



ANNUAL STATEMENT

For the Year Ending December 31, 2005
of the Condition and Affairs of the

HMO Partners, Inc

NAIC Group Code.....876, 876
(Current Period) (Prior Period)

NAIC Company Code..... 95442

Employer's ID Number..... 71-0747497

Organized under the Laws of Arkansas

State of Domicile or Port of Entry Arkansas

Country of Domicile US

Licensed as Business Type.....

Is HMO Federally Qualified? Yes [X] No []

Incorporated/Organized..... November 8, 1993

Commenced Business..... January 1, 1994

Statutory Home Office 320 West Capitol... Little Rock AR 72203-8069
(Street and Number) (City, State and Zip Code)

Main Administrative Office 320 West Capitol... Little Rock AR 72203-8069
(Street and Number) (City, State and Zip Code)

501-221-1800
(Area Code) (Telephone Number)

Mail Address 320 West Capitol... Little Rock AR 72203-8069
(Street and Number or P. O. Box) (City, State and Zip Code)

Primary Location of Books and Records 601 S. Gaines... Little Rock AR 72201
(Street and Number) (City, State and Zip Code)

501-378-2000
(Area Code) (Telephone Number)

Internet Website Address healthadvantage-hmo.com

Statutory Statement Contact Scott Bradley Winter
(Name)

501-399-3951
(Area Code) (Telephone Number) (Extension)

sbwinter@arkbluecross.com
(E-Mail Address)

501-378-3258
(Fax Number)

Policyowner Relations Contact 320 West Capitol... Little Rock AR 72203-8069
(Street and Number) (City, State and Zip Code)

800-843-1329
(Area Code) (Telephone Number) (Extension)

OFFICERS

| Name | Title | Name | Title |
|------------------------|--------------------|-------------------------|---------------------|
| 1. David Frank Bridges | President | 2. Scott Bradley Winter | Assistant Treasurer |
| 3. Steven James Short | Vice President/CFO | 4. Robert Lee Shoptaw | Treasurer |

OTHER

Russell Doyne Harrington Jr. Secretary

DIRECTORS OR TRUSTEES

| | | | |
|-------------------------------|------------------------------|------------------------------|-------------------------|
| James Sterling Adamson Jr. MD | Sharon Kay Allen | Richard Allen Calhoun Jr. MD | David Warren Cobb R.PH. |
| Richard Loyd Gore DDS | Russell Doyne Harrington Jr. | Randal Freeland Hundley MD | Nikita Jean Wilson RN |
| William Patton Phillips MD | Robert Lee Shoptaw | Allen Frances Smith | Michael David Voss |
| Paul Mark White | James Robert Bailey | David Frank Bridges | Michael Wayne Brown |
| James Bruce Hazlewood MD | Merlin Moody Hagan | Clement Wade Fox MD | Robert Lee Trammel |

State of..Arkansas
County of..Pulaski

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) David Frank Bridges 1. (Printed Name) President (Title) | _____ (Signature) Scott Bradley Winter 2. (Printed Name) Assistant Treasurer (Title) | _____ (Signature) Steven James Short 3. (Printed Name) Vice President/CFO (Title) |
|--|---|--|

Subscribed and sworn to before me

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

This _____ day of _____

b. If no 1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

| 1 Name of Debtor | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 Over 90 Days | 6 Nonadmitted | 7 Admitted |
|---|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| A&H Premiums Due and Unpaid | | | | | | |
| 0299998. Premiums due and unpaid not individually listed..... | 706,123 | 92,418 | | | | 798,541 |
| 0299999. Total group..... | 706,123 | 92,418 | 0 | 0 | 0 | 798,541 |
| 0599999. Accident and health premiums due and unpaid (Page 2, Line 13)..... | 706,123 | 92,418 | 0 | 0 | 0 | 798,541 |

EXHIBIT 3 - HEALTH CARE RECEIVABLES

| 1 Name of Debtor | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 Over 90 Days | 6 Nonadmitted | 7 Admitted |
|---|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| Pharmaceutical Rebate Receivables | | | | | | |
| 0199998. Pharmaceutical Rebate Receivables Not Listed Individually..... | 109,366 | 109,366 | 109,366 | 406,804 | 406,804 | 328,098 |
| 0199999. Total Pharmaceutical Rebate Receivables..... | 109,366 | 109,366 | 109,366 | 406,804 | 406,804 | 328,098 |
| Other Receivables | | | | | | |
| 0699998. Other Receivables Not Listed Individually..... | 277,637 | 0 | 0 | 0 | 0 | 277,637 |
| 0699999. Total Other Receivables..... | 277,637 | 0 | 0 | 0 | 0 | 277,637 |
| 0799999. Total Health Care Receivables..... | 387,003 | 109,366 | 109,366 | 406,804 | 406,804 | 605,735 |

EXHIBIT 4 - 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 |
|--|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| Claims Unpaid (Reported) | | | | | | |
| 0399999. Aggregate accounts not individually listed - covered..... | 2,141,500 | 126,830 | 68,867 | 305,923 | | 2,643,120 |
| 0499999. Subtotals..... | 2,141,500 | 126,830 | 68,867 | 305,923 | 0 | 2,643,120 |
| 0599999. Unreported claim and other claim reserves..... | | | | | | 7,974,900 |
| 0699999. Total amounts withheld..... | | | | | | 11,005,423 |
| 0799999. Total claims unpaid..... | | | | | | 21,623,443 |

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

| 1 Name of Affiliate | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 Over 90 Days | 6 Nonadmitted | Admitted | |
|---|------------------|-------------------|-------------------|-------------------|------------------|--------------|------------------|
| | | | | | | 7 Current | 8 Non-Current |
| Amounts Due From Parent, Subsidiaries and Affiliates | | | | | | | |
| Arkansas Blue Cross and Blue Shield..... | 1,125,217 | | | | | 1,125,217 | |
| US Able Corporation..... | (645) | | | | | (645) | |
| Baptist Health..... | 9,140 | | | | | 9,140 | |
| 0199999. Individually listed receivables..... | 1,133,712 | 0 | 0 | 0 | 0 | 1,133,712 | 0 |
| 0399999. Total gross amounts receivable..... | 1,133,712 | 0 | 0 | 0 | 0 | 1,133,712 | 0 |

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

| 1 Affiliate | 2 Description | 3 Amount | 4 Current | 5 Non-Current |
|---|------------------|-------------|--------------|------------------|
| Amounts Due To Parent, Subsidiaries and Affiliates | | | | |
| Arkansas Blue Cross and Blue Shield..... | | 5,581,455 | 5,581,455 | |
| USAble Life..... | | 40,766 | 40,766 | |
| AHIN..... | | 10,626 | 10,626 | |
| Pinnacle Business Solutions..... | | .20 | .20 | |
| 0199999. Individually listed payables..... | | 5,632,867 | 5,632,867 | 0 |
| 0399999. Total gross payables..... | | 5,632,867 | 5,632,867 | 0 |

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

| Payment Method | 1 Direct Medical Expense Payment | 2 Column 1 as a % of Total | 3 Total Members Covered | 4 Column 3 as a % of Total | 5 Column 1 Expenses Paid to Affiliated Providers | 6 Column 1 Expenses Paid to Non-Affiliated Providers |
|--|--|-------------------------------------|----------------------------------|-------------------------------------|--|--|
| Capitation Payments: | | | | | | |
| 1. Medical groups..... | 230,233 | 0.2 | 1,353 | 100.0 | 230,233 | |
| 2. Intermediaries..... | | 0.0 | | | | |
| 3. All other providers..... | | 0.0 | | | | |
| 4. Total capitation payments..... | 230,233 | 0.2 | 1,353 | 100.0 | 230,233 | 0 |
| Other Payments: | | | | | | |
| 5. Fee-for-service..... | 5,054,767 | 3.9 | XXX | .XXX | | 5,054,767 |
| 6. Contractual fee payments..... | | 0.0 | XXX | .XXX | | |
| 7. Bonus/withhold arrangements - fee-for-service..... | | 0.0 | XXX | .XXX | | |
| 8. Bonus/withhold arrangements - contractual fee payments..... | 124,279,993 | 95.9 | XXX | .XXX | 124,279,993 | |
| 9. Non-contingent salaries..... | | 0.0 | XXX | .XXX | | |
| 10. Aggregate cost arrangements..... | | 0.0 | XXX | .XXX | | |
| 11. All other payments..... | | 0.0 | XXX | .XXX | | |
| 12. Total other payments..... | 129,334,760 | 99.8 | XXX | .XXX | 124,279,993 | 5,054,767 |
| 13. Total (Line 4 plus Line 12)..... | 129,564,993 | 100.0 | XXX | .XXX | 124,510,226 | 5,054,767 |

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EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

| 1 NAIC Code | 2 Name of Intermediary | 3 Capitation Paid | 4 Average Monthly Capitation | 5 Intermediary's Total Adjusted Capital | 6 Intermediary's Authorized Control Level RBC |
|-------------------|------------------------------|-------------------------|---------------------------------------|--|--|
|-------------------|------------------------------|-------------------------|---------------------------------------|--|--|

NONE

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

| | 1 | 2 | 3 | 4 | 5 | 6 |
|---|-----------|--------------|-----------------------------|------------------------------------|---------------------------|------------------------|
| Description | Cost | Improvements | Accumulated Depreciation | Book Value Less Encumbrances | Assets Not Admitted | Net Admitted Assets |
| 1. Administrative furniture and equipment..... | 3,718,259 | | 3,718,259 | | | .0 |
| 2. Medical furniture, equipment and fixtures..... | | | | | | .0 |
| 3. Pharmaceuticals and surgical supplies..... | | | | | | .0 |
| 4. Durable medical equipment..... | | | | | | .0 |
| 5. Other property and equipment..... | | | | | | .0 |
| 6. Total..... | 3,718,259 | 0 | 3,718,259 | 0 | 0 | .0 |



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....HMO Partners, Inc 2. Little Rock, AR

BUSINESS IN THE STATE OF ARKANSAS DURING THE YEAR

(Location)

NAIC Group Code.....876

NAIC Company Code.....95442

| | 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 Stop Loss | 11 Disability Income | 12 Long-Term Care | 13 Other |
|--|-------------|------------------------------------|-------------|--------------------------|------------------|------------------|--|---------------------------|-------------------------|-----------------|-------------------------|----------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | | | | |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior year..... | 70,708 | | 70,708 | | | | | | | | | | |
| 2. First quarter..... | 67,366 | | 67,366 | | | | | | | | | | |
| 3. Second quarter..... | 67,741 | | 67,741 | | | | | | | | | | |
| 4. Third quarter..... | 68,842 | | 68,842 | | | | | | | | | | |
| 5. Current year..... | 51,965 | | 51,965 | | | | | | | | | | |
| 6. Current year member months..... | 764,801 | | 764,801 | | | | | | | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | |
| 7. Physician..... | 54,104 | | 54,104 | | | | | | | | | | |
| 8. Non-physician..... | 70,704 | | 70,704 | | | | | | | | | | |
| 9. Totals..... | 124,808 | 0 | 124,808 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital patient days incurred..... | 19,375 | | 19,375 | | | | | | | | | | |
| 11. Number of inpatient admissions..... | 5,341 | | 5,341 | | | | | | | | | | |
| 12. Health premiums written..... | 165,681,824 | | 165,681,824 | | | | | | | | | | |
| 13. Life premiums direct..... | 0 | | | | | | | | | | | | |
| 14. Property/casualty premiums written..... | 0 | | | | | | | | | | | | |
| 15. Health premiums earned..... | 165,681,824 | | 165,681,824 | | | | | | | | | | |
| 16. Property/casualty premiums earned..... | 0 | | | | | | | | | | | | |
| 17. Amount paid for provision of health care services..... | 129,564,993 | | 129,564,993 | | | | | | | | | | |
| 18. Amount incurred for provision of health care services..... | 126,527,073 | | 126,527,073 | | | | | | | | | | |

30.AR

(a) For health business: number of persons insured under PPO managed care products..... and number of persons insured under indemnity only products.....0.



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....HMO Partners, Inc

2. Little Rock, AR

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR

(Location)

NAIC Group Code.....876

NAIC Company Code.....95442

| | 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 Stop Loss | 11 Disability Income | 12 Long-Term Care | 13 Other |
|--|-------------|------------------------------------|-------------|--------------------------|------------------|------------------|--|---------------------------|-------------------------|-----------------|-------------------------|----------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | | | | |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior year..... | 70,708 | | 70,708 | | | | | | | | | | |
| 2. First quarter..... | 67,366 | | 67,366 | | | | | | | | | | |
| 3. Second quarter..... | 67,741 | | 67,741 | | | | | | | | | | |
| 4. Third quarter..... | 68,842 | | 68,842 | | | | | | | | | | |
| 5. Current year..... | 51,965 | | 51,965 | | | | | | | | | | |
| 6. Current year member months..... | 764,801 | | 764,801 | | | | | | | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | |
| 7. Physician..... | 54,104 | | 54,104 | | | | | | | | | | |
| 8. Non-physician..... | 70,704 | | 70,704 | | | | | | | | | | |
| 9. Totals..... | 124,808 | 0 | 124,808 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital patient days incurred..... | 19,375 | | 19,375 | | | | | | | | | | |
| 11. Number of inpatient admissions..... | 5,341 | | 5,341 | | | | | | | | | | |
| 12. Health premiums written..... | 165,681,824 | | 165,681,824 | | | | | | | | | | |
| 13. Life premiums direct..... | 0 | | | | | | | | | | | | |
| 14. Property/casualty premiums written..... | 0 | | | | | | | | | | | | |
| 15. Health premiums earned..... | 165,681,824 | | 165,681,824 | | | | | | | | | | |
| 16. Property/casualty premiums earned..... | 0 | | | | | | | | | | | | |
| 17. Amount paid for provision of health care services..... | 129,564,993 | | 129,564,993 | | | | | | | | | | |
| 18. Amount incurred for provision of health care services..... | 126,527,073 | | 126,527,073 | | | | | | | | | | |

30.GT

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

| | |
|--|-------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | _____ |
| 2. Increase (decrease) by adjustment: | |
| 2.1 Totals, Part 1, Column 11..... | _____ |
| 2.2 Totals, Part 3, Column 7..... | _____ |
| 3. Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))..... | _____ |
| 4. Cost of additions and permanent improvements: | |
| 4.1 Totals, Part 1, Column 14..... | _____ |
| 4.2 Totals, Part 3, Column 9..... | _____ |
| 5. Total profit (loss) on sales, Part 3, Column 14..... | _____ |
| 6. Increase (decrease) by foreign exchange adjustment: | |
| 6.1 Totals, Part 1, Column 12..... | _____ |
| 6.2 Totals, Part 3, Column 8..... | _____ |
| 7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13..... | _____ |
| 8. Book/adjusted carrying value at end of current period..... | 0 |
| 9. Total valuation allowance..... | _____ |
| 10. Subtotal (Lines 8 plus 9)..... | 0 |
| 11. Total nonadmitted amounts..... | _____ |
| 12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)..... | 0 |

NONE

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

| | |
|---|-------|
| 1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year..... | _____ |
| 2. Amount loaned during year: | |
| 2.1 Actual cost at time of acquisitions..... | _____ |
| 2.2 Additional investment made after acquisitions..... | 0 |
| 3. Accrual of discount and mortgage interest points and commitment fees..... | _____ |
| 4. Increase (decrease) by adjustment..... | _____ |
| 5. Total profit (loss) on sale..... | _____ |
| 6. Amounts paid on account or in full during the year..... | _____ |
| 7. Amortization of premium..... | _____ |
| 8. Increase (decrease) by foreign exchange adjustment..... | _____ |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period..... | 0 |
| 10. Total valuation allowance..... | _____ |
| 11. Subtotal (Lines 9 plus 10)..... | 0 |
| 12. Total nonadmitted amounts..... | _____ |
| 13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)..... | 0 |

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

| | |
|---|-------|
| 1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year..... | _____ |
| 2. Cost of acquisitions during year: | |
| 2.1 Actual cost at time of acquisitions..... | _____ |
| 2.2 Additional investment made after acquisitions..... | 0 |
| 3. Accrual of discount..... | _____ |
| 4. Increase (decrease) by adjustment..... | _____ |
| 5. Total profit (loss) on sale..... | _____ |
| 6. Amounts paid on account or in full during the year..... | _____ |
| 7. Amortization of premium..... | _____ |
| 8. Increase (decrease) by foreign exchange adjustment..... | _____ |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period..... | 0 |
| 10. Total valuation allowance..... | _____ |
| 11. Subtotal (Lines 9 plus 10)..... | 0 |
| 12. Total nonadmitted amounts..... | _____ |
| 13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)..... | 0 |

NONE

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed (a) |
|--|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|-------------------------------------|
| 1. U.S. Governments, Schedules D & DA (Group 1) | | | | | | | | | | | |
| 1.1 Class 1..... | 14,688,502 | 22,457,217 | | | | 37,145,719 | 62.3 | 18,698,469 | 39.8 | 37,145,719 | |
| 1.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 1.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 1.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 1.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 1.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 1.7 Totals..... | 14,688,502 | 22,457,217 | 0 | 0 | 0 | 37,145,719 | 62.3 | 18,698,469 | 39.8 | 37,145,719 | 0 |
| 2. All Other Governments, Schedules D & DA (Group 2) | | | | | | | | | | | |
| 2.1 Class 1..... | | | | | | 0 | 0.0 | | | | |
| 2.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 2.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 2.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 2.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 2.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 2.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 3. States, Territories and Possessions, etc., Guaranteed, Schedules D & DA (Group 3) | | | | | | | | | | | |
| 3.1 Class 1..... | | 4,337,453 | | | | 4,337,453 | 7.3 | 3,355,777 | 7.1 | 4,337,453 | |
| 3.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 3.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 3.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 3.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 3.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 3.7 Totals..... | 0 | 4,337,453 | 0 | 0 | 0 | 4,337,453 | 7.3 | 3,355,777 | 7.1 | 4,337,453 | 0 |
| 4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4) | | | | | | | | | | | |
| 4.1 Class 1..... | | | | | | 0 | 0.0 | | | | |
| 4.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 4.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 4.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 4.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 4.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 4.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 5. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5) | | | | | | | | | | | |
| 5.1 Class 1..... | 698,511 | 4,214,368 | | | | 4,912,879 | 8.2 | 6,431,064 | 13.7 | 4,912,879 | |
| 5.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 5.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 5.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 5.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 5.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 5.7 Totals..... | 698,511 | 4,214,368 | 0 | 0 | 0 | 4,912,879 | 8.2 | 6,431,064 | 13.7 | 4,912,879 | 0 |

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusting Carrying Values By Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed (a) |
|---|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|-------------------------------------|
| 6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6) | | | | | | | | | | | |
| 6.1 Class 1..... | 501,731 | | | | | 501,731 | 0.8 | 511,780 | 1.1 | 501,731 | |
| 6.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 6.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 6.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 6.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 6.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 6.7 Totals..... | 501,731 | 0 | 0 | 0 | 0 | 501,731 | 0.8 | 511,780 | 1.1 | 501,731 | 0 |
| 7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) | | | | | | | | | | | |
| 7.1 Class 1..... | 5,234,264 | 5,088,912 | | | | 10,323,176 | 17.3 | 15,561,110 | 33.1 | 10,323,176 | |
| 7.2 Class 2..... | | 1,063,365 | | | | 1,063,365 | 1.8 | 1,430,811 | 3.1 | 1,063,365 | |
| 7.3 Class 3..... | 999,204 | 386,988 | | | | 1,386,192 | 2.3 | 998,345 | 2.1 | 1,386,192 | |
| 7.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 7.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 7.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 7.7 Totals..... | 6,233,468 | 6,539,265 | 0 | 0 | 0 | 12,772,733 | 21.4 | 17,990,266 | 38.3 | 12,772,733 | 0 |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8) | | | | | | | | | | | |
| 8.1 Class 1..... | | | | | | 0 | 0.0 | | | | |
| 8.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 8.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 8.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 8.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 8.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 8.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9) | | | | | | | | | | | |
| 9.1 Class 1..... | | | | | | 0 | 0.0 | | | | |
| 9.2 Class 2..... | | | | | | 0 | 0.0 | | | | |
| 9.3 Class 3..... | | | | | | 0 | 0.0 | | | | |
| 9.4 Class 4..... | | | | | | 0 | 0.0 | | | | |
| 9.5 Class 5..... | | | | | | 0 | 0.0 | | | | |
| 9.6 Class 6..... | | | | | | 0 | 0.0 | | | | |
| 9.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed (a) |
|---|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|-------------------------------------|
| 10. Total Bonds Current Year | | | | | | | | | | | |
| 10.1 Class 1..... | 21,123,008 | 36,097,950 | 0 | 0 | 0 | 57,220,958 | 95.9 | XXX | XXX | 57,220,958 | 0 |
| 10.2 Class 2..... | 0 | 1,063,365 | 0 | 0 | 0 | 1,063,365 | 1.8 | XXX | XXX | 1,063,365 | 0 |
| 10.3 Class 3..... | 999,204 | 386,988 | 0 | 0 | 0 | 1,386,192 | 2.3 | XXX | XXX | 1,386,192 | 0 |
| 10.4 Class 4..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | XXX | XXX | 0 | 0 |
| 10.5 Class 5..... | 0 | 0 | 0 | 0 | 0 | (c) 0 | 0.0 | XXX | XXX | 0 | 0 |
| 10.6 Class 6..... | 0 | 0 | 0 | 0 | 0 | (c) 0 | 0.0 | XXX | XXX | 0 | 0 |
| 10.7 Totals..... | 22,122,212 | 37,548,303 | 0 | 0 | 0 | (b) 59,670,515 | 100.0 | XXX | XXX | 59,670,515 | 0 |
| 10.8 Line 10.7 as a % of Col. 6..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | 0.0 |
| 11. Total Bonds Prior Year | | | | | | | | | | | |
| 11.1 Class 1..... | 18,177,751 | 20,706,004 | 5,674,446 | | | XXX | XXX | 44,558,201 | 94.8 | 44,558,201 | |
| 11.2 Class 2..... | 499,529 | 931,282 | | | | XXX | XXX | 1,430,811 | 3.0 | 1,430,811 | |
| 11.3 Class 3..... | | 998,345 | | | | XXX | XXX | 998,345 | 2.1 | 998,345 | |
| 11.4 Class 4..... | | | | | | XXX | XXX | 0 | 0.0 | 0 | |
| 11.5 Class 5..... | | | | | | XXX | XXX | (c) 0 | 0.0 | 0 | |
| 11.6 Class 6..... | | | | | | XXX | XXX | (c) 0 | 0.0 | 0 | |
| 11.7 Totals..... | 18,677,280 | 22,635,631 | 5,674,446 | 0 | 0 | XXX | XXX | (b) 46,987,357 | 100.0 | 46,987,357 | 0 |
| 11.8 Line 11.7 as a % of Col. 8..... | 39.7 | 48.2 | 12.1 | 0.0 | 0.0 | XXX | XXX | 100.0 | XXX | 100.0 | 0.0 |
| 12. Total Publicly Traded Bonds | | | | | | | | | | | |
| 12.1 Class 1..... | 21,123,007 | 36,097,950 | | | | 57,220,957 | 95.9 | 44,558,201 | 94.8 | 57,220,957 | XXX |
| 12.2 Class 2..... | | 1,063,365 | | | | 1,063,365 | 1.8 | 1,430,811 | 3.0 | 1,063,365 | XXX |
| 12.3 Class 3..... | 999,204 | 386,988 | | | | 1,386,192 | 2.3 | 998,345 | 2.1 | 1,386,192 | XXX |
| 12.4 Class 4..... | | | | | | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.5 Class 5..... | | | | | | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.6 Class 6..... | | | | | | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.7 Totals..... | 22,122,211 | 37,548,303 | 0 | 0 | 0 | 59,670,514 | 100.0 | 46,987,357 | 100.0 | 59,670,514 | XXX |
| 12.8 Line 12.7 as a % of Col. 6..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 13. Total Privately Placed Bonds | | | | | | | | | | | |
| 13.1 Class 1..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.2 Class 2..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.3 Class 3..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.4 Class 4..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.5 Class 5..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.6 Class 6..... | | | | | | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.8 Line 13.7 as a % of Col. 6..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |

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(a) Includes \$.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$.....0 current year, \$.....0 prior year of bonds with Z designations and \$.....0 current year, \$.....0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$.....0 current year, \$.....0 prior year of bonds with 5* designations and \$.....0 current year, \$.....0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

| | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|--|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|---------------------------------|
| Distribution by Type | | | | | | | | | | | |
| 1. U.S. Governments, Schedules D & DA (Group 1) | | | | | | | | | | | |
| 1.1 Issuer Obligations..... | 14,688,502 | 22,457,217 | | | | 37,145,719 | 62.3 | 18,698,469 | 39.8 | 37,145,719 | |
| 1.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | 0 | 0.0 | | | | |
| 1.7 Totals..... | 14,688,502 | 22,457,217 | 0 | 0 | 0 | 37,145,719 | 62.3 | 18,698,469 | 39.8 | 37,145,719 | 0 |
| 2. All Other Governments, Schedules D & DA (Group 2) | | | | | | | | | | | |
| 2.1 Issuer Obligations..... | | | | | | 0 | 0.0 | | | | |
| 2.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 2.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 2.4 Other..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 2.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 2.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 2.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 3. States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3) | | | | | | | | | | | |
| 3.1 Issuer Obligations..... | | 4,337,453 | | | | 4,337,453 | 7.3 | 3,355,777 | 7.1 | 4,337,453 | |
| 3.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 3.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 3.4 Other..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 3.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 3.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 3.7 Totals..... | 0 | 4,337,453 | 0 | 0 | 0 | 4,337,453 | 7.3 | 3,355,777 | 7.1 | 4,337,453 | 0 |
| 4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4) | | | | | | | | | | | |
| 4.1 Issuer Obligations..... | | | | | | 0 | 0.0 | | | | |
| 4.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 4.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 4.4 Other..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 4.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 4.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 4.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 5. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5) | | | | | | | | | | | |
| 5.1 Issuer Obligations..... | 698,511 | 4,214,368 | | | | 4,912,879 | 8.2 | 6,431,064 | 13.7 | 4,912,879 | |
| 5.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 5.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 5.4 Other..... | | | | | | 0 | 0.0 | | | | |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 5.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 5.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 5.7 Totals..... | 698,511 | 4,214,368 | 0 | 0 | 0 | 4,912,879 | 8.2 | 6,431,064 | 13.7 | 4,912,879 | 0 |

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

| Distribution by Type | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|--|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|---------------------------------|
| 6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6) | | | | | | | | | | | |
| 6.1 Issuer Obligations..... | 501,731 | | | | | 501,731 | 0.8 | 511,780 | 1.1 | 501,731 | |
| 6.2 Single Class Mortgage-Backed/Asset-Backed Securities..... MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 6.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 6.4 Other..... MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 6.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 6.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 6.7 Totals..... | 501,731 | 0 | 0 | 0 | 0 | 501,731 | 0.8 | 511,780 | 1.1 | 501,731 | 0 |
| 7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) | | | | | | | | | | | |
| 7.1 Issuer Obligations..... | 6,233,467 | 6,539,266 | | | | 12,772,733 | 21.4 | 17,990,266 | 38.3 | 12,772,733 | |
| 7.2 Single Class Mortgage-Backed/Asset-Backed Securities..... MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 7.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 7.4 Other..... MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 7.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 7.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 7.7 Totals..... | 6,233,467 | 6,539,266 | 0 | 0 | 0 | 12,772,733 | 21.4 | 17,990,266 | 38.3 | 12,772,733 | 0 |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8) | | | | | | | | | | | |
| 8.1 Issuer Obligations..... | | | | | | 0 | 0.0 | | | | |
| 8.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |
| 9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9) | | | | | | | | | | | |
| 9.1 Issuer Obligations..... | | | | | | 0 | 0.0 | | | | |
| 9.2 Single Class Mortgage-Backed/Asset-Backed Securities..... MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 9.3 Defined..... | | | | | | 0 | 0.0 | | | | |
| 9.4 Other..... MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | 0 | 0.0 | | | | |
| 9.5 Defined..... | | | | | | 0 | 0.0 | | | | |
| 9.6 Other..... | | | | | | 0 | 0.0 | | | | |
| 9.7 Totals..... | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | | 0 | 0 |

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

| Distribution by Type | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Column 6 as a % of Line 10.7 | 8 Total from Column 6 Prior Year | 9 % from Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|---|------------------------|-------------------------------------|---------------------------------------|--|-----------------------|----------------------------|--------------------------------------|--|----------------------------------|--------------------------------|---------------------------------|
| 10. Total Bonds Current Year | | | | | | | | | | | |
| 10.1 Issuer Obligations..... | 22,122,211 | 37,548,304 | .0 | .0 | .0 | 59,670,515 | 100.0 | XXX | XXX | 59,670,515 | .0 |
| 10.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 10.3 Defined..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | .0 |
| 10.4 Other..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 10.5 Defined..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | .0 |
| 10.6 Other..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | .0 |
| 10.7 Totals..... | 22,122,211 | 37,548,304 | .0 | .0 | .0 | 59,670,515 | 100.0 | XXX | XXX | 59,670,515 | .0 |
| 10.8 Line 10.7 as a % of Col. 6..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | 0.0 |
| 11. Total Bonds Prior Year | | | | | | | | | | | |
| 11.1 Issuer Obligations..... | 18,677,280 | 22,635,632 | 5,674,446 | | | XXX | XXX | 46,987,358 | 100.0 | 46,987,357 | |
| 11.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | XXX | XXX | .0 | 0.0 | | |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 11.3 Defined..... | | | | | | XXX | XXX | .0 | 0.0 | | |
| 11.4 Other..... | | | | | | XXX | XXX | .0 | 0.0 | | |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 11.5 Defined..... | | | | | | XXX | XXX | .0 | 0.0 | | |
| 11.6 Other..... | | | | | | XXX | XXX | .0 | 0.0 | | |
| 11.7 Totals..... | 18,677,280 | 22,635,632 | 5,674,446 | .0 | .0 | XXX | XXX | 46,987,358 | 100.0 | 46,987,357 | .0 |
| 11.8 Line 11.7 as a % of Col. 8..... | 39.7 | 48.2 | 12.1 | 0.0 | 0.0 | XXX | XXX | 100.0 | XXX | 100.0 | 0.0 |
| 12. Total Publicly Traded Bonds | | | | | | | | | | | |
| 12.1 Issuer Obligations..... | 22,122,211 | 37,548,303 | | | | 59,670,514 | 100.0 | 46,987,357 | 100.0 | 59,670,514 | XXX |
| 12.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | .0 | .0 | .0 | 0.0 | .0 | XXX |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 12.3 Defined..... | | | | | | .0 | .0 | .0 | 0.0 | .0 | XXX |
| 12.4 Other..... | | | | | | .0 | .0 | .0 | 0.0 | .0 | XXX |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 12.5 Defined..... | | | | | | .0 | .0 | .0 | 0.0 | .0 | XXX |
| 12.6 Other..... | | | | | | .0 | .0 | .0 | 0.0 | .0 | XXX |
| 12.7 Totals..... | 22,122,211 | 37,548,303 | .0 | .0 | .0 | 59,670,514 | 100.0 | 46,987,357 | 100.0 | 59,670,514 | XXX |
| 12.8 Line 12.7 as a % of Col. 6..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10..... | 37.1 | 62.9 | 0.0 | 0.0 | 0.0 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 13. Total Privately Placed Bonds | | | | | | | | | | | |
| 13.1 Issuer Obligations..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.2 Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES: | | | | | | | | | | | |
| 13.3 Defined..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.4 Other..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES: | | | | | | | | | | | |
| 13.5 Defined..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.6 Other..... | | | | | | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.7 Totals..... | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.8 Line 13.7 as a % of Col. 6..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments

| | 1 | 2 | 3 | 4 | 5 |
|--|------------|------------|-------------------|---|---|
| | Total | Bonds | Mortgage Loans | Other Short-term Investment Assets (a) | Investments in Parent, Subsidiaries and Affiliates |
| 1. Book/adjusted carrying value December 31 of prior year..... | 14,932,328 | 14,932,328 | | | |
| 2. Cost of short-term investments acquired..... | 71,997,892 | 71,997,892 | | | |
| 3. Increase (decrease) by adjustment..... | 4,411 | 4,411 | | | |
| 4. Increase (decrease) by foreign exchange adjustment..... | 0 | | | | |
| 5. Total profit (loss) on disposal of short-term investments..... | 0 | | | | |
| 6. Consideration received on disposal of short-term investments..... | 70,520,362 | 70,520,362 | | | |
| 7. Book/adjusted carrying value, current year..... | 16,414,269 | 16,414,269 | 0 | 0 | 0 |
| 8. Total valuation allowance..... | 0 | | | | |
| 9. Subtotal (Lines 7 plus 8)..... | 16,414,269 | 16,414,269 | 0 | 0 | 0 |
| 10. Total nonadmitted amounts..... | 0 | | | | |
| 11. Statement value (Lines 9 minus 10)..... | 16,414,269 | 16,414,269 | 0 | 0 | 0 |
| 12. Income collected during year..... | 307,576 | 307,576 | | | |
| 13. Income earned during year..... | 357,870 | 357,870 | | | |

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:.....

**Sch. DB-Pt.A-Verification Between Years
NONE**

**Sch. DB-Pt.B-Verification Between Years
NONE**

**Sch. DB-Pt.C-Verification Between Years
NONE**

**Sch. DB-Pt.D-Verification Between Years
NONE**

**Sch. DB-Pt.E-Verification
NONE**

**Sch. DB-Pt. F-Sn. 1
NONE**

**Sch. DB-Pt. F-Sn. 2
NONE**

**Sch. S-Pt. 1-Sn. 2
NONE**

SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

| 1 NAIC Company Code | 2 Federal ID Number | 3 Effective Date | 4 Name of Company | 5 Location | 6 Paid Losses | 7 Unpaid Losses |
|---|---|------------------------|--|----------------------|------------------|--------------------|
| Accident and Health - Affiliates | | | | | | |
| 83470..... | 71-0226428..... |01/01/1996 | Arkansas Blue Cross and Blue Shield..... | Little Rock, AR..... |193,055 |4,478,028 |
| 0499999 | Total - Affiliates..... | | | |193,055 |4,478,028 |
| 0699999 | Total - Accident and Health..... | | | |193,055 |4,478,028 |
| 0799999 | Totals - Life, Annuity and Accident and Health..... | | | |193,055 |4,478,028 |

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

| 1 NAIC Company Code | 2 Federal ID Number | 3 Effective Date | 4 Name of Company | 5 Location | 6 Type | 7 Premiums | 8 Unearned Premiums (estimated) | 9 Reserve Credit Taken Other Than for Unearned Premiums | Outstanding Surplus Relief | | 12 Modified Coinsurance Reserve | 13 Funds Withheld Under Coinsurance |
|------------------------------|------------------------------|------------------------|--|----------------------|--------------|---------------|--|---|----------------------------|---------------------|--|---|
| | | | | | | | | | 10 Current Year | 11 Prior Year | | |
| Affiliates | | | | | | | | | | | | |
| 83470..... | 71-0226428..... | ..01/01/1996 | Arkansas Blue Cross and Blue Shield..... | Little Rock, AR..... | OTH/A/G..... | 50,746,094 | | | | | | |
| 83470..... | 71-0226428..... | ..01/01/1996 | Arkansas Blue Cross and Blue Shield..... | Little Rock, AR..... | ASL/A/G..... | 1,563,300 | | | | | | |
| 0199999. | Total - Affiliates..... | | | | | 52,309,394 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0399999. | Totals..... | | | | | 52,309,394 | 0 | 0 | 0 | 0 | 0 | 0 |

SCHEDULE S - PART 4
 Reinsurance Ceded To Unauthorized Companies

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|-------------------------|-------------------------|-------------------|-------------------|----------------------------|---|-----------------|-------------------------------|----------------------|---------------------|--|-------|---------------------------------------|---|
| NAIC Company Code | Federal ID Number | Effective Date | Name of Reinsurer | Reserve Credit Taken | Paid and Unpaid Losses Recoverable (Debit) | Other Debits | Total (Cols. 5 + 6 + 7) | Letters of Credit | Trust Agreements | Funds Deposited by and Withheld from Reinsurers | Other | Miscellaneous Balances (Credit) | Sum of Cols. 9 + 10 + 11 + 12 + 13 But Not in Excess of Col. 8 |

NONE

SCHEDULE S - PART 5

Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

| | 1 2005 | 2 2004 | 3 2003 | 4 2002 | 5 2001 |
|--|-----------|-----------|-----------|-----------|-----------|
| A. OPERATIONS ITEMS | | | | | |
| 1. Premiums..... | 52,309 | 60,611 | 90,647 | 101,614 | 137,377 |
| 2. Title XVIII - Medicare..... | | | | 916 | 59,802 |
| 3. Title XIX - Medicaid..... | | | | | |
| 4. Commissions and reinsurance expense allowance..... | | | | | |
| 5. Total hospital and medical expenses..... | 35,521 | 43,039 | 66,260 | 72,304 | 172,382 |
| B. BALANCE SHEET ITEMS | | | | | |
| 6. Premiums receivable..... | 958 | 1,967 | 2,075 | 1,340 | 2,445 |
| 7. Claims payable..... | 4,478 | 5,175 | 5,990 | 8,937 | 25,677 |
| 8. Reinsurance recoverable on paid losses..... | 193 | 638 | 708 | 1,172 | 947 |
| 9. Experience rating refunds due or unpaid..... | | | | | |
| 10. Commissions and reinsurance expense allowances unpaid..... | | | | | |
| 11. Unauthorized reinsurance offset..... | | | | | |
| C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM) | | | | | |
| 12. Funds deposited by and withheld from (F)..... | | | | | |
| 13. Letters of credit (L)..... | | | | | |
| 14. Trust agreements (T)..... | | | | | |
| 15. Other (O)..... | | | | | |

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

| | 1 As Reported (Net of Ceded) | 2 Restatement Adjustments | 3 Restated (Gross of Ceded) |
|--|------------------------------------|---------------------------------|-----------------------------------|
| ASSETS (Page 2, Col. 3) | | | |
| 1. Cash and invested assets (Line 10)..... | 81,956,212 | | 81,956,212 |
| 2. Accident and health premiums due and unpaid (Line 13)..... | 798,541 | 861,877 | 1,660,418 |
| 3. Amounts recoverable from reinsurers (Line 14.1)..... | 193,055 | (193,055) | 0 |
| 4. Net credit for ceded reinsurance..... | XXX | | 0 |
| 5. All other admitted assets (balance)..... | 12,192,125 | 3,809,206 | 16,001,331 |
| 6. Totals assets (Line 26)..... | 95,139,933 | 4,478,028 | 99,617,961 |
| LIABILITIES, CAPITAL AND SURPLUS (Page 3) | | | |
| 7. Claims unpaid (Line 1)..... | 17,145,415 | 4,478,028 | 21,623,443 |
| 8. Accrued medical incentive pool and bonus payments (Line 2)..... | | | 0 |
| 9. Premiums received in advance (Line 8)..... | 1,394,162 | | 1,394,162 |
| 10. Reinsurance in unauthorized companies (Line 18)..... | | | 0 |
| 11. All other liabilities (balance)..... | 20,017,886 | | 20,017,886 |
| 12. Total liabilities (Line 22)..... | 38,557,463 | 4,478,028 | 43,035,491 |
| 13. Total capital and surplus (Line 31)..... | 56,582,470 | XXX | 56,582,470 |
| 14. Total liabilities, capital and surplus (Line 32)..... | 95,139,933 | 4,478,028 | 99,617,961 |
| NET CREDIT FOR CEDED REINSURANCE | | | |
| 15. Claims unpaid..... | 4,478,028 | | |
| 16. Accrued medical incentive pool..... | 0 | | |
| 17. Premiums received in advance..... | 0 | | |
| 18. Reinsurance recoverable on paid losses..... | 193,055 | | |
| 19. Other ceded reinsurance recoverables..... | 0 | | |
| 20. Total ceded reinsurance recoverables..... | 4,671,083 | | |
| 21. Premiums receivable..... | 861,877 | | |
| 22. Unauthorized reinsurance..... | 0 | | |
| 23. Other ceded reinsurance payables/offsets..... | 3,809,206 | | |
| 24. Total ceded reinsurance payables/offsets..... | 4,671,083 | | |
| 25. Total net credit for ceded reinsurance..... | 0 | | |

SCHEDULE Y (Continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|--------------------------------|-------------------------|--|--------------------------|--------------------------|---|---|---|---|-----|--|--------------|---|
| NAIC Company Code | Federal ID Number | Names of Insurers and Parent, Subsidiaries or Affiliates | Shareholder Dividends | Capital Contributions | Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments | Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s) | Management Agreements and Service Contracts | Income/ (Disbursements) Incurred under Reinsurance Agreements | * | Any Other Material Activity Not in the Ordinary Course of the Insurer's Business | Totals | Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability) |
| Affiliated Transactions | | | | | | | | | | | | |
| 83470..... | 71-0226428..... | Arkansas Blue Cross and Blue Shield..... | | | | | (8,012,260) | (14,789,517) | | | (22,801,777) | 791,370 |
| | 71-0525643..... | Educational Benefits, Inc..... | (216,212) | | | | (216,786) | | | | (432,998) | |
| | 71-0628367..... | Group Service Underwriters, Inc..... | | | | | (886,524) | | | | (886,524) | |
| 95442..... | 71-0747497..... | HMO Partners, Inc..... | (545,000) | | | | 9,494,141 | 13,644,875 | | | 22,594,016 | 4,671,083 |
| | 71-0246079..... | US Able Corp..... | 946,786 | | | | | | | | 946,786 | |
| 94358..... | 71-0505232..... | US Able Life..... | (185,574) | | | | (253,289) | 2,003,127 | | | 1,564,264 | 1,326,572 |
| | 71-0653848..... | Select Data Services..... | | | | | (125,282) | | | | (125,282) | |
| 76031..... | 59-2876465..... | Florida Combined Life Insurance Company..... | | | | | | (858,485) | | | (858,485) | (6,789,025) |
| 9999999..... | Control Totals..... | | 0 | 0 | 0 | 0 | 0 | 0 | XXX | 0 | 0 | 0 |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED 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.

MARCH FILING

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?
2. Will an actuarial opinion be filed by March 1?
3. Will the Risk-Based Capital Report be filed with the NAIC by March 1?
4. Will the Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?

Responses

| |
|-----|
| YES |
| YES |
| YES |
| YES |

APRIL FILING

5. Will the Management's Discussion and Analysis be filed by April 1?
6. Will the Investment Risk Interrogatories be filed by April 1?

| |
|-----|
| YES |
| YES |

JUNE FILING

7. Will an audited financial report be filed by June 1?

| |
|-----|
| YES |
|-----|

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.

MARCH FILING

8. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?
9. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?
10. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?
11. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?

| |
|----|
| NO |
| NO |
| NO |
| NO |

APRIL FILING

12. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?
13. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?
14. Will the Supplemental Property/Casualty data due April 1 be filed with the state of domicile and the NAIC?

| |
|----|
| NO |
| NO |
| NO |

EXPLANATIONS:

BAR CODE:

**Overflow Page
NONE**

**Overflow Page
NONE**



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2005

(To Be Filed by March 1)

FOR THE STATE OF.....Arkansas

NAIC Group Code.....876
 Address (City, State and Zip Code).....
 Person Completing This Exhibit.....
 Title.....

NAIC Company Code.....95442

Telephone Number.....

NONE

| 1 Compliance with OBRA | 2 Policy Form Number | 3 Standardized Medicare Supplement Benefit Plan | 4 Medicare Select | 5 Plan Characteristics | 6 Date Approved | 7 Date Approval Withdrawn | 8 Date Last Amended | 9 Date Closed | 10 Policy Marketing Trade Name | Policies Issued Through 2002 | | | Policies Issued in 2003, 2004 & 2005 | | | | | | |
|------------------------------|-------------------------------|---|-------------------------|------------------------------|-----------------------|------------------------------------|------------------------------|---------------------|--------------------------------------|------------------------------|-----------------------|--|--------------------------------------|--------------------------|-----------------------|--|-------------------------------------|--|--|
| | | | | | | | | | | 11 Premiums Earned | 12 Incurred Claims | | 14 Number of Covered Lives | 15 Premiums Earned | 16 Incurred Claims | | 18 Number of Covered Lives | | |
| | | | | | | | | | | | 12 Amount | 13 Percent of Premiums Earned | | | 16 Amount | 17 Percent of Premiums Earned | | | |
| | | | | | | | | | | | | | | | | | | | |

MED360.AR

GENERAL INTERROGATORIES

1. If response in Column 1 is no, give full and complete details.....

2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.

2.1 Address.....

2.2 Contact person and phone number.....

3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).

3.1 Address.....

3.2 Contact person and phone number.....

4. Explain any policies identified as policy type "O".

NONE

Overflow Page for Write-Ins

PS33

NONE