ANNUAL STATEMENT

OF THE

2009

OF

Pittsburgh

IN THE COMMONWEALTH OF

Pennsylvania

TO THE

Pennsylvania Insurance Department

FOR THE PERIOD ENDED
DECEMBER 31, 2009

HEALTH

2009

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017-6204
Telephone (646) 471-3000
Direct phone (646) 471-6226
RightFax (813) 207-8392

Statement of Actuarial Opinion

Highmark Senior Resources Inc.

Table of Key Indicators

This Opinion is	☒ Unqualified	☐ Qualified	☐ Adverse	☐ Inconclusive
Identification Section	☒ Prescribed Wording Only	☐ Prescribed Wording With Additional Wording	☐ Revised Wording	
Scope Section	☒ Prescribed Wording Only	☐ Prescribed Wording With Additional Wording	☐ Revised Wording	
Reliance Section	☒ Prescribed Wording Only	☐ Prescribed Wording With Additional Wording	☐ Revised Wording	
Opinion Section	☒ Prescribed Wording Only	☐ Prescribed Wording With Additional Wording	☐ Revised Wording	
Relevant Comments Additional statements as required by Sec. 84b.8 of the Actuarial Opinion and Memorandum Regulation of Pennsylvania			☒ Revised Wording	
☐ The Actuarial Memorandum includes "Deviation from Standard" wording regarding conformity with an Actuarial Standard of Practice				

Identification

I, Mark F. St. George, FSA, MAAA, am associated with the accounting firm of PricewaterhouseCoopers LLP. I am a member of the American Academy of Actuaries and have been retained by Highmark Senior Resources Inc. (the Corporation) to render an opinion with regard to loss reserves, actuarial liabilities and related items. I was appointed on December 15, 2009 in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion.

Scope

I have examined the assumptions and methods used in determining loss reserves, actuarial liabilities and related items listed below, as shown in the annual statement of the Corporation as prepared for filing with state regulatory officials, as of December 31, 2009.

A. Claims unpaid (Page 3, Line 1); $ 6,430,181

B. Accrued medical incentive pool and bonus payments (Page 3, Line 2); $ 0

C.	Unpaid claims adjustment expenses (Page 3, Line 3);	$	136,417
D.	Aggregate health policy reserves (Page 3, Line 4) including unearned premium reserves and additional policy reserves from the Underwriting and Investment Exhibit – Part 2D;	$	1,878,000
E.	Aggregate life policy reserves (Page 3, Line 5);	$	0
F.	Property/casualty unearned premium reserves (Page 3, Line 6);	$	0
G.	Aggregate health claim reserves (Page 3, Line 7); and	$	0
H.	Any actuarial reserves or liabilities not included in the items above.	$	0

Reliance

In forming my opinion on claims unpaid, unpaid claims adjustment expenses, and aggregate health policy reserves, I relied upon data prepared by William J. Cashion, Vice President & Chief Actuary, as certified in the attached statement. I evaluated that data for reasonableness and consistency. I also reconciled that data to the Underwriting and Investment Exhibit – Part 2B of the Corporation's current annual statement. In other respects, my examination included review of the actuarial assumptions and actuarial methods used and tests of the calculations I considered necessary.

Opinion

In my opinion, the amounts carried in the balance sheet on account of the items identified above:

A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles,

B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared,

C. Meet the requirements of the laws of the State of Pennsylvania and are at least as great as the minimum aggregate amounts required by the state in which this statement is filed,

D. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the Corporation under the terms of its contracts and agreements,

E. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end,

F. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit – Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice.

PRICEWATERHOUSECOOPERS

Actuarial methods, considerations and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

Relevant Comments

The reserves and related actuarial items, when considered in light of the assets held by the Corporation with respect to such reserves and related actuarial items including, but not limited to, the investment earnings on such assets, and the considerations anticipated to be received and retained under such policies and contracts, make adequate provision, according to presently accepted actuarial standards of practice, for the anticipated cash flows required by the contractual obligations and related expenses of the Corporation.

This opinion is updated annually as required by statute. To the best of my knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of this opinion which should be considered in reviewing this opinion.

The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this opinion. The analysis of asset adequacy portion of this opinion should be viewed recognizing that the Corporation's future experience may not follow all the assumptions used in the analysis.

Mark F. St. George, FSA, MAAA
PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017
(646) 471-6226

2/24/2010

Date Opinion was Rendered

10131200920100100

ANNUAL STATEMENT

For the Year Ended December 31, 2009

of the Condition and Affairs of the

Highmark Senior Resources Inc.

NAIC Group Code..... 00812 , 00812 (Current Period) (Prior Period)

NAIC Company Code..... 10131

Employer's ID Number..... 20-2353206

Organized under the Laws of Pennsylvania

State of Domicile or Port of Entry Pennsylvania

Country of Domicile United States

Licensed as Business Type Life, Accident & Health

Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... February 8, 2005

Commenced Business..... May 31, 2005

Statutory Home Office: 120 Fifth Avenue..... Pittsburgh ..... PA 15222-3099
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office: 120 Fifth Avenue Suite 924..... Pittsburgh ..... PA ..... 15222-3021 — 412-544-7000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address: 120 Fifth Avenue Suite 924..... Pittsburgh ..... PA 15222-3021
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records: 120 Fifth Avenue Suite 924..... Pittsburgh ..... PA ..... 15222-3021 — 412-544-6902
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address: www.highmark.com

Statutory Statement Contact: Janine Kopas Colinear — 412-544-6902
(Name) (Area Code) (Telephone Number) (Extension)
janine.colinear@highmark.com — 412-544-8674
(E-Mail Address) (Fax Number)

OFFICERS

Cynthia Mauro Dellecker.....President and CEO
Karen Lynn Hanlon.....Treasurer and CFO
Edward August Bittner, Jr.....Corporate Secretary

OTHER OFFICERS

Deborah Lynn Rice # — Chairperson of the Board of Directors
Vinita Kumari Sinha — Assistant Secretary

DIRECTORS OR TRUSTEES

David Arthur Blandino, M.D.
William John Cashion
Cynthia Mauro Dellecker
Donald Robert Fischer, M.D.
Joseph Clinton Guyaux
Deborah Lynn Rice #
Doris Annette Carson Williams

State of..... Pennsylvania
County of..... Allegheny

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.

Cynthia Mauro Dellecker	Karen Lynn Hanlon	Edward August Bittner, Jr.
President and CEO	Treasurer and CFO	Corporate Secretary

Subscribed and sworn to before me
This 22nd day of February, 2010

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

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	102,272	0	102,272	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less $.....0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $.....0 encumbrances)	0	0	0	0
5. Cash ($.....181,823, Sch. E-Part 1), cash equivalents ($.....14,998,823, Sch. E-Part 2) and short-term investments ($.....7,804,088, Sch. DA)	22,984,734	0	22,984,734	7,863,141
6. Contract loans (including $.....0 premium notes)	0	0	0	0
7. Other invested assets (Schedule BA)	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)	23,087,006	0	23,087,006	7,863,141
11. Title plants less $.....0 charged off (for Title insurers only)	0	0	0	0
12. Investment income due and accrued	4,614	0	4,614	12,806
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection	1,604,954	132,062	1,472,892	1,791,522
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)	0	0	0	0
13.3 Accrued retrospective premiums	0	0	0	4,846,000
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	0	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0	0
15. Amounts receivable relating to uninsured plans	6,716,503	0	6,716,503	27,368,436
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
16.2 Net deferred tax asset	8,437,623	6,989,421	1,448,202	1,116,813
17. Guaranty funds receivable or on deposit	0	0	0	0
18. Electronic data processing equipment and software	0	0	0	0
19. Furniture and equipment, including health care delivery assets ($.....0)	0	0	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	651,674	0	651,674	354,158
22. Health care ($.....6,866,831) and other amounts receivable	13,896,484	7,029,653	6,866,831	5,465,771
23. Aggregate write-ins for other than invested assets	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	54,398,858	14,151,136	40,247,722	48,818,647
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
26. TOTALS (Lines 24 and 25)	54,398,858	14,151,136	40,247,722	48,818,647

DETAILS OF WRITE-INS

0901.	0	0	0	0
0902.	0	0	0	0
0903.	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0
2301.	0	0	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 thru 2303 plus 2398) (Line 23 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $.....0 reinsurance ceded)	6,430,181	0	6,430,181	6,614,955
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	136,417	0	136,417	183,515
4. Aggregate health policy reserves	1,878,000	0	1,878,000	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	1,607,444	0	1,607,444	2,908,877
9. General expenses due or accrued	1,439,376	0	1,439,376	2,490,089
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses))	4,421,674	0	4,421,674	4,085,634
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	0	0	0	0
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)	0	0	0	20,224,889
15. Amounts due to parent, subsidiaries and affiliates	1,649	0	1,649	25,747
16. Payable for securities	0	0	0	0
17. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 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	0	0	0	0
21. Aggregate write-ins for other liabilities (including $.....0 current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	15,914,741	0	15,914,741	36,533,706
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	2,000,000	2,000,000
25. Preferred capital stock	XXX	XXX	0	0
26. Gross paid in and contributed surplus	XXX	XXX	72,000,000	72,000,000
27. Surplus notes	XXX	XXX	0	0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	(49,667,019)	(61,715,059)
30. Less treasury stock at cost:				
30.1 .....0.000 shares common (value included in Line 24 $.....0)	XXX	XXX	0	0
30.2 .....0.000 shares preferred (value included in Line 25 $.....0)	XXX	XXX	0	0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	24,332,981	12,284,941
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	40,247,722	48,818,647

DETAILS OF WRITE-INS

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 thru 2103 plus 2198) (Line 21 above)	0	0	0	0
2301.	XXX	XXX	0	0
2302.	XXX	XXX	0	0
2303.	XXX	XXX	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX	0	0
2802.	XXX	XXX	0	0
2803.	XXX	XXX	0	0
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1. Member months	XXX	894,661	1,257,409
2. Net premium income (including $.....0 non-health premium income)	XXX	109,608,919	127,694,569
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4. Fee-for-service (net of $.....0 medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	109,608,919	127,694,569
Hospital and Medical:			
9. Hospital/medical benefits	0	0	0
10. Other professional services	0	0	0
11. Outside referrals	0	0	0
12. Emergency room and out-of-area	0	0	0
13. Prescription drugs	0	87,287,608	121,700,244
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts	0	0	0
16. Subtotal (Lines 9 to 15)	0	87,287,608	121,700,244
Less:			
17. Net reinsurance recoveries	0	0	0
18. Total hospital and medical (Lines 16 minus 17)	0	87,287,608	121,700,244
19. Non-health claims (net)	0	0	0
20. Claims adjustment expenses, including $.....137,245 cost containment expenses	0	6,379,525	8,010,481
21. General administrative expenses	0	10,923,494	13,456,146
22. Increase in reserves for life and accident and health contracts including $.....0 increase in reserves for life only)	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	0	104,590,627	143,166,871
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	5,018,292	(15,472,302)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	(300,584)	(1,060,315)
26. Net realized capital gains or (losses) less capital gains tax of $.....0	0	0	0
27. Net investment gains or (losses) (Lines 25 plus 26)	0	(300,584)	(1,060,315)
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]	0	0	0
29. Aggregate write-ins for other income or expenses	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)	XXX	4,717,708	(16,532,617)
31. Federal and foreign income taxes incurred	XXX	(1,075,972)	(6,315,455)
32. Net income (loss) (Lines 30 minus 31)	XXX	5,793,680	(10,217,162)

DETAILS OF WRITE-INS

0601.	XXX	0	0
0602.	XXX	0	0
0603.	XXX	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX	0	0
0702.	XXX	0	0
0703.	XXX	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.	0	0	0
2902.	0	0	0
2903.	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	12,284,941	13,405,871
34. Net income or (loss) from Line 32	5,793,680	(10,217,162)
35. Change in valuation basis of aggregate policy and claim reserves	0	0
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.....0	0	0
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0
38. Change in net deferred income tax	(2,506,735)	(3,321,410)
39. Change in nonadmitted assets	8,761,095	12,417,642
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles	0	0
44. Capital changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)	0	0
44.3 Transferred to surplus	0	0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital	0	0
46. Dividends to stockholders	0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	12,048,040	(1,120,930)
49. Capital and surplus end of reporting period (Line 33 plus 48)	24,332,981	12,284,941

DETAILS OF WRITE-INS

4701.	0	0
4702.	0	0
4703.	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance	115,526,557	129,143,514
2. Net investment income	(290,272)	(1,053,662)
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	115,236,285	128,089,852
5. Benefit and loss related payments	83,126,912	117,130,597
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	(2,251,103)	12,707,817
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	(1,412,011)	(14,102,404)
10. Total (Lines 5 through 9)	79,463,798	115,736,010
11. Net cash from operations (Line 4 minus Line 10)	35,772,487	12,353,842
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	100,000
12.2 Stocks	0	0
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	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	100,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds	104,391	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	104,391	0
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(104,391)	100,000
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	(20,224,889)	(9,779,061)
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)	(321,614)	418,188
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(20,546,503)	(9,360,873)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	15,121,593	3,092,969
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	7,863,141	4,770,172
19.2 End of year (Line 18 plus Line 19.1)	22,984,734	7,863,141

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

20.0001	0	0

ANALYSIS OF OPERATION BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	109,608,919	0	0	0	0	0	0	0	109,608,919	0
2. Change in unearned premium reserves and reserve for rate credit	0	0	0	0	0	0	0	0	0	0
3. Fee-for-service (net of $.....0 medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	109,608,919	0	0	0	0	0	0	0	109,608,919	0
8. Hospital/medical benefits	0	0	0	0	0	0	0	0	0	XXX
9. Other professional services	0	0	0	0	0	0	0	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	0	0	0	0	0	0	0	0	0	XXX
12. Prescription drugs	87,287,608	0	0	0	0	0	0	0	87,287,608	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	87,287,608	0	0	0	0	0	0	0	87,287,608	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total hospital and medical (Lines 15 minus 16)	87,287,608	0	0	0	0	0	0	0	87,287,608	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including $.....137,247 cost containment expenses	6,379,525	0	0	0	0	0	0	0	6,379,525	0
20. General administrative expenses	10,923,494	0	0	0	0	0	0	0	10,923,494	0
21. Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	104,590,627	0	0	0	0	0	0	0	104,590,627	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	5,018,292	0	0	0	0	0	0	0	5,018,292	0

DETAILS OF WRITE-INS

0501.	0	0	0	0	0	0	0	0	0	XXX
0502.	0	0	0	0	0	0	0	0	0	XXX
0503.	0	0	0	0	0	0	0	0	0	XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0	0	0	0	0	0	0	0	0	XXX
1302.	0	0	0	0	0	0	0	0	0	XXX
1303.	0	0	0	0	0	0	0	0	0	XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	0	0	0	0
2. Medicare supplement	0	0	0	0
3. Dental only	0	0	0	0
4. Vision only	0	0	0	0
5. Federal employees health benefits plan	0	0	0	0
6. Title XVIII - Medicare	0	0	0	0
7. Title XIX - Medicaid	0	0	0	0
8. Other health	109,608,919	0	0	109,608,919
9. Health subtotal (Lines 1 through 8)	109,608,919	0	0	109,608,919
10. Life	0	0	0	0
11. Property/casualty	0	0	0	0
12. Totals (Lines 9 to 11)	109,608,919	0	0	109,608,919

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	83,126,912	0	0	0	0	0	0	0	83,126,912	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	83,126,912	0	0	0	0	0	0	0	83,126,912	0
2. Paid medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	6,430,181	0	0	0	0	0	0	0	6,430,181	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	6,430,181	0	0	0	0	0	0	0	6,430,181	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0	0	0	0	0	0	0	0	0	0
6. Net healthcare receivables (a)	(4,345,470)	0	0	0	0	0	0	0	(4,345,470)	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	6,614,955	0	0	0	0	0	0	0	6,614,955	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	6,614,955	0	0	0	0	0	0	0	6,614,955	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	87,287,608	0	0	0	0	0	0	0	87,287,608	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	87,287,608	0	0	0	0	0	0	0	87,287,608	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	1,947,605	0	0	0	0	0	0	0	1,947,605	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	1,947,605	0	0	0	0	0	0	0	1,947,605	0
2. Incurred but unreported:										
2.1 Direct	4,482,576	0	0	0	0	0	0	0	4,482,576	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	4,482,576	0	0	0	0	0	0	0	4,482,576	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	6,430,181	0	0	0	0	0	0	0	6,430,181	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	6,430,181	0	0	0	0	0	0	0	6,430,181	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	0	0	0	0	0	0
2. Medicare supplement	0	0	0	0	0	0
3. Dental only	0	0	0	0	0	0
4. Vision only	0	0	0	0	0	0
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	3,499,490	79,627,422	517,977	5,912,204	4,017,467	6,614,955
9. Health subtotal (Lines 1 to 8)	3,499,490	79,627,422	517,977	5,912,204	4,017,467	6,614,955
10. Healthcare receivables (a)	393,892	13,502,593	0	0	393,892	18,241,955
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 (Lines 9 - 10 + 11 + 12)	3,105,598	66,124,829	517,977	5,912,204	3,623,575	(11,627,000)

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	113,868	127,377	127,463	127,671
4. 2007	XXX	XXX	140,614	150,499	150,828
5. 2008	XXX	XXX	XXX	107,160	110,123
6. 2009	XXX	XXX	XXX	XXX	79,627

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	124,787	127,469	127,467	127,675
4. 2007	XXX	XXX	153,002	150,562	151,005
5. 2008	XXX	XXX	XXX	113,708	110,459
6. 2009	XXX	XXX	XXX	XXX	85,540

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2005	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2006	123,910	127,671	11,709	9.2	139,380	112.5	5	0	139,385	112.5
3. 2007	156,730	150,828	11,304	7.5	162,132	103.4	177	0	162,309	103.6
4. 2008	127,694	110,123	7,712	7.0	117,835	92.3	336	8	118,179	92.5
5. 2009	109,609	79,627	5,588	7.0	85,215	77.7	5,912	128	91,255	83.3

U & I Ex.-Pt.2C-Sn A-Paid Claims-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Hospital & Medical
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Dental
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	0	0	0	0
4. 2007	XXX	XXX	0	0	0
5. 2008	XXX	XXX	XXX	0	0
6. 2009	XXX	XXX	XXX	XXX	0

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

NONE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	0	0	0	0
4. 2007	XXX	XXX	0	0	0
5. 2008	XXX	XXX	XXX	0	0
6. 2009	XXX	XXX	XXX	XXX	0

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

NONE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2005	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2006	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2007	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2008	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2009	0	0	0	0.0	0	0.0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	113,868	127,377	127,463	127,671
4. 2007	XXX	XXX	140,614	150,499	150,828
5. 2008	XXX	XXX	XXX	107,160	110,123
6. 2009	XXX	XXX	XXX	XXX	79,627

SECTION B - INCURRED HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	0	0	0	0	0
3. 2006	XXX	124,787	127,469	127,467	127,675
4. 2007	XXX	XXX	153,002	150,562	151,005
5. 2008	XXX	XXX	XXX	113,708	110,459
6. 2009	XXX	XXX	XXX	XXX	85,540

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2005	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2006	123,910	127,671	11,709	9.2	139,380	112.5	5	0	139,385	112.5
3. 2007	156,730	150,828	11,304	7.5	162,132	103.4	177	0	162,309	103.6
4. 2008	127,694	110,123	7,712	7.0	117,835	92.3	336	8	118,179	92.5
5. 2009	109,609	79,627	5,588	7.0	85,215	77.7	5,912	128	91,255	83.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
POLICY RESERVE									
1. Unearned premium reserves	0	0	0	0	0	0	0	0	0
2. Additional policy reserves (a)	0	0	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including $.....0) for investment income	0	0	0	0	0	0	0	0	0
5. Aggregate write-ins for other policy reserves	1,878,000	0	0	0	0	0	0	0	1,878,000
6. Totals (gross)	1,878,000	0	0	0	0	0	0	0	1,878,000
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (net) (Page 3, Line 4)	1,878,000	0	0	0	0	0	0	0	1,878,000
CLAIM RESERVE									
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. Risk corridor	1,878,000	0	0	0	0	0	0	0	1,878,000
0502.	0	0	0	0	0	0	0	0	0
0503.	0	0	0	0	0	0	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	1,878,000	0	0	0	0	0	0	0	1,878,000
1101.	0	0	0	0	0	0	0	0	0
1102.	0	0	0	0	0	0	0	0	0
1103.	0	0	0	0	0	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $.....0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($.....0 for occupancy of own building)	8,541	113,211	105,222	526	227,500
2. Salaries, wages and other benefits	73,446	2,003,546	4,040,344	34,565	6,151,901
3. Commissions (less $.....0 ceded plus $.....0 assumed)	0	0	102,122	0	102,122
4. Legal fees and expenses	57	12	53,030	0	53,099
5. Certifications and accreditation fees	0	0	4,298	0	4,298
6. Auditing, actuarial and other consulting services	518	110,481	720,114	17,966	849,079
7. Traveling expenses	2,541	22,274	113,259	676	138,750
8. Marketing and advertising	0	0	2,519,951	0	2,519,951
9. Postage, express and telephone	784	243,575	178,680	68	423,107
10. Printing and office supplies	1,076	24,646	101,545	136	127,403
11. Occupancy, depreciation and amortization	2,012	34,895	37,304	443	74,654
12. Equipment	37	34,618	28,921	7	63,583
13. Cost or depreciation of EDP equipment and software	3,638	240,798	199,770	10	444,216
14. Outsourced services including EDP, claims, and other services	28,233	3,277,528	902,040	2,630	4,210,431
15. Boards, bureaus and association fees	518	1,194	57,350	385	59,447
16. Insurance, except on real estate	58	886	141,533	3	142,480
17. Collection and bank service charges	0	0	0	0	0
18. Group service and administration fees	0	0	0	0	0
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	2,935	47,159	40,281	9,683	100,058
22. Real estate taxes	730	8,661	7,869	41	17,301
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	83,203	0	83,203
23.2 State premium taxes	0	0	0	0	0
23.3 Regulatory authority licenses and fees	8,478	0	7,718	0	16,196
23.4 Payroll taxes	3,579	116,724	220,031	1,445	341,779
23.5 Other (excluding federal income and real estate taxes)	0	0	0	0	0
24. Investment expenses not included elsewhere	0	0	0	1,063	1,063
25. Aggregate write-ins for expenses	64	(37,928)	1,258,909	28	1,221,073
26. Total expenses incurred (Lines 1 to 25)	137,245	6,242,280	10,923,494	69,675	(a) 17,372,694
27. Less expenses unpaid December 31, current year	2,728	133,689	1,439,376	0	1,575,793
28. Add expenses unpaid December 31, prior year	377	183,138	2,490,089	0	2,673,604
29. Amounts receivable relating to uninsured plans, prior year	547,369	9,852,637	16,968,430	0	27,368,436
30. Amounts receivable relating to uninsured plans, current year	67,165	2,417,941	4,231,397	0	6,716,503
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	(345,310)	(1,142,967)	(762,826)	69,675	(2,181,428)

DETAILS OF WRITE-INS

2501. Other expenses	64	(37,928)	1,258,909	28	1,221,073
2502.	0	0	0	0	0
2503.	0	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above)	64	(37,928)	1,258,909	28	1,221,073

(a) Includes management fees of $.....0 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) (729)	427
1.1	Bonds exempt from U.S. tax	(a) 0	0
1.2	Other bonds (unaffiliated)	(a) 0	0
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e) 53,736	53,736
7.	Derivative instruments	(f) 0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	53,007	54,163
11.	Investment expenses		(g) 68,230
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 1,445
13.	Interest expense		(h) 285,072
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		354,747
17.	Net investment income (Line 10 minus Line 16)		(300,584)

DETAILS OF WRITE-INS

0901.		0	0
0902.		0	0
0903.		0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0
1501.			0
1502.			0
1503.			0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....0 accrual of discount less $.....2,119 amortization of premium and less $.....548 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....247 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	0	0	0	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	0	0	0	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	0	0	0	0	0

NONE

DETAILS OF WRITE-INS

0901.		0	0	0	0	0
0902.		0	0	0	0	0
0903.		0	0	0	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only)	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	132,062	308,503	176,441
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
13.3 Accrued retrospective premiums	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset	6,989,421	9,827,545	2,838,124
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software	0	0	0
19. Furniture and equipment, including health care delivery assets	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable	7,029,653	12,776,183	5,746,530
23. Aggregate write-ins for other than invested assets	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23)	14,151,136	22,912,231	8,761,095
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
26. TOTALS (Lines 24 and 25)	14,151,136	22,912,231	8,761,095

DETAILS OF WRITE-INS

0901.	0	0	0
0902.	0	0	0
0903.	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0
2301.	0	0	0
2302.	0	0	0
2303.	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health maintenance organizations	0	0	0	0	0	0
2. Provider service organizations	0	0	0	0	0	0
3. Preferred provider organizations	0	0	0	0	0	0
4. Point of service	0	0	0	0	0	0
5. Indemnity only	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business	103,720	76,684	73,561	73,017	72,362	894,661
7. Total	103,720	76,684	73,561	73,017	72,362	894,661

DETAILS OF WRITE-INS

0601. Individual Part D Members	98,488	71,623	68,540	68,048	67,459	808,640
0602. Group Part D Members	5,232	5,061	5,021	4,969	4,903	86,021
0603.	0	0	0	0	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	103,720	76,684	73,561	73,017	72,362	894,661

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						
0199999. Total individuals	144,633	106,995	0	73,383	51,418	273,593
0299998. Premiums due and unpaid not individually listed	496,558	64,451	5,728	93,150	79,418	580,469
0299999. Total group	496,558	64,451	5,728	93,150	79,418	580,469
0399999. Premiums due and unpaid from Medicare entities	103,226	8,084	0	508,746	1,226	618,830
0599999. Accident and health premiums due and unpaid (Page 2, Line 13)	744,417	179,530	5,728	675,279	132,062	1,472,892

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						
	1,575,698	1,539,059	1,687,474	9,094,253	7,029,653	6,866,831
0199999. Total Pharmaceutical Rebate Receivables	1,575,698	1,539,059	1,687,474	9,094,253	7,029,653	6,866,831
0799999. Total Health Care Receivables	1,575,698	1,539,059	1,687,474	9,094,253	7,029,653	6,866,831

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	1,947,605	0	0	0	0	1,947,605
0499999. Subtotals	1,947,605	0	0	0	0	1,947,605
0599999. Unreported claim and other claim reserves						4,482,576
0799999. Total claims unpaid						6,430,181

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Highmark Inc.	651,674	0	0	0	0	651,674	0
0199999. Individually listed receivables	651,674	0	0	0	0	651,674	0
0399999. Total gross amounts receivable	651,674	0	0	0	0	651,674	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				
Highmark Inc.		1,649	1,649	0
0199999. Individually listed payables		1,649	1,649	0
0399999. Total gross payables		1,649	1,649	0

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	0	0.0	0	0.0	0	0
2. Intermediaries	0	0.0	0	0.0	0	0
3. All other providers	0	0.0	0	0.0	0	0
4. Total capitation payments	0	0.0	0	0.0	0	0
Other Payments:						
5. Fee-for-service	0	0.0	XXX	XXX	0	0
6. Contractual fee payments	0	0.0	XXX	XXX	0	0
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX	0	0
8. Bonus/withhold arrangements - contractual fee payments	0	0.0	XXX	XXX	0	0
9. Non-contingent salaries	0	0.0	XXX	XXX	0	0
10. Aggregate cost arrangements	0	0.0	XXX	XXX	0	0
11. All other payments	83,126,912	100.0	XXX	XXX	0	83,126,912
12. Total other payments	83,126,912	100.0	XXX	XXX	0	83,126,912
13. Total (Line 4 plus Line 12)	83,126,912	100.0	XXX	XXX	0	83,126,912

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

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

NONE

NOTES TO FINANCIAL STATEMENTS

HEALTH

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NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Highmark Senior Resources Inc. (the "Corporation") are presented on the basis of accounting practices prescribed by the Pennsylvania Insurance Department (the "Department"). The Department recognizes only statutory accounting practices prescribed or permitted by the Commonwealth of Pennsylvania for determining and reporting the financial condition and results of operations of an insurance company in order to assess its solvency under Pennsylvania insurance law and regulations. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by Pennsylvania. The Pennsylvania Insurance Commissioner has the right to permit other specific practices that deviate from prescribed practices.

For the years ended December 31, 2009 and 2008, there were no differences between NAIC SAP and practices prescribed or permitted by Pennsylvania.

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

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from estimates.

C. Accounting Policies

The Corporation uses the following accounting policies:

- Short-term investments include Class 1 and exempt money market accounts and securities with a maturity of less than one year but greater than 90 days at the date of purchase. Cash equivalents include securities with a maturity of 90 days or less at the date of purchase. Securities are stated at amortized cost. Class 1 and exempt money market accounts are stated at fair value.

- Bonds not backed by other loans are carried at amortized cost using the effective interest method.

- Realized capital gains and losses on the sale of investments are determined using the specific identification method.

- Pharmaceutical rebates receivable are an actuarial estimate based on prescriptions filled and terms of rebate contracts for the most recent three months. For prior months, the Corporation records the actual amounts that have been invoiced or confirmed in writing with the pharmaceutical companies.

- Claims unpaid include claims reported and adjudicated but unpaid as well as an estimate of incurred but not reported claims. The liability for claims incurred but not reported is an actuarial estimate based on historical claims paid data, modified for current conditions and coverage changes. The methods to determine the estimate of incurred but not reported claims use past experience adjusted for current trends. The methods and assumptions are continually reviewed and any resulting adjustments are included in claims incurred in the period determined. Corresponding administrative costs to process unreported claims are estimated and accrued.

- The Corporation's operations relate to Medicare Part D prescription drug coverage and include premium income from individuals and the Centers for Medicare & Medicaid Services ("CMS"). Premiums due from individuals are generally billed in advance of the contractual coverage period and are included in premiums earned as they are earned during the coverage period. The unearned portion of premiums collected is reflected in the statements of assets, liabilities, capital and surplus as premiums received in advance. The Corporation receives monthly payments from CMS for providing prescription drug coverage. Premium income for providing this coverage is recognized ratably over the term of the contract.

- Risk corridor provisions compare costs targeted in the annual bid submitted by the Corporation to CMS to actual prescription drug costs, limited to actual costs that would have been incurred under the standard coverage as defined by CMS. Variances exceeding certain thresholds may result in CMS making additional payments to the Corporation or require the Corporation to refund to CMS a portion of the premiums received. Adjustments to premium income related to these risk corridor provisions are based on pharmacy claims experience to date as if the annual contract were to terminate at the end of the reporting period.

- Reinsurance and low-income cost subsidies represent reimbursements from CMS in connection with the Medicare Part D program. Reinsurance subsidies represent reimbursements from CMS for a portion of prescription drug costs which exceed members' out-of-pocket thresholds. Low-income cost subsidies represent reimbursements from CMS for all or a portion of deductible, coinsurance and co-payment amounts above the out-of-pocket thresholds for low-income beneficiaries. Monthly prospective payments from CMS for reinsurance and low-income cost subsidies are based on assumptions submitted with the Corporation's annual bid to CMS. Premium income and claims incurred are not recognized for these subsidies; rather receipt and payment activity is accumulated at the contract level and net balances are recorded in amounts receivable relating to uninsured plans or a liability for amounts held under uninsured plans.

- The Corporation is subject to federal income taxes. Deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using tax rates and laws that are expected to be in effect when the difference is reversed. Net deferred tax assets are admitted to the extent that they are expected to reverse and become realized within one year. Uncertain tax positions are assessed in accordance with SSAP No. 5 criteria as required by SSAP No. 10R.

NOTES TO FINANCIAL STATEMENTS

SSAP No. 10R is a revised income tax accounting standard adopted by the NAIC, effective for the first time for the 2009 year. The application of SSAP No. 10R requires a company to evaluate the recoverability of deferred tax assets and to establish a valuation allowance if necessary to reduce the deferred tax asset to an amount which is more likely than not to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Corporation considers many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of their reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be utilized; (6) unique tax rules that would impact the utilization of the deferred tax assets; and (7) any tax planning strategies that the Corporation would employ to avoid a tax benefit from expiring unused. In addition, to the extent the Corporation is eligible, SSAP No. 10R paragraph 10e provides for increased admissibility standards for deferred tax assets. SSAP No. 10R is effective for the 2009 and 2010 years and as currently drafted, guidance will revert to SSAP No. 10 for 2011 and future years.

2. Accounting Changes and Corrections of Errors

None.

3. Business Combinations and Goodwill

None.

4. Discontinued Operations

None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

B. Debt Restructuring

None.

C. Reverse Mortgages

None.

D. Loan-Backed Securities

None.

E. Repurchase Agreements and/or Securities Lending Transactions

None.

F. Real Estate

None.

G. Low-Income Housing Tax Credits

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

A. Basis for Excluding Due and Accrued Investment Income from Statutory Surplus

Investment income due and accrued is excluded from the financial statements for all investment income on any invested asset that is 90 days or more past due

B. Amounts Excluded from Statutory Surplus

None.

8. Derivative Instruments

None.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A., C. Components and Changes in Deferred Taxes

The tax effects of temporary differences that gave rise to significant portions of deferred tax assets and liabilities for 2009 and 2008 were as follows:

	2009			2008		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Deferred tax assets:						
Start-up costs	5,407,213	-	5,407,213	5,898,778	-	5,898,778
Health care and other receivables	2,872,608	-	2,872,608	4,778,273	-	4,778,273
Uncollected premiums	112,521	-	112,521	220,427	-	220,427
Other	45,281	-	45,281	46,880	-	46,880
Gross deferred tax assets	8,437,623	-	8,437,623	10,944,358	-	10,944,358
Statutory valuation allowance	-	-	-	-	-	-
Adjusted gross deferred tax asset	8,437,623	-	8,437,623	10,944,358	-	10,944,358
Nonadmitted deferred tax assets	(6,989,421)	-	(6,989,421)	(9,827,545)	-	(9,827,545)
Admitted deferred tax assets	1,448,202	-	1,448,202	1,116,813	-	1,116,813
Deferred tax liabilities:						
Other	-	-	-	-	-	-
Total deferred tax liabilities	-	-	-	-	-	-
Net admitted deferred tax asset	1,448,202	-	1,448,202	1,116,813	-	1,116,813

Decrease in nonadmitted asset	2,838,124

The amount of each result or component of the calculation by tax character was as follows:

	2009			2008		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Admitted adjusted gross DTA (paragraph 10a.)	652,382	-	652,382	-	-	-
Admitted adjusted gross DTA (paragraph 10b.)	795,820	-	795,820	1,116,813	-	1,116,813
Total admitted deferred tax asset	1,448,202	-	1,448,202	1,116,813	-	1,116,813
Less: gross deferred tax liabilities			-			-
Net admitted deferred tax asset			1,448,202			1,116,813

The corporation had income tax expenses of $0 and $652,382 available for recoupment for the years ended December 31, 2009 and 2008, respectively. All the taxes were ordinary in nature.

For the year ended December 31, 2009, the Corporation has elected not to admit deferred tax assets pursuant to paragraph 10e of SSAP No. 10R. The election was not available in 2008.

The change in net deferred income taxes was comprised of the following at December 31, 2009 and 2008 (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the surplus section of the annual statement):

	2009	2008	Change
Total deferred tax assets	8,437,623	10,944,358	(2,506,735)
Total deferred tax liabilities	-	-	-
Net deferred tax asset (liability)	8,437,623	10,944,358	(2,506,735)
Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			(2,506,735)

The benefit recognized of $(1,075,972) and $(6,315,455) for the years ended December 31, 2009 and 2008, respectively, included only federal taxes.

B. Unrecognized Deferred Tax Liabilities

None.

NOTES TO FINANCIAL STATEMENTS

D. Rate Reconciliation

	2009	2008
Provision computed at statutory rate	1,651,198	(5,786,416)
Change in temporary differences recorded directly to surplus	2,073,040	2,792,371
Relationship management/support services	(2,293,475)	0
Other	-	-
	1,430,763	(2,994,045)
Federal and foreign income taxes incurred	(1,075,972)	(6,315,455)
Change in net deferred income taxes	2,506,735	3,321,410
Total statutory income taxes	1,430,763	(2,994,045)

The Corporation's effective tax rate was favorably impacted by the required tax return adjustment to administrative services charges from Highmark. This adjustment has been included as relationship management/support services in the tax rate reconciliation.

E. Income Tax Carryforwards and Carrybacks

None.

F. Consolidation of Federal Return

The Corporation is included in a consolidated federal income tax return with its parent company, Highmark Inc. ("Highmark"), and all subsidiaries of Highmark in which Highmark holds 80% or more of the outstanding ownership interests. A listing of these entities is provided in Schedule Y. The Corporation has a written agreement, approved by the Corporation's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. The agreement generally settles the consolidated federal tax liability as if each subsidiary filed a separate income tax return. Federal income tax benefits or losses are allocated to the entities incurring such benefits or losses to the extent they are used to reduce the consolidated federal income tax liability.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A., F. Nature of Relationships Involved

The Corporation is a wholly owned subsidiary of Highmark, a professional health services plan and hospital plan corporation domiciled in Pennsylvania. Highmark owns 20,000 shares of $100 par value common stock. The excess of the purchase price over the par value of the stock was recorded as paid-in capital. There were no dividends paid or accrued by the Corporation.

The Corporation has a management services agreement with Highmark to receive all of the financial, investment, administrative and operational services required by the Corporation for operation. The allocated cost of these services is included in general administrative expenses, claims adjustment expenses, and investment expenses as a component of net investment income.

B., C. Description of Transactions Relating to Subsidiaries, Controlled and Affiliated Entities ("SCAs")

In December 2007, Highmark extended a $40,000,000 line of credit to the Corporation, which expires December 31, 2010. Refer to Note 11A – Debt Facilities.

D. Related Party Receivables and Payables

At December 31, 2009 and 2008, the admitted amounts due from related parties were $651,674 and $354,158, respectively. These amounts consisted of premiums collected by Highmark on behalf of the Corporation. The terms of the management services agreement with Highmark generally require that amounts be settled within 30 days.

At December 31, 2009 and 2008, the amounts due to related parties were $1,649 and $25,747, respectively, consisting primarily of reimbursement due to Highmark for claims processed and paid by Highmark on behalf of the Corporation. Additionally, amounts due to Highmark for administrative services performed by Highmark on behalf of the Corporation were $1,408,765 and $2,487,658 at December 31, 2009 and 2008, respectively. These amounts were classified as general expenses due or accrued based on the nature of the services performed.

E. Commitments and Contingencies to SCAs

None.

G. Relationships with Enterprises under Common Ownership

None.

H. Amounts Deducted from Value of an Upstream Intermediate Entity

None.

NOTES TO FINANCIAL STATEMENTS

I. Investments in SCA Entities that exceed 10% of Admitted Assets

None.

J. Impairment in SCAs

None.

K. Investments in Foreign Insurance Subsidiaries

None.

L. Downstream Noninsurance Holding Company

None.

11. Debt

A. Debt Facilities

The Corporation is party to a $40,000,000 line of credit agreement with Highmark. At December 31, 2009 and 2008, amounts outstanding under this line of credit were $0 and $20,000,000, respectively. Amounts outstanding under this line of credit bear interest at variable interest rates. The agreement will terminate on December 31, 2010. For the years ended December 31, 2009 and 2008, the Corporation incurred $285,072 and $1,157,356, respectively, in interest expense.

B. Federal Home Loan Bank Agreements

None.

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

None.

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

The Corporation has 50,000 common stock shares authorized and 20,000 common stock shares issued and outstanding. The Corporation has no preferred stock authorized, issued or outstanding. There are no restrictions on the Corporation's surplus.

The Corporation's surplus did not include any unrealized gains at December 31, 2009 or 2008.

14. Contingencies

A. Contingent Commitments

None.

B. Assessments

None.

C. Gain Contingencies

None.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming From Lawsuits

None.

E. All Other Contingencies

The Corporation is subject to various contingencies, including legal and compliance actions and proceedings that arise in the ordinary course of its business. In the opinion of management, based on consultation with legal counsel, adequate provision has been made in the financial statements for any potential liability related to these matters, and the amount of ultimate liability is not expected to materially affect the financial position of the Corporation.

15. Leases

None.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

None.

NOTES TO FINANCIAL STATEMENTS

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

A. Transfers of Receivables Reported as Sales

None.

B. Transfer and Servicing of Financial Assets

None.

C. Wash Sales

None.

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

None.

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

None.

20. Other Items

A. Extraordinary Items

None.

B. Troubled Debt Restructuring: Debtors

None.

C. Other Disclosures

Assets in the amount of $102,272 and $100,000 at December 31, 2009 and 2008, respectively, were on deposit with the Department as required by law.

The Corporation has no agreements with hospitals, physicians or dentists, as the Corporation offers only a Medicare Part D prescription drug product. Reference General Interrogatories, Part 2 – Health, Interrogatories 4.1, 4.2 and 8.

D. Uncollectible Receivable Balances

At December 31, 2009 and 2008, the Corporation had admitted assets of $8,189,395 and $34,005,958, respectively, in amounts receivable for insured and uninsured plans. The Corporation routinely assesses the collectability of these receivables. Based upon the Corporation's experience, less than 1% of the balance may become uncollectible, and the potential loss is not material to the Corporation's financial condition.

E. Business Interruption Insurance Recoveries

None.

F. State Transferrable Tax Credits

None.

G. Subprime Mortgage Related Risk Exposure

None.

21. Events Subsequent

None.

22. Reinsurance

None.

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Corporation estimates retrospective premium adjustments to earned premium for its health insurance business by examining each group's activity and applying the appropriate contractual limitations. For the years ended December 31, 2009 and 2008, all of the Corporation's net premiums written were subject to retrospective rating features.

NOTES TO FINANCIAL STATEMENTS

24. Change in Incurred Claims and Claim Adjustment Expenses

Reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased $2,597,488 and $55,106, respectively, during 2009 and by $2,441,801 and $35,907, respectively, during 2008 as a result of re-estimation of unpaid claims and claim adjustment expenses. The re-estimation decrease was generally the result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known regarding individual claims. Favorable prior year claim development on retrospectively rated policies does not significantly impact surplus because such policies are subject to premium adjustments.

25. Intercompany Pooling Arrangements

None.

26. Structured Settlements

Not applicable.

27. Health Care Receivables

A. Pharmaceutical Rebates Receivable

The following is an analysis of pharmaceutical rebates receivable:

Quarter Ended	Estimated Pharmaceutical Rebates As Reported	Pharmaceutical Rebates as Invoiced or Confirmed	Actual Rebates Collected Within 90 Days	Actual Rebates Collected Within 91-180 Days	Actual Rebates Collected More Than 180 Days
12/31/2009	$ 4,802,230	$ -	$ -	$ -	$ -
09/30/2009	$ 4,962,556	$ 4,944,472	$ 131,861	$ -	$ -
06/30/2009	$ 5,118,368	$ 5,409,971	$ 1,412,467	$ 457,821	$ -
03/31/2009	$ 5,167,386	$ 5,534,328	$ 1,001,899	$ 589,948	$ 3,594,414
12/31/2008	$ 5,465,771	$ 6,533,595	$ 517,324	$ 528,688	$ 5,130,552
09/30/2008	$ 5,445,419	$ 6,337,513	$ 365,895	$ 2,313	$ 5,932,444
06/30/2008	$ 5,482,148	$ 6,271,485	$ 177,879	$ 18,916	$ 6,074,690
03/31/2008	$ 6,145,195	$ 6,394,224	$ -	$ 171,128	$ 6,223,096
12/31/2007	$ 7,910,446	$ 7,999,414	$ -	$ -	$ 7,999,444
09/30/2007	$ 7,103,307	$ 7,923,943	$ -	$ -	$ 7,923,943
06/30/2007	$ 7,371,336	$ 8,146,899	$ -	$ -	$ 8,146,899
03/31/2007	$ 6,415,149	$ 8,366,885	$ -	$ -	$ 8,366,885

B. Risk Sharing Receivables

None.

28. Participating Policies

None.

29. Premium Deficiency Reserves

None.

30. Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State regulating? Pennsylvania

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

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2006

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/20/2008

3.4 By what department or departments? The Pennsylvania Insurance Department

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

5.2 If yes, provide the name of the 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 Co. Code	3 State of Domicile

6.1 Has the 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]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,

7.21 State the percentage of foreign control .....0.000 %

7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PricewaterhouseCoopers LLP, Two Commerce Square Suite 1700, 2001 Market Street, Philadelphia, PA 19103

10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Mark F. St. George, FSA, MAAA, PricewaterhouseCoopers LLP, 300 Madison Avenue New York, NY 10017

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

11.11 Name of real estate holding company

11.12 Number of parcels involved 0

11.13 Total book/adjusted carrying value $.....0

11.2 If yes, provide explanation.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]
12.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]
12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
13.11 If the response to 13.1 is No, please explain:

13.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]
13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
On May 26, 2009, the Corporation's Board of Directors approved a modified Code of Conduct addressing changes to the compliance organization's management and structure and containing provisions relating to new federal acquisition regulations and organizational conflicts of interest.
13.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
13.31 If the response to 13.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No [ ]

15. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]

16. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
18.11 To directors or other officers $.....0
18.12 To stockholders not officers $.....0
18.13 Trustees, supreme or grand (Fraternal only) $.....0
18.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
18.21 To directors or other officers $.....0
18.22 To stockholders not officers $.....0
18.23 Trustees, supreme or grand (Fraternal only) $.....0

19.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]
19.2 If yes, state the amount thereof at December 31 of the current year:
19.21 Rented from others $.....0
19.22 Borrowed from others $.....0
19.23 Leased from others $.....0
19.24 Other $.....0

20.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]
20.2 If answer is yes:
20.21 Amount paid as losses or risk adjustment $.....0
20.22 Amount paid as expenses $.....0
20.23 Other amounts paid $.....0

21.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]
21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. $.....651,674

INVESTMENT

22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 22.3)? Yes [X] No [ ]
22.2 If no, give full and complete information relating thereto.

22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 16 where this information is also provided).

22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]
22.5 If answer to 22.4 is yes, report amount of collateral. $.....0
22.6 If answer to 22.4 is no, report amount of collateral. $.....0

23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3) Yes [X] No [ ]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

23.2 If yes, state the amount thereof at December 31 of the current year:

23.21	Subject to repurchase agreements	$.....0
23.22	Subject to reverse repurchase agreements	$.....0
23.23	Subject to dollar repurchase agreements	$.....0
23.24	Subject to reverse dollar repurchase agreements	$.....0
23.25	Pledged as collateral	$.....0
23.26	Placed under option agreements	$.....0
23.27	Letter stock or securities restricted as to sale	$.....0
23.28	On deposit with state or other regulatory body	$.....102,272
23.29	Other	$.....0

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

25.2 If yes, state the amount thereof at December 31 of the current year: $.....0

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

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

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	One Mellon Center, Pittsburgh, Pennsylvania 15258

26.02 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)

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [ ] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
	Highmark Inc.	120 Fifth Avenue, Pittsburgh, PA 15222

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [ ] No [X]

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj.Carrying Value
27.2999. TOTAL		0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds	22,905,183	22,905,337	154
28.2 Preferred stocks			0
28.3 Totals	22,905,183	22,905,337	154

28.4 Describe the sources or methods utilized in determining the fair values:
Fair value are determined by the custodian bank and its pricing service.

29.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

29.2 If yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No [ ]

29.3 If no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.

30.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]

30.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

OTHER

31.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $.....0

31.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

32.1 Amount of payments for legal expenses, if any? $.....0

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

33.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $.....0

33.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only $.....0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $.....0

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $.....0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $.....0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $.....0

1.62 Total incurred claims $.....0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $.....0

1.65 Total incurred claims $.....0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $.....0

1.72 Total incurred claims $.....0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $.....0

1.75 Total incurred claims $.....0

1.76 Number of covered lives 0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	109,608,919	127,694,569
2.2 Premium Denominator	109,608,919	127,694,569
2.3 Premium Ratio (2.1/2.2)	100.0	100.0
2.4 Reserve Numerator	6,430,181	6,614,955
2.5 Reserve Denominator	8,308,181	6,614,955
2.6 Reserve Ratio (2.4/2.5)	77.4	100.0

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, and if the earnings of the reporting entity permits? Yes [ ] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [ ] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [ ]

5.1 Does the reporting entity have stop-loss reinsurance? Yes [ ] No [X]

5.2 If no, explain:

The Corporation relies on the size and financial strength of the Corporation's parent company, Highmark Inc..

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive medical $.....0

5.32 Medical only $.....0

5.33 Medicare supplement $.....0

5.34 Dental and vision $.....0

5.35 Other limited benefit plan $.....0

5.36 Other $.....0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

The Corporation's pharmacy benefit manager (PBM) contracts directly with pharmacies and the Corporation's contract with the PBM contains a hold-harmless provision. Highmark Inc. guarantees all contractual and financial obligations of the Corporation to its customers.

7.1 Does the reporting entity set up its claim liability for provider services on a service date base? Yes [ ] No [X]

7.2 If no, give details:

The claims liability of the Corporation does not consist of facility or medical claims.

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 0

8.2 Number of providers at end of reporting year 0

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months $.....0

9.22 Business with rate guarantees over 36 months $.....0

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus arrangements in its provider contracts? Yes [ ] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses $.....0

10.22 Amount actually paid for year bonuses $.....0

10.23 Maximum amount payable withholds $.....0

10.24 Amount actually paid for year withholds $.....0

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

11.1. Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,	Yes [ ]	No [X]
11.13 An Individual Practice Association (IPA), or	Yes [ ]	No [X]
11.14 A Mixed Model (combination of above)?	Yes [ ]	No [X]
11.2. Is the reporting entity subject to Minimum Net Worth Requirements?	Yes [X]	No [ ]

11.3. If yes, show the name of the state requiring such net worth. Commonwealth of Pennsylvania

11.4. If yes, show the amount required. $.....1,650,000

11.5. Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [X]

11.6. If the amount is calculated, show the calculation:

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Pennsylvania
West Virginia

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

FIVE-YEAR HISTORICAL DATA

	1 2009	2 2008	3 2007	4 2006	5 2005
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	40,247,722	48,818,647	62,275,268	43,151,957	10,681,436
2. Total liabilities (Page 3, Line 22)	15,914,741	36,533,706	48,869,397	27,550,155	8,455,014
3. Statutory surplus	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
4. Total capital and surplus (Page 3, Line 31)	24,332,981	12,284,941	13,405,871	15,601,802	2,226,422
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	109,608,919	127,694,569	156,729,618	123,910,362	0
6. Total medical and hospital expenses (Line 18)	87,287,608	121,700,244	145,828,594	105,966,178	0
7. Claims adjustment expenses (Line 20)	6,379,525	8,010,481	11,823,012	10,100,818	0
8. Total administrative expenses (Line 21)	10,923,494	13,456,146	17,721,992	19,083,075	21,072,604
9. Net underwriting gain (loss) (Line 24)	5,018,292	(15,472,302)	(18,643,980)	(11,239,709)	(21,072,604)
10. Net investment gain (loss) (Line 27)	(300,584)	(1,060,315)	341,754	637,418	99,676
11. Total other income (Lines 28 plus 29)	0	0	0	(331,268)	0
12. Net income or (loss) (Line 32)	5,793,680	(10,217,162)	(11,380,862)	(7,142,671)	(21,006,491)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	35,772,487	12,353,842	(63,457,761)	(22,374,554)	(12,551,614)
Risk-Based Capital Analysis					
14. Total adjusted capital	24,332,981	12,284,941	13,405,871	15,601,802	2,226,422
15. Authorized control level risk-based capital	3,569,694	2,892,890	3,475,131	3,440,566	28,696
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	72,362	103,720	131,363	128,417	0
17. Total member months (Column 6, Line 7)	894,661	1,257,409	1,591,788	1,128,668	0
Operating Percentage (Page 4) **(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0**					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	79.6	95.3	93.0	85.5	0.0
20. Cost containment expenses	0.1	0.1	0.2	0.2	0.0
21. Other claims adjustment expenses	5.7	6.2	7.4	8.0	0.0
22. Total underwriting deductions (Line 23)	95.4	112.1	111.9	109.1	0.0
23. Total underwriting gain (loss) (Line 24)	4.6	(12.1)	(11.9)	(9.1)	0.0
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5)	3,623,575	9,765,991	12,617,198	0	0
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	(11,627,000)	(16,196,646)	(7,901,114)	0	0
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain:

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Highmark Senior Resources Inc. 2. Pittsburgh, PA

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR (Location)

NAIC Group Code.....812

NAIC Company Code.....10131

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	103,720	0	0	0	0	0	0	0	0	103,720
2. First quarter	76,684	0	0	0	0	0	0	0	0	76,684
3. Second quarter	73,561	0	0	0	0	0	0	0	0	73,561
4. Third quarter	73,017	0	0	0	0	0	0	0	0	73,017
5. Current year	72,362	0	0	0	0	0	0	0	0	72,362
6. Current year member months	894,661	0	0	0	0	0	0	0	0	894,661
Total Member Ambulatory Encounters for Year:										
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 (b)	109,608,919	0	0	0	0	0	0	0	0	109,608,919
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	109,608,919	0	0	0	0	0	0	0	0	109,608,919
16. Property/casualty premiums earned	0	0	0	0	0	0	0	0	0	0
17. Amount paid for provision of health care services	83,126,912	0	0	0	0	0	0	0	0	83,126,912
18. Amount incurred for provision of health care services	87,287,608	0	0	0	0	0	0	0	0	87,287,608

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

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Highmark Senior Resources Inc. 2. Pittsburgh, PA

BUSINESS IN THE STATE OF PENNSYLVANIA DURING THE YEAR (Location)

NAIC Group Code.....812

NAIC Company Code.....10131

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	91,130	0	0	0	0	0	0	0	0	91,130
2. First quarter	69,296	0	0	0	0	0	0	0	0	69,296
3. Second quarter	66,485	0	0	0	0	0	0	0	0	66,485
4. Third quarter	66,032	0	0	0	0	0	0	0	0	66,032
5. Current year	65,496	0	0	0	0	0	0	0	0	65,496
6. Current year member months	808,640	0	0	0	0	0	0	0	0	808,640
Total Member Ambulatory Encounters for Year:										
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 (b)	99,431,177	0	0	0	0	0	0	0	0	99,431,177
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	99,431,177	0	0	0	0	0	0	0	0	99,431,177
16. Property/casualty premiums earned	0	0	0	0	0	0	0	0	0	0
17. Amount paid for provision of health care services	76,421,978	0	0	0	0	0	0	0	0	76,421,978
18. Amount incurred for provision of health care services	80,247,082	0	0	0	0	0	0	0	0	80,247,082

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

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Highmark Senior Resources Inc. 2. Pittsburgh, PA

BUSINESS IN THE STATE OF WEST VIRGINIA DURING THE YEAR (Location)

NAIC Group Code.....812

NAIC Company Code.....10131

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	12,590	0	0	0	0	0	0	0	0	12,590
2. First quarter	7,388	0	0	0	0	0	0	0	0	7,388
3. Second quarter	7,076	0	0	0	0	0	0	0	0	7,076
4. Third quarter	6,985	0	0	0	0	0	0	0	0	6,985
5. Current year	6,866	0	0	0	0	0	0	0	0	6,866
6. Current year member months	86,021	0	0	0	0	0	0	0	0	86,021
Total Member Ambulatory Encounters for Year:										
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 (b)	10,177,742	0	0	0	0	0	0	0	0	10,177,742
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	10,177,742	0	0	0	0	0	0	0	0	10,177,742
16. Property/casualty premiums earned	0	0	0	0	0	0	0	0	0	0
17. Amount paid for provision of health care services	6,704,934	0	0	0	0	0	0	0	0	6,704,934
18. Amount incurred for provision of health care services	7,040,526	0	0	0	0	0	0	0	0	7,040,526

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

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

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

Sch. S-Pt. 2
NONE

Sch. S-Pt. 3-Sn. 2
NONE

Sch. S-Pt. 4
NONE

Sch. S-Pt. 5
NONE

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)	23,087,006	0	23,087,006
2.	Accident and health premiums due and unpaid (Line 13)	1,472,892	0	1,472,892
3.	Amounts recoverable from reinsurers (Line 14.1)	0	0	0
4.	Net credit for ceded reinsurance	XXX	0	0
5.	All other admitted assets (balance)	15,687,824	0	15,687,824
6.	Totals assets (Line 26)	40,247,722	0	40,247,722
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	6,430,181	0	6,430,181
8.	Accrued medical incentive pool and bonus payments (Line 2)	0	0	0
9.	Premiums received in advance (Line 8)	1,607,444	0	1,607,444
10.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 17)	0	0	0
11.	Reinsurance in unauthorized companies (Line 18)	0	0	0
12.	All other liabilities (balance)	7,877,116	0	7,877,116
13.	Total liabilities (Line 22)	15,914,741	0	15,914,741
14.	Total capital and surplus (Line 31)	24,332,981	XXX	24,332,981
15.	Total liabilities, capital and surplus (Line 32)	40,247,722	0	40,247,722
	NET CREDIT FOR CEDED REINSURANCE			
16.	Claims unpaid	0		
17.	Accrued medical incentive pool	0		
18.	Premiums received in advance	0		
19.	Reinsurance recoverable on paid losses	0		
20.	Other ceded reinsurance recoverables	0		
21.	Total ceded reinsurance recoverables	0		
22.	Premiums receivable	0		
23.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
24.	Unauthorized reinsurance	0		
25.	Other ceded reinsurance payables/offsets	0		
26.	Total ceded reinsurance payables/offsets	0		
27.	Total net credit for ceded reinsurance	0		

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	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	N	0	0	0	0	0	0	0	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	L	99,431,177	0	0	0	0	0	99,431,177	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	L	10,177,742	0	0	0	0	0	10,177,742	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	109,608,919	0	0	0	0	0	109,608,919	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Total (Direct Business)	(a) 2	109,608,919	0	0	0	0	0	109,608,919	0

DETAILS OF WRITE-INS

5801.	0	0	0	0	0	0	0	0
5802.	0	0	0	0	0	0	0	0
5803.	0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for line 58	0	0	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 + 5898) (Line 58 above)	0	0	0	0	0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.

All premiums written within the Commonwealth of Pennsylvania and State of West Virginia.

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

2

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

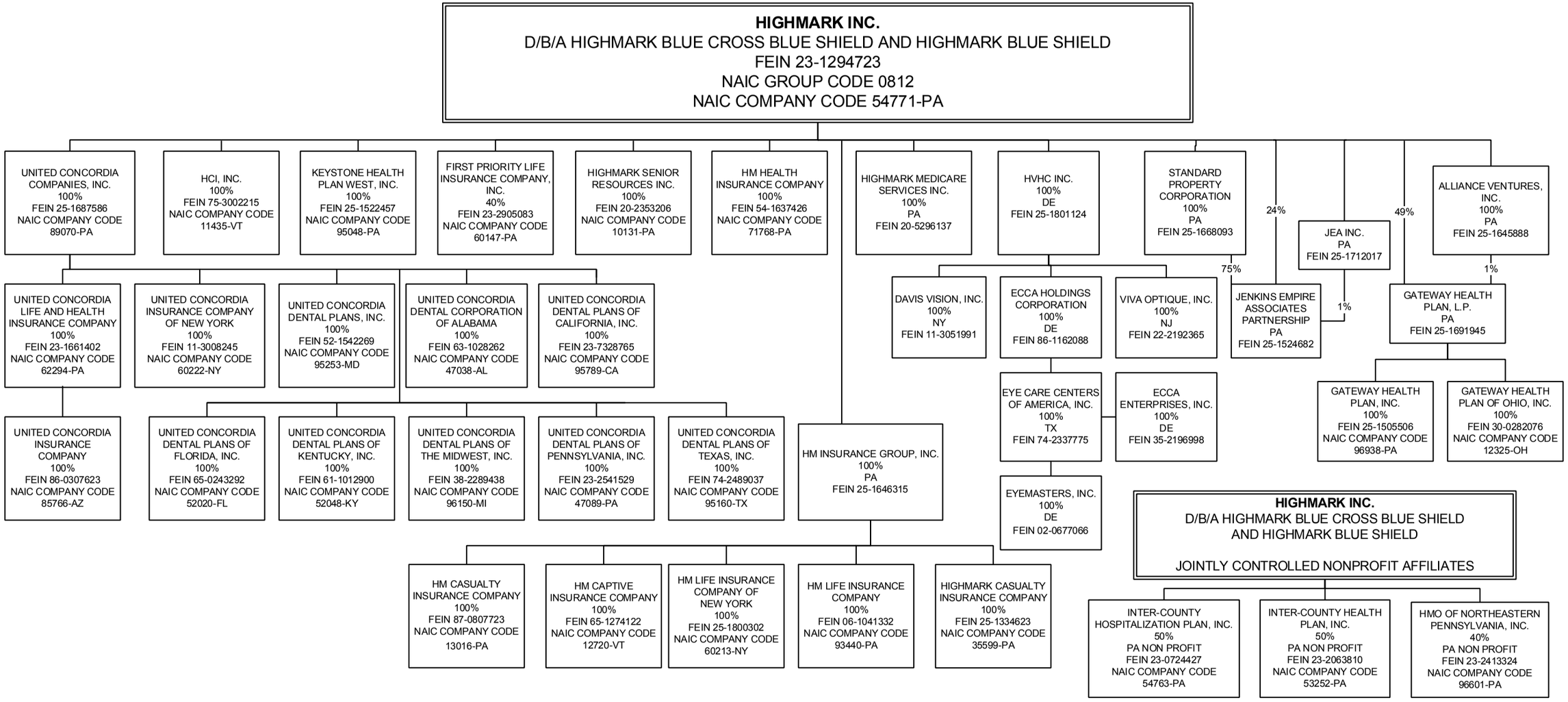
Allocated by States and Territories

		Direct Business Only					
	States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1.	Alabama AL	0	0	0	0	0	0
2.	Alaska AK	0	0	0	0	0	0
3.	Arizona AZ	0	0	0	0	0	0
4.	Arkansas AR	0	0	0	0	0	0
5.	California CA	0	0	0	0	0	0
6.	Colorado CO	0	0	0	0	0	0
7.	Connecticut CT	0	0	0	0	0	0
8.	Delaware DE	0	0	0	0	0	0
9.	District of Columbia DC	0	0	0	0	0	0
10.	Florida FL	0	0	0	0	0	0
11.	Georgia GA	0	0	0	0	0	0
12.	Hawaii HI	0	0	0	0	0	0
13.	Idaho ID	0	0	0	0	0	0
14.	Illinois IL	0	0	0	0	0	0
15.	Indiana IN	0	0	0	0	0	0
16.	Iowa IA	0	0	0	0	0	0
17.	Kansas KS	0	0	0	0	0	0
18.	Kentucky KY	0	0	0	0	0	0
19.	Louisiana LA	0	0	0	0	0	0
20.	Maine ME	0	0	0	0	0	0
21.	Maryland MD	0	0	0	0	0	0
22.	Massachusetts MA	0	0	0	0	0	0
23.	Michigan MI	0	0	0	0	0	0
24.	Minnesota MN	0	0	0	0	0	0
25.	Mississippi MS	0	0	0	0	0	0
26.	Missouri MO	0	0	0	0	0	0
27.	Montana MT	0	0	0	0	0	0
28.	Nebraska NE	0	0	0	0	0	0
29.	Nevada NV	0	0	0	0	0	0
30.	New Hampshire NH	0	0	0	0	0	0
31.	New Jersey NJ	0	0	0	0	0	0
32.	New Mexico NM	0	0	0	0	0	0
33.	New York NY	0	0	0	0	0	0
34.	North Carolina NC	0	0	0	0	0	0
35.	North Dakota ND	0	0	0	0	0	0
36.	Ohio OH	0	0	0	0	0	0
37.	Oklahoma OK	0	0	0	0	0	0
38.	Oregon OR	0	0	0	0	0	0
39.	Pennsylvania PA	0	0	0	0	0	0
40.	Rhode Island RI	0	0	0	0	0	0
41.	South Carolina SC	0	0	0	0	0	0
42.	South Dakota SD	0	0	0	0	0	0
43.	Tennessee TN	0	0	0	0	0	0
44.	Texas TX	0	0	0	0	0	0
45.	Utah UT	0	0	0	0	0	0
46.	Vermont VT	0	0	0	0	0	0
47.	Virginia VA	0	0	0	0	0	0
48.	Washington WA	0	0	0	0	0	0
49.	West Virginia WV	0	0	0	0	0	0
50.	Wisconsin WI	0	0	0	0	0	0
51.	Wyoming WY	0	0	0	0	0	0
52.	American Samoa AS	0	0	0	0	0	0
53.	Guam GU	0	0	0	0	0	0
54.	Puerto Rico PR	0	0	0	0	0	0
55.	US Virgin Islands VI	0	0	0	0	0	0
56.	Northern Mariana Islands MP	0	0	0	0	0	0
57.	Canada CN	0	0	0	0	0	0
58.	Aggregate Other Alien OT	0	0	0	0	0	0
59.	Totals	0	0	0	0	0	0

NONE

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

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

1 NAIC Company Code	2 Federal ID Number	3 Names of Insurers and Parent, Subsidiaries or Affiliates	4 Shareholder Dividends	5 Capital Contributions	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	7 Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	8 Management Agreements and Service Contracts	9 Income/ (Disbursements) Incurred under Reinsurance Agreements	10 *	11 Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	12 Totals	13 Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
95048	25-1522457	Keystone Health Plan West, Inc.	(75,000,000)	0	0	0	(164,054,473)	0		1,709,538	(237,344,935)	0
35599	25-1334623	Highmark Casualty Insurance Company	0	0	0	0	0	(4,768,448)		(7,743,213)	(12,511,661)	(9,444,969)
93440	06-1041332	HM Life Insurance Company	0	0	0	0	0	4,768,448		(7,053,246)	(2,284,798)	9,444,969
0	25-1645888	Alliance Ventures, Inc.	140,000	0	0	0	0	0		0	140,000	0
0	25-1668093	Standard Property Corporation	2,100,000	0	0	0	0	0		0	2,100,000	0
0	25-1712017	JEA, Inc.	28,000	0	0	0	0	0		0	28,000	0
0	25-1524682	Jenkins-Empire Associates	(2,800,000)	0	0	0	0	0		0	(2,800,000)	0
11435	75-3002215	HCI, Inc.	0	0	0	0	(37,088)	0		(375,650)	(412,738)	0
89070	25-1687586	United Concordia Companies, Inc.	(10,000,000)	(162,940)	0	0	(15,783,047)	0		0	(25,945,987)	
85766	86-0307623	United Concordia Insurance Company	0	0	0	0	(24,592,370)	3,774,574		1,277,106	(19,540,690)	778,748
62294	23-1661402	United Concoria Life & Health Insurance Co.	(14,000,000)	0	0	0	(46,395,591)	(3,780,854)		(13,341,119)	(77,517,564)	(778,748)
47089	23-2541529	United Concordia Dental Plan of Pennsylvania, Inc.	0	0	0	0	(4,317,691)	0		(43,897)	(4,361,588)	0
95253	52-1542269	United Concordia Dental Plans, Inc.	0	0	0	0	(2,648,214)	0		(98,914)	(2,747,128)	0
95789	23-7328765	United Concordia Dental Plans of California, Inc.	0	0	0	0	(1,578,264)	0		280,197	(1,298,067)	0
96150	38-2289438	United Concordia Dental Plans of Midwest, Inc.	0	0	0	0	(982,114)	0		(24,154)	(1,006,268)	0
47038	63-1028262	United Concordia Dental Corporation of Alabama	0	0	0	0	(763,397)	0		152,155	(611,242)	0
60222	11-3008245	United Concordia Insurance Company of New York	0	0	0	0	(697,474)	0		16,885	(680,589)	0
96849	54-1093109	United Concordia Dental Plans of Delaware, Inc.	0	0	0	0	0	6,280		3,527	9,807	0
52048	61-1012900	United Concordia Dental Plans of Kentucky, Inc.	0	42,228	0	0	(68,776)	0		68,357	41,809	0
95160	74-2489037	United Concordia Dental Plans of Texas, Inc.	0	117,786	0	0	(137,271)	0		117,434	97,949	0
52020	65-0243292	United Concordia Dental Plans of Florida, Inc.	0	2,926	0	0	(5,957)	0		(3,511)	(6,542)	0
0	37-1494957	United Concordia Service Company	0	0	0	0	0	0		(20,579)	(20,579)	0
53252	23-2063810	Inter-County Health Plan, Inc.	0	1,135,000	0	0	(9,381)	3,601,314		0	4,726,933	(2,208,871)
54763	23-0724427	Inter-County Hpospitalization Plan, Inc.	0	1,315,000	0	0	0	0		0	1,315,000	0
0	25-1691945	Gateway Health Plan, L.P.	(7,000,000)	0	0	0	0	0		0	(7,000,000)	0
10131	20-2353206	Highmark Senior Resources, Inc.	0	0	0	0	(16,549,140)	0		(18,587,988)	(35,137,128)	0
71768	54-1637426	HM Health Insurance Company	0	0	0	0	(10,377,188)	0		896,901	(9,480,287)	0
96601	23-2413324	HMO of Northeastern Pennsylvania, Inc.	(15,820,000)	12,820,000	0	0	0	0		(1,028,300)	(4,028,300)	0
54771	23-1294723	HIghmark, Inc.	122,352,000	(15,270,000)	0	0	288,997,436	(3,601,314)		43,798,471	436,276,593	2,208,871
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.

		Responses
	MARCH FILING	
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?	YES
4.	Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES
	APRIL FILING	
5.	Will the Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
	JUNE FILING	
8.	Will an audited financial report be filed by June 1?	YES
9.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC 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	
10.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
11.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
12.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	NO
13.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
14.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
15.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
16.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	YES
	APRIL FILING	
17.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
18.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
19.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO

EXPLANATIONS:

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SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings 1 Amount	2 Percentage	Admitted Assets as Reported in the Annual Statement 3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	102,272	0.4	102,272	0.4
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	0	0.0	0	0.0
1.22 Issued by U.S. government sponsored agencies	0	0.0	0	0.0
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)	0	0.0	0	0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	0	0.0	0	0.0
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations	0	0.0	0	0.0
1.43 Revenue and assessment obligations	0	0.0	0	0.0
1.44 Industrial development and similar obligations	0	0.0	0	0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	0	0.0	0	0.0
1.512 Issued or guaranteed by FNMA and FHLMC	0	0.0	0	0.0
1.513 All other	0	0.0	0	0.0
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	0	0.0	0	0.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	0	0.0	0	0.0
1.523 All other	0	0.0	0	0.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	0	0.0	0	0.0
2.2 Unaffiliated non-U.S. securities (including Canada)	0	0.0	0	0.0
2.3 Affiliated securities	0	0.0	0	0.0
3. Equity interests:				
3.1 Investments in mutual funds	0	0.0	0	0.0
3.2 Preferred stocks:				
3.21 Affiliated	0	0.0	0	0.0
3.22 Unaffiliated	0	0.0	0	0.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated	0	0.0	0	0.0
3.32 Unaffiliated	0	0.0	0	0.0
3.4 Other equity securities:				
3.41 Affiliated	0	0.0	0	0.0
3.42 Unaffiliated	0	0.0	0	0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated	0	0.0	0	0.0
3.52 Unaffiliated	0	0.0	0	0.0
4. Mortgage loans:				
4.1 Construction and land development	0	0.0	0	0.0
4.2 Agricultural	0	0.0	0	0.0
4.3 Single family residential properties	0	0.0	0	0.0
4.4 Multifamily residential properties	0	0.0	0	0.0
4.5 Commercial loans	0	0.0	0	0.0
4.6 Mezzanine real estate loans	0	0.0	0	0.0
5. Real estate investments:				
5.1 Property occupied by company	0	0.0	0	0.0
5.2 Property held for production of income (including $.....0 of property acquired in satisfaction of debt)	0	0.0	0	0.0
5.3 Property held for sale (including $.....0 property acquired in satisfaction of debt)	0	0.0	0	0.0
6. Contract loans	0	0.0	0	0.0
7. Receivables for securities	0	0.0	0	0.0
8. Cash, cash equivalents and short-term investments	22,984,734	99.6	22,984,734	99.6
9. Other invested assets	0	0.0	0	0.0
10. Total invested assets	23,087,006	100.0	23,087,006	100.0

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

NONE

1.	Book/adjusted carrying value, December 31 of prior year		0
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 6)	0	
2.2	Additional investment made after acquisition (Part 2, Column 9)	0	0
3.	Current year change in encumbrances:		
3.1	Totals, Part 1, Column 13	0	
3.2	Totals, Part 3, Column 11	0	0
4.	Total gain (loss) on disposals, Part 3, Column 18		0
5.	Deduct amounts received on disposals, Part 3, Column 15		0
6.	Total foreign exchange change in book/adjusted carrying value:		
6.1	Totals, Part 1, Column 15	0	
6.2	Totals, Part 3, Column 13	0	0
7.	Deduct current year's other than temporary impairment recognized:		
7.1	Totals, Part 1, Column 12	0	
7.2	Totals, Part 3, Column 10	0	0
8.	Deduct current year's depreciation:		
8.1	Totals, Part 1, Column 11	0	
8.2	Totals, Part 3, Column 9	0	0
9.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)		0
10.	Deduct total nonadmitted amounts		0
11.	Statement value at end of current period (Line 9 minus Line 10)		0

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

NONE

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		0
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 7)	0	
2.2	Additional investment made after acquisition (Part 2, Column 8)	0	0
3.	Capitalized deferred interest and other:		
3.1	Totals, Part 1, Column 12	0	
3.2	Totals, Part 3, Column 11	0	0
4.	Accrual of discount		0
5.	Unrealized valuation increase (decrease):		
5.1	Totals, Part 1, Column 9	0	
5.2	Totals, Part 3, Column 8	0	0
6.	Total gain (loss) on disposals, Part 3, Column 18		0
7.	Deduct amounts received on disposals, Part 3, Column 15		0
8.	Deduct amortization of premium and mortgage interest points and commitment fees		0
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest:		
9.1	Totals, Part 1, Column 13	0	
9.2	Totals, Part 3, Column 13	0	0
10.	Deduct current year's other than temporary impairment recognized:		
10.1	Totals, Part 1, Column 11	0	
10.2	Totals, Part 3, Column 10	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
12.	Total valuation allowance		0
13.	Subtotal (Line 11 plus Line 12)		0
14.	Deduct total nonadmitted amounts		0
15.	Statement value at end of current period (Line 13 minus Line 14)		0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

NONE

1.	Book/adjusted carrying value, December 31 of prior year		0
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 8)	0	
2.2	Additional investment made after acquisition (Part 2, Column 9)	0	0
3.	Capitalized deferred interest and other:		
3.1	Totals, Part 1, Column 16	0	
3.2	Totals, Part 3, Column 12	0	0
4.	Accrual of discount		0
5.	Unrealized valuation increase (decrease):		
5.1	Totals, Part 1, Column 13	0	
5.2	Totals, Part 3, Column 9	0	0
6.	Total gain (loss) on disposals, Part 3, Column 19		0
7.	Deduct amounts received on disposals, Part 3, Column 16		0
8.	Deduct amortization of premium and depreciation		0
9.	Total foreign exchange change in book/adjusted carrying value:		
9.1	Totals, Part 1, Column 17	0	
9.2	Totals, Part 3, Column 14	0	0
10.	Deduct current year's other than temporary impairment recognized:		
10.1	Totals, Part 1, Column 15	0	
10.2	Totals, Part 3, Column 11	0	0
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		0
12.	Deduct total nonadmitted amounts		0
13.	Statement value at end of current period (Line 11 minus Line 12)		0

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year		0
2.	Cost of bonds and stocks acquired, Part 3, Column 7		104,391
3.	Accrual of discount		0
4.	Unrealized valuation increase (decrease):		
4.1	Part 1, Column 12	0	
4.2	Part 2, Section 1, Column 15	0	
4.3	Part 2, Section 2, Column 13	0	
4.4	Part 4, Column 11	0	0
5.	Total gain (loss) on disposals, Part 4, Column 19		0
6.	Deduct consideration for bonds and stocks disposed of, Part 4, Column 7		0
7.	Deduct amortization of premium		2,119
8.	Total foreign exchange change in book/adjusted carrying value:		
8.1	Part 1, Column 15	0	
8.2	Part 2, Section 1, Column 19	0	
8.3	Part 2, Section 2, Column 16	0	
8.4	Part 4, Column 15	0	0
9.	Deduct current year's other than temporary impairment recognized:		
9.1	Part 1, Column 14	0	
9.2	Part 2, Section 1, Column 17	0	
9.3	Part 2, Section 2, Column 14	0	
9.4	Part 4, Column 13	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		102,272
11.	Deduct total nonadmitted amounts		0
12.	Statement value at end of current period (Line 10 minus Line 11)		102,272

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS	1. United States	102,272	102,426	104,391	100,000
Governments (Including all obligations	2. Canada	0	0	0	0
guaranteed by governments)	3. Other Countries	0	0	0	0
	4. Totals	102,272	102,426	104,391	100,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	0	0	0	0
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	0	0	0	0
U.S. Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	7. Totals	0	0	0	0
Industrial and Miscellaneous, Credit Tenant	8. United States	0	0	0	0
Loans and Hybrid Securities (Unaffiliated)	9. Canada	0	0	0	0
	10. Other Countries	0	0	0	0
	11. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	102,272	102,426	104,391	100,000
PREFERRED STOCKS	14. United States	0	0	0	
Industrial and Miscellaneous (Unaffiliated)	15. Canada	0	0	0	
	16. Other Countries	0	0	0	
	17. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	0	0	0	
COMMON STOCKS	20. United States	0	0	0	
Industrial and Miscellaneous (Unaffiliated)	21. Canada	0	0	0	
	22. Other Countries	0	0	0	
	23. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	
	25. Total Common Stocks	0	0	0	
	26. Total Stocks	0	0	0	
	27. Total Bonds and Stocks	102,272	102,426	104,391	

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**											
1.1 Class 1	15,101,095	0	0	0	0	15,101,095	65.9	59,490	0.8	15,101,095	0
1.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
1.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
1.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	15,101,095	0	0	0	0	15,101,095	65.9	59,490	0.8	15,101,095	0
2. **All Other Governments**											
2.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
2.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. **U.S. States, Territories and Possessions, etc., Guaranteed**											
3.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
3.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. **U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed**											
4.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. **U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed**											
5.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
5.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
5.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	0	0	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)
6. **Industrial and Miscellaneous (unaffiliated)**											
6.1 Class 1	7,804,088	0	0	0	0	7,804,088	34.1	7,600,000	99.2	4,088	7,800,000
6.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
6.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
6.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
6.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
6.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	7,804,088	0	0	0	0	7,804,088	34.1	7,600,000	99.2	4,088	7,800,000
7. **Credit Tenant Loans**											
7.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. **Hybrid Securities**											
8.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
8.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. **Parent, Subsidiaries and Affiliates**											
9.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
9.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
9.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
9.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
9.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
9.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	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	(d) 22,905,183	0	0	0	0	22,905,183	100.0	XXX	XXX	15,105,183	7,800,000
10.2 Class 2	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.3 Class 3	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Class 4	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.5 Class 5	(d) 0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.6 Class 6	(d) 0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.7 Totals	22,905,183	0	0	0	0	(b) 22,905,183	100.0	XXX	XXX	15,105,183	7,800,000
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	65.9	34.1
11. **Total Bonds Prior Year**											
11.1 Class 1	7,659,490	0	0	0	0	XXX	XXX	7,659,490	100.0	7,659,490	0
11.2 Class 2	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.3 Class 3	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Class 4	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.5 Class 5	0	0	0	0	0	XXX	XXX	(c) 0	0.0	0	0
11.6 Class 6	0	0	0	0	0	XXX	XXX	(c) 0	0.0	0	0
11.7 Totals	7,659,490	0	0	0	0	XXX	XXX	(b) 7,659,490	100.0	7,659,490	0
11.8 Line 11.7 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. **Total Publicly Traded Bonds**											
12.1 Class 1	15,105,183	0	0	0	0	15,105,183	65.9	7,659,490	100.0	15,105,183	XXX
12.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.7 Totals	15,105,183	0	0	0	0	15,105,183	65.9	7,659,490	100.0	15,105,183	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	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	65.9	0.0	0.0	0.0	0.0	65.9	XXX	XXX	XXX	65.9	XXX
13. **Total Privately Placed Bonds**											
13.1 Class 1	7,800,000	0	0	0	0	7,800,000	34.1	0	0.0	XXX	7,800,000
13.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.7 Totals	7,800,000	0	0	0	0	7,800,000	34.1	0	0.0	XXX	7,800,000
13.8 Line 13.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	34.1	0.0	0.0	0.0	0.0	34.1	XXX	XXX	XXX	XXX	34.1

(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.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 $.....14,998,822; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0.

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

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
1. **U.S. Governments**											
1.1 Issuer Obligations	15,101,095	0	0	0	0	15,101,095	65.9	59,490	0.8	15,101,095	0
1.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	15,101,095	0	0	0	0	15,101,095	65.9	59,490	0.8	15,101,095	0
2. **All Other Governments**											
2.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
2.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
2.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. **U.S. States, Territories and Possessions, Guaranteed**											
3.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
3.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
3.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. **U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed**											
4.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
4.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. **U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed**											
5.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
5.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
5.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	0	0	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
6. **Industrial and Miscellaneous (unaffiliated)**											
6.1 Issuer Obligations	7,804,088	0	0	0	0	7,804,088	34.1	7,600,000	99.2	4,088	7,800,000
6.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
6.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	7,804,088	0	0	0	0	7,804,088	34.1	7,600,000	99.2	4,088	7,800,000
7. **Credit Tenant Loans**											
7.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Single Class Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. **Hybrid Securities**											
8.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
8.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
8.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
8.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. **Parent, Subsidiaries and Affiliates**											
9.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
9.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
9.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	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	22,905,183	0	0	0	0	22,905,183	100.0	XXX	XXX	15,105,183	7,800,000
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	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	0.0	XXX	XXX	0	0
10.4 Other	0	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	0.0	XXX	XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.7 Totals	22,905,183	0	0	0	0	22,905,183	100.0	XXX	XXX	15,105,183	7,800,000
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	65.9	34.1
11. **Total Bonds Prior Year**											
11.1 Issuer Obligations	7,659,490	0	0	0	0	XXX	XXX	7,659,490	100.0	7,659,490	0
11.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
11.5 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.6 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.7 Totals	7,659,490	0	0	0	0	XXX	XXX	7,659,490	100.0	7,659,490	0
11.8 Line 11.7 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. **Total Publicly Traded Bonds**											
12.1 Issuer Obligations	15,105,183	0	0	0	0	15,105,183	65.9	7,659,490	100.0	15,105,183	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
12.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.7 Totals	15,105,183	0	0	0	0	15,105,183	65.9	7,659,490	100.0	15,105,183	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	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	65.9	0.0	0.0	0.0	0.0	65.9	XXX	XXX	XXX	65.9	XXX
13. **Total Privately Placed Bonds**											
13.1 Issuer Obligations	7,800,000	0	0	0	0	7,800,000	34.1	0	0.0	XXX	7,800,000
13.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.4 Other	0	0	0	0	0	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	0.0	0	0.0	XXX	0
13.6 Other	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.7 Totals	7,800,000	0	0	0	0	7,800,000	34.1	0	0.0	XXX	7,800,000
13.8 Line 13.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	34.1	0.0	0.0	0.0	0.0	34.1	XXX	XXX	XXX	XXX	34.1

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value December 31 of prior year	7,659,490	7,659,490	0	0	0
2. Cost of short-term investments acquired	188,401,152	188,401,101	0	51	0
3. Accrual of discount	0	0	0	0	0
4. Unrealized valuation increase (decrease)	0	0	0	0	0
5. Total gain (loss) on disposals	0	0	0	0	0
6. Deduct consideration received on disposals	188,256,554	188,256,503	0	51	0
7. Deduct amortization of premium	0	0	0	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0	0	0	0
9. Deduct current year's other than temporary impairment recognized	0	0	0	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	7,804,088	7,804,088	0	0	0
11. Deduct total nonadmitted amounts	0	0	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	7,804,088	7,804,088	0	0	0

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

Sch. DB-Pt.A-Verification
NONE

Sch. DB-Pt.B-Verification
NONE

Sch. DB-Pt.C-Verification
NONE

Sch. DB-Pt.D-Verification
NONE

Sch. DB-Pt.E-Verification
NONE

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

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

SCHEDULE E- VERIFICATION BETWEEN YEARS

Cash Equivalents

	1 Total	2 Bonds	3 Other (a)
1. Book/adjusted carrying value, December 31 of prior year	0	0	0
2. Cost of cash equivalents acquired	14,998,576	14,998,576	0
3. Accrual of discount	247	247	0
4. Unrealized valuation increase (decrease)	0	0	0
5. Total gain (loss) on disposals	0	0	0
6. Deduct consideration received on disposals	0	0	0
7. Deduct amortization of premium	0	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0	0
9. Deduct current year's other than temporary impairment recognized	0	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	14,998,823	14,998,823	0
11. Deduct total nonadmitted amounts	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	14,998,823	14,998,823	0

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

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Sch. B-Pt. 3
NONE

Sch. BA-Pt. 1
NONE

Sch. BA-Pt. 2
NONE

Sch. BA-Pt. 3
NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Maturity
U.S. Government - Issuer Obligations																					
912828 EG 1	US TREASURY NOTE	SD..	..		1	104,391	102.000	102,426	100,000	102,272	0	(2,119)	0	0	3.875	0.624	MS	1,156	1,938	05/05/2009	09/15/2010
0199999. U.S. Government - Issuer Obligations						104,391	XXX	102,426	100,000	102,272	0	(2,119)	0	0	XXX	XXX	XXX	1,156	1,938	XXX	XXX
0399999. Total - U.S. Government						104,391	XXX	102,426	100,000	102,272	0	(2,119)	0	0	XXX	XXX	XXX	1,156	1,938	XXX	XXX
Totals																					
7799999. Total - Issuer Obligations						104,391	XXX	102,426	100,000	102,272	0	(2,119)	0	0	XXX	XXX	XXX	1,156	1,938	XXX	XXX
8399999. Grand Total - Bonds						104,391	XXX	102,426	100,000	102,272	0	(2,119)	0	0	XXX	XXX	XXX	1,156	1,938	XXX	XXX

Sch. D-Pt. 2-Sn. 1
NONE

Sch. D-Pt. 2-Sn. 2
NONE

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Bonds - U.S. Government								
912828 EG 1	US TREASURY NOTE 3.875% 09/15/10		05/05/2009	DEAN WITTER REYNOLDS INC NY		104,391	100,000	548
0399999.	Total - Bonds - U.S. Government					104,391	100,000	548
8399997.	Total - Bonds - Part 3					104,391	100,000	548
8399999.	Total - Bonds					104,391	100,000	548
9999999.	Total - Bonds, Preferred and Common Stocks					104,391	XXX	548

Sch. D-Pt. 4
NONE

Sch. D-Pt. 5
NONE

Sch. D-Pt. 6-Sn. 1
NONE

Sch. D-Pt. 6-Sn. 2
NONE

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Change in Book/Adjusted Carrying Value				13	14	Interest						21
		3	4					9	10	11	12			15	16	17	18	19	20	
CUSIP Identification	Description	Code	Foreign	Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bond Not in Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
Class One Money Market Mutual Funds																				
72702* 11 8	PLAN INVESTMENT FUND PIF MM FD			12/28/2009	PNC CAPITAL MARKETS	XXX	7,800,000	0	0	0	0	0	7,800,000	0	0	0.000	4.850	MON.	3,330	0
26188J 20 6	DREYFUS CASH MGMT FD			12/17/2009	MELLON BANK NA	XXX	4,088	0	0	0	0	0	4,088	0	0	0.000	4.875	MON.	127	0
8999999. Total - Class One Money Market Mutual Funds							7,804,088	0	0	0	0	XXX	7,804,088	0	0	XXX	XXX	XXX	3,457	0
9199999. Total - Short-Term Investments							7,804,088	0	0	0	0	XXX	7,804,088	0	0	XXX	XXX	XXX	3,457	0

Sch. DB-Pt. A-Sn. 1
NONE

Sch. DB-Pt. A-Sn. 2
NONE

Sch. DB-Pt. A-Sn. 3
NONE

Sch. DB-Pt. B-Sn. 1
NONE

Sch. DB-Pt. B-Sn. 2
NONE

Sch. DB-Pt. B-Sn. 3
NONE

Sch. DB-Pt. C-Sn. 1
NONE

Sch. DB-Pt. C-Sn. 2
NONE

Sch. DB-Pt. C-Sn. 3
NONE

Sch. DB-Pt. D-Sn. 1
NONE

Sch. DB-Pt. D-Sn. 2
NONE

Sch. DB-Pt. D-Sn. 3
NONE

Sch. DB-Pt. E-Sn. 1
NONE

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
Open Depositories						
PNC Bank, N.A. Pittsburgh, Pennsylvania		0.000	0	0	181,823	XXX
0199999. Total - Open Depositories	XXX	XXX	0	0	181,823	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	181,823	XXX
0599999. Total Cash	XXX	XXX	0	0	181,823	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	112,066	4. April	15,563	7. July	52,541	10. October	641,651
2. February	115,335	5. May	8,513	8. August	108,345	11. November	32,585
3. March	145,184	6. June	13,202	9. September	37,119	12. December	181,823

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
U.S. Government Bonds - Issuer Obligations							
FEDERAL HOME LOAN BANK DISC NT		12/21/2009	0.010	01/19/2010	4,999,975	0	15
FEDERAL HOME LOAN BANK DISC NTS		12/18/2009	0.050	02/16/2010	4,999,681	0	76
FEDERAL HOME LOAN BANK DISC NTS		12/17/2009	0.080	03/17/2010	4,999,167	0	156
0199999. U.S. Government Bonds - Issuer Obligations					14,998,823	0	247
0399999. Total - U.S. Government Bonds					14,998,823	0	247
Total Bonds							
7799999. Subtotals - Issuer Obligations					14,998,823	0	247
8399999. Subtotals - Bonds					14,998,823	0	247
8699999. Total - Cash Equivalents					14,998,823	0	247

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

	1	2	Deposits for the Benefit of All Policyholders		All Other Special Deposits	
			3	4	5	6
States, Etc.	Type of Deposit	Purpose of Deposit	Book/Adjusted Carrying Value	Fair Value	Book/Adjusted Carrying Value	Fair Value
1. Alabama AL			0	0	0	0
2. Alaska AK			0	0	0	0
3. Arizona AZ			0	0	0	0
4. Arkansas AR			0	0	0	0
5. California CA			0	0	0	0
6. Colorado CO			0	0	0	0
7. Connecticut CT			0	0	0	0
8. Delaware DE			0	0	0	0
9. District of Columbia DC			0	0	0	0
10. Florida FL			0	0	0	0
11. Georgia GA			0	0	0	0
12. Hawaii HI			0	0	0	0
13. Idaho ID			0	0	0	0
14. Illinois IL			0	0	0	0
15. Indiana IN			0	0	0	0
16. Iowa IA			0	0	0	0
17. Kansas KS			0	0	0	0
18. Kentucky KY			0	0	0	0
19. Louisiana LA			0	0	0	0
20. Maine ME			0	0	0	0
21. Maryland MD			0	0	0	0
22. Massachusetts MA			0	0	0	0
23. Michigan MI			0	0	0	0
24. Minnesota MN			0	0	0	0
25. Mississippi MS			0	0	0	0
26. Missouri MO			0	0	0	0
27. Montana MT			0	0	0	0
28. Nebraska NE			0	0	0	0
29. Nevada NV			0	0	0	0
30. New Hampshire NH			0	0	0	0
31. New Jersey NJ			0	0	0	0
32. New Mexico NM			0	0	0	0
33. New York NY			0	0	0	0
34. North Carolina NC			0	0	0	0
35. North Dakota ND			0	0	0	0
36. Ohio OH			0	0	0	0
37. Oklahoma OK			0	0	0	0
38. Oregon OR			0	0	0	0
39. Pennsylvania PA	B	STATUTORY DEPOSIT	102,272	102,426	0	0
40. Rhode Island RI			0	0	0	0
41. South Carolina SC			0	0	0	0
42. South Dakota SD			0	0	0	0
43. Tennessee TN			0	0	0	0
44. Texas TX			0	0	0	0
45. Utah UT			0	0	0	0
46. Vermont VT			0	0	0	0
47. Virginia VA			0	0	0	0
48. Washington WA			0	0	0	0
49. West Virginia WV			0	0	0	0
50. Wisconsin WI			0	0	0	0
51. Wyoming WY			0	0	0	0
52. American Samoa AS			0	0	0	0
53. Guam GU			0	0	0	0
54. Puerto Rico PR			0	0	0	0
55. US Virgin Islands VI			0	0	0	0
56. Northern Mariana Islands MP			0	0	0	0
57. Canada CN			0	0	0	0
58. Aggregate Alien and Other OT	XXX	XXX	0	0	0	0
59. Total	XXX	XXX	102,272	102,426	0	0

DETAILS OF WRITE-INS

5801.			0	0	0	0
5802.			0	0	0	0
5803.			0	0	0	0
5898. Summary of remaining write-ins for line 58 from overflow page	XXX	XXX	0	0	0	0
5899. Total (Lines 5801 thru 5803+5898) (Line 58 above)	XXX	XXX	0	0	0	0

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2009
(To Be Filed by March 1)
FOR THE STATE OF.....Pennsylvania

NAIC Group Code.....812
Address (City, State and Zip Code).....
Person Completing This Exhibit.....
Title.....

NAIC Company Code.....10131

Telephone Number.....

NONE

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2006				Policies Issued in 2007, 2008 & 2009			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives

360.PA

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

Supplement for the year 2009 of the **Highmark Senior Resources Inc.**

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2009
(To Be Filed by March 1)
FOR THE STATE OF.....West Virginia

NAIC Group Code.....812
Address (City, State and Zip Code).....
Person Completing This Exhibit.....
Title.....

NAIC Company Code.....10131

Telephone Number.....

NONE

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2006				Policies Issued in 2007, 2008 & 2009			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives

360.WV

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

* 1 0 1 3 1 2 0 0 9 3 6 5 0 0 1 0 0 *

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code....812 (To Be Filed By March 1) NAIC Company Code.....10131

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums Collected:					
1.1 Standard Coverage:					
1.11 With Reinsurance Coverage	89,652,680	XXX	6,520,545	XXX	96,173,225
1.12 Without Reinsurance Coverage	0	XXX	0	XXX	0
1.13 Risk-Corridor Payment Adjustments	2,625,748	XXX	190,974	XXX	2,816,722
1.2 Supplemental Benefits	15,415,428	XXX	1,121,182	XXX	16,536,610
2. Premiums Due and Uncollected-Change:					
2.1 Standard Coverage:					
2.11 With Reinsurance Coverage	(461,505)	XXX	(33,566)	XXX	XXX
2.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
2.2 Supplemental Benefits	0	XXX	0	XXX	XXX
3. Unearned Premium and Advance Premium-Change:					
3.1 Standard Coverage:					
3.11 With Reinsurance Coverage	(1,213,196)	XXX	(88,237)	XXX	XXX
3.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
3.2 Supplemental Benefits	0	XXX	0	XXX	XXX
4. Risk-Corridor Payment Adjustments-Change:					
4.1 Receivable	(6,268,113)	XXX	(455,887)	XXX	XXX
4.2 Payable	0	XXX	0	XXX	XXX
5. Earned Premiums:					
5.1 Standard Coverage:					
5.11 With Reinsurance Coverage	90,404,371	XXX	6,575,216	XXX	XXX
5.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
5.13 Risk-Corridor Payment Adjustments	(3,642,365)	XXX	(264,913)	XXX	XXX
5.2 Supplemental Benefits	15,415,428	XXX	1,121,182	XXX	XXX
6. Total Premiums	102,177,434	XXX	7,431,485	XXX	115,526,557
7. Claims Paid:					
7.1 Standard Coverage:					
7.11 With Reinsurance Coverage	61,923,238	XXX	10,502,877	XXX	72,426,115
7.12 Without Reinsurance Coverage	0	XXX	0	XXX	0
7.2 Supplemental Benefits	9,149,021	XXX	1,551,776	XXX	10,700,797
8. Claim Reserves and Liabilities-Change:					
8.1 Standard Coverage:					
8.11 With Reinsurance Coverage	(137,642)	XXX	(23,346)	XXX	XXX
8.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
8.2 Supplemental Benefits	(20,336)	XXX	(3,449)	XXX	XXX
9. Health Care Receivables-Change:					
9.1 Standard Coverage:					
9.11 With Reinsurance Coverage	(5,706,612)	XXX	(967,906)	XXX	XXX
9.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
9.2 Supplemental Benefits	1,991,302	XXX	337,747	XXX	XXX
10. Claims Incurred:					
10.1 Standard Coverage:					
10.11 With Reinsurance Coverage	67,492,208	XXX	11,447,437	XXX	XXX
10.12 Without Reinsurance Coverage	0	XXX	0	XXX	XXX
10.2 Supplemental Benefits	7,137,383	XXX	1,210,580	XXX	XXX
11. Total Claims	74,629,591	XXX	12,658,017	XXX	83,126,912
12. Reinsurance Coverage and Low Income Cost Sharing:					
12.1 Claims Paid - Net of Reimbursements Applied	XXX	6,261,124	XXX	455,379	6,716,503
12.2 Reimbursements Received but Not Applied-Change	XXX	95,508	XXX	6,946	102,454
12.3 Reimbursements Receivable-Change	XXX	(19,251,732)	XXX	(1,400,201)	XXX
12.4 Health Care Receivables-Change	XXX	0	XXX	0	XXX
13. Aggregate Policy Reserves-Change	0	0	0	0	XXX
14. Expenses Paid	(2,098,481)	XXX	(152,625)	XXX	(2,251,106)
15. Expenses Incurred	16,129,874	XXX	1,173,145	XXX	XXX
16. Underwriting Gain/Loss	11,417,969	XXX	(6,399,677)	XXX	XXX
17. Cash Flow Result	XXX	XXX	XXX	XXX	28,036,702

* 1 0 1 3 1 2 0 0 9 4 6 0 0 0 1 0 0 *

SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended December 31, 2009
(To be filed by March 1)

PART 1 - INTERROGATORIES

1. The reporting insurer is a member of a group of insurers or other holding company system? Yes [X] No [ ]
   If yes, do the amounts below represent
   1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group; or Yes [X] No [ ]
   2) allocation to each insurer? Yes [ ] No [X]
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes [ ] No [X]
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes [X] No [ ]

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1	2	Annual Compensation			
		3	4	5	6
Name and Principal Position	Year	Salary	Bonus	All Other Compensation	Totals
Chief Executive Officer					
	2009				0
	2008				0
	2007				0
1. Note: The Corporation has no employees. The compensation	2009				0
expense recorded by the Corporation relates to services	2008				0
performed for the Corporation by Highmark Inc. See Highmark	2007				0
2. Inc.'s supplemental compensation exhibit for annual	2009				0
compensation detail	2008				0
	2007				0
3.	2009				0
	2008				0
	2007				0
4.	2009				0
	2008				0
	2007				0
5.	2009				0
	2008				0
	2007				0
6.	2009				0
	2008				0
	2007				0
7.	2009				0
	2008				0
	2007				0
8.	2009				0
	2008				0
	2007				0
9.	2009				0
	2008				0
	2007				0

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals
Directors			
1. David Arthur Blandino, M.D.	5,400		5,400
2. Doris Annette Carson Williams	6,600		6,600
3. Joseph Clinton Guyaux	5,400		5,400

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