48-1	Ishares Russell Midcap Index Growth Fund		03/18/2008	Stephens Capital Management	500.000	50,100		0	L
464287-59-8	IShares Trust Russell 1000 Value Index Fund		03/18/2008	Stephens Capital Management	3,000.000	219,681		0	L
6899999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				X X X	1,475,124	X X X	0	X X X
7299997	Total Common Stock Part 3				X X X	1,475,124	X X X	0	X X X
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stock				X X X	1,475,124	X X X	0	X X X
7399999	Total Preferred and Common Stock				X X X	1,475,124	X X X	0	X X X
7499999	Totals				X X X	1,682,486	X X X	3,865	X X X

E04.1

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

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	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
89417E-10-9	The Travelers Companies		02/20/2008	Market	1,550.00	74,374		60,674	83,390	0	0	0	0	0	83,390	0	13,700	13,700	0		L
931142-10-3	Wal-Mart Stores		02/20/2008	Market	710.00	35,251		31,119	33,746	0	0	0	0	0	33,746	0	4,132	4,132	0		L
30161N-10-0	Exelon Corp		02/20/2008	Market	755.00	58,934		46,921	61,638	0	0	0	0	0	61,638	0	12,013	12,013	0		L
908906-10-0	Unionbancal Corp		02/20/2008	Market	340.00	16,706		20,711	16,629	0	0	0	0	0	16,629	0	(4,006)	(4,006)	0		L
526057-10-4	Lennar Corporation		02/20/2008	Market	2,715.00	51,340		151,063	48,571	0	0	0	0	0	48,571	0	(99,723)	(99,723)	0		L
277432-10-0	Eastman Chemical		02/20/2008	Market	400.00	26,615		22,275	24,436	0	0	0	0	0	24,436	0	4,341	4,341	0		L
29364G-10-3	Entergy Corporation		02/20/2008	Market	285.00	30,233		29,867	34,063	0	0	0	0	0	34,063	0	366	366	0		L
152312-10-4	Centex Corporation		03/25/2008	Market	145.00	3,715		6,942	3,663	0	0	0	0	0	3,663	0	(3,227)	(3,227)	0		L
G98255-10-5	XL Capital Ltd.		03/25/2008	Market	275.00	8,972		17,435	13,786	0	0	0	0	0	13,786	0	(8,463)	(8,463)	0		L
889478-10-3	Toll Brothers, Inc.		01/08/2008	Market	2,635.00	42,887		78,542	52,858	0	0	0	0	0	52,858	0	(35,656)	(35,656)	0		L
074002-10-6	Bearingpoint, Inc.		01/08/2008	Market	5,015.00	12,738		35,972	14,192	0	0	0	0	0	14,192	0	(23,233)	(23,233)	0		L
277432-10-0	Eastman Chemical Co.		02/20/2008	Market	205.00	13,680		11,424	3,667	0	0	0	0	0	3,667	0	2,256	2,256	0		L
05548J-10-6	BJ's Wholesale Club, Inc.		02/20/2008	Market	1,125.00	36,562		35,300	38,059	0	0	0	0	0	38,059	0	1,263	1,263	0		L
34354P-10-5	Flowserve Corporation		02/20/2008	Market	320.00	32,073		12,087	30,784	0	0	0	0	0	30,784	0	19,986	19,986	0		L
670006-10-5	Novell, Inc.		02/20/2008	Market	4,320.00	28,641		30,277	29,678	0	0	0	0	0	29,678	0	(1,635)	(1,635)	0		L
988498-10-1	YUM Brands, Inc.		02/20/2008	Market	280.00	9,789		0	10,716	0	0	0	0	0	10,716	0	9,789	9,789	0		L
053774-10-5	Avis Budget Group Inc.		03/06/2008	Market	750.00	8,085		15,818	9,750	0	0	0	0	0	9,750	0	(7,733)	(7,733)	0		L
205944-10-1	Con-Way, Inc.		03/06/2008	Market	640.00	29,993		29,391	26,586	0	0	0	0	0	26,586	0	602	602	0		L
532716-10-7	Limited Brands, Inc.		03/06/2008	Market	1,355.00	20,284		36,923	25,650	0	0	0	0	0	25,650	0	(16,639)	(16,639)	0		L
152312-10-4	Centex Corporation		03/06/2008	Market	855.00	22,044		51,050	21,597	0	0	0	0	0	21,597	0	(29,007)	(29,007)	0		L
790148-10-0	St. Joe Company		03/06/2008	Market	2,660.00	116,359		162,188	94,457	0	0	0	0	0	94,457	0	(45,828)	(45,828)	0		L
464287-47-3	Ishares Russell Midcap Value		03/18/2008	Market	100.00	12,770		14,630	14,106	0	0	0	0	0	14,106	0	(1,860)	(1,860)	0		L
462487-63-0	Ishares Trust Russell 2000 Value Shares		03/18/2008	Market	3,500.00	228,057		277,550	246,680	0	0	0	0	0	246,680	0	(49,493)	(49,493)	0		L
6899999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	920,102	X X X	1,178,159	938,702	0	0	0	0	0	938,702	0	(258,055)	(258,055)	0	X X X	X X X
7299997	Total - Common Stock - Part 4				X X X	920,102	X X X	1,178,159	938,702	0	0	0	0	0	938,702	0	(258,055)	(258,055)	0	X X X	X X X
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stocks				X X X	920,102	X X X	1,178,159	938,702	0	0	0	0	0	938,702	0	(258,055)	(258,055)	0	X X X	X X X
7399999	Total Preferred and Common Stocks				X X X	920,102	X X X	1,178,159	938,702	0	0	0	0	0	938,702	0	(258,055)	(258,055)	0	X X X	X X X
7499999	Totals					920,102	X X X	1,178,159	938,702	0	0	0	0	0	938,702	0	(258,055)	(258,055)	0	X X X	X X X

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

NONE Schedule DB - Part A and B - Section 1

NONE Schedule DB - Part C and D - Section 1

NONE Schedule E - Part 2