



# HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2008  
OF THE CONDITION AND AFFAIRS OF THE

## Arkansas Community Care, Inc.

NAIC Group Code 3681 (Current) (Prior) NAIC Company Code 12282 Employer's ID Number 20-2036444

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [  ] No [  ]

Incorporated/Organized 01/31/2005 Commenced Business 03/21/2005

Statutory Home Office 10025 W Markham St., Suite 220, Little Rock, AR 72205  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 825 Washington St #300, Oakland, CA 94607, 510-832-0311  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 825 Washington St #300, Oakland, CA 94607  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 825 Washington St #300, Oakland, CA 94607, 510-832-0311  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web site Address www.arkansascommunitycare.com

Statutory Statement Contact Stacy Elise Parsons, 510-817-1815  
(Name) (Area Code) (Telephone Number)  
sparsons@arcadianhealth.com, 510-817-1895  
(E-mail Address) (FAX Number)

### OFFICERS

CEO John Harvey Austin CFO Kenneth Benjamin Zimmerman  
President Nancy Ellen Freeman

### OTHER

### DIRECTORS OR TRUSTEES

John Harvey Austin Nancy Ellen Freeman Kenneth Benjamin Zimmerman  
Chase Spencer Milbrandt Cheryl Yvonne Perkins

State of California SS:  
County of \_\_\_\_\_

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.

Nancy Ellen Freeman  
President, Secretary

Kenneth Benjamin Zimmerman  
CFO

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

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

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**ASSETS**

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	11,504,619		11,504,619	12,019,503
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ encumbrances) .....			0	0
5. Cash (\$ .....(2,032,481) ), cash equivalents (\$ .....1,495,346 ), and short-term investments (\$ .....10,588,238 ) .....	10,051,103		10,051,103	6,785,269
6. Contract loans, (including \$ ..... premium notes) .....			0	0
7. Other invested assets .....	0		0	0
8. Receivables for securities .....			0	0
9. Aggregate write-ins for invested assets .....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	21,555,722	0	21,555,722	18,804,772
11. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
12. Investment income due and accrued .....	167,067		167,067	159,242
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....	1,559,882	47,857	1,512,025	2,022,502
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
13.3 Accrued retrospective premiums .....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....	83,170		83,170	104,324
14.2 Funds held by or deposited with reinsured companies .....			0	0
14.3 Other amounts receivable under reinsurance contracts .....			0	0
15. Amounts receivable relating to uninsured plans .....			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
16.2 Net deferred tax asset .....			0	0
17. Guaranty funds receivable or on deposit .....			0	0
18. Electronic data processing equipment and software .....			0	0
19. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	27,115	27,115	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
21. Receivables from parent, subsidiaries and affiliates .....			0	3,620,882
22. Health care (\$ ..... ) and other amounts receivable .....	290,312		290,312	62,994
23. Aggregate write-ins for other than invested assets .....	11,524	11,524	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	23,694,792	86,496	23,608,296	24,774,716
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
26. Total (Lines 24 and 25) .....	23,694,792	86,496	23,608,296	24,774,716
<b>DETAILS OF WRITE-INS</b>				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above) .....	0	0	0	0
2301. Deposits .....	11,037	11,037	0	0
2302. Pre Pairs .....	487	487	0	0
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) .....	11,524	11,524	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	7,302,221	2,228,965	9,531,186	8,933,426
2. Accrued medical incentive pool and bonus amounts .....	142,620		142,620	40,533
3. Unpaid claims adjustment expenses .....	189,097		189,097	172,406
4. Aggregate health policy reserves .....	4,207,847		4,207,847	4,043,356
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	347		347	347
9. General expenses due or accrued .....	330,095		330,095	351,626
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability .....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....			0	0
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	649,678		649,678	1,792,304
16. Payable for securities .....			0	0
17. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....			0	0
18. Reinsurance in unauthorized companies .....			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
20. Liability for amounts held under uninsured plans .....	2,343,314		2,343,314	2,231,949
21. Aggregate write-ins for other liabilities (including \$ ..... current) .....	0	0	0	0
22. Total liabilities (Lines 1 to 21) .....	15,165,219	2,228,965	17,394,184	17,565,947
23. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
24. Common capital stock .....	XXX	XXX		0
25. Preferred capital stock .....	XXX	XXX		
26. Gross paid in and contributed surplus .....	XXX	XXX	13,469,452	13,469,452
27. Surplus notes .....	XXX	XXX		
28. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
29. Unassigned funds (surplus) .....	XXX	XXX	(7,255,340)	(6,260,683)
30. Less treasury stock, at cost:				
30.1 ..... shares common (value included in Line 24 \$ ..... ) .....	XXX	XXX		
30.2 ..... shares preferred (value included in Line 25 \$ ..... ) .....	XXX	XXX		
31. Total capital and surplus (Lines 23 to 29 minus Line 30) .....	XXX	XXX	6,214,112	7,208,769
32. Total liabilities, capital and surplus (Lines 22 and 31) .....	XXX	XXX	23,608,296	24,774,716
<b>DETAILS OF WRITE-INS</b>				
2101. ....				
2102. ....				
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198)(Line 21 above) .....	0	0	0	0
2301. ....	XXX	XXX		
2302. ....	XXX	XXX		
2303. ....	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) .....	XXX	XXX	0	0
2801. ....	XXX	XXX		
2802. ....	XXX	XXX		
2803. ....	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page .....	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898)(Line 28 above) .....	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	XXX	21,569	15,445	70,809
2. Net premium income ( including \$ ..... non-health premium income).....	XXX	15,361,065	10,709,590	50,531,693
3. Change in unearned premium reserves and reserve for rate credits.....	XXX			
4. Fee-for-service (net of \$ ..... medical expenses).....	XXX			
5. Risk revenue .....	XXX			
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	15,361,065	10,709,590	50,531,693
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		8,381,511	5,224,619	27,152,635
10. Other professional services .....		996,185	500,830	3,474,314
11. Outside referrals .....	1,657,141	1,657,141	1,103,526	6,409,411
12. Emergency room and out-of-area .....	158,471	307,675	119,834	686,603
13. Prescription drugs .....		1,414,168	1,001,694	4,678,049
14. Aggregate write-ins for other hospital and medical .....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		102,087		57,712
16. Subtotal (Lines 9 to 15) .....	1,815,612	12,858,767	7,950,503	42,458,724
<b>Less:</b>				
17. Net reinsurance recoveries .....		19,135		144,030
18. Total hospital and medical (Lines 16 minus 17) .....	1,815,612	12,839,632	7,950,503	42,314,694
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$ ..... cost containment expenses .....		1,357,871	723,088	3,415,437
21. General administrative expenses .....		2,904,121	3,882,569	7,246,075
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....				0
23. Total underwriting deductions (Lines 18 through 22).....	1,815,612	17,101,624	12,556,160	52,976,206
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(1,740,559)	(1,846,570)	(2,444,513)
25. Net investment income earned .....		248,729	139,008	813,086
26. Net realized capital gains (losses) less capital gains tax of \$ .....		15,931		4,752
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	264,660	139,008	817,838
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )].....				
29. Aggregate write-ins for other income or expenses .....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	(1,475,899)	(1,707,562)	(1,626,675)
31. Federal and foreign income taxes incurred .....	XXX			
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(1,475,899)	(1,707,562)	(1,626,675)
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX			
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above).....	XXX	0	0	0
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above).....	XXX	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above).....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above).....	0	0	0	0

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	7,208,769	2,755,362	2,755,363
34. Net income or (loss) from Line 32.....	(1,475,899)	(1,707,562)	(1,626,675)
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....			0
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			
39. Change in nonadmitted assets.....	481,244	(37,441)	(510,589)
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....	0	0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....			
44. Capital Changes:			
44.1 Paid in.....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....	0	2,000,000	7,300,000
45.2 Transferred to capital (Stock Dividend).....			
45.3 Transferred from capital.....			
46. Dividends to stockholders.....			
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	(709,330)
48. Net change in capital & surplus (Lines 34 to 47).....	(994,655)	254,997	4,453,406
49. Capital and surplus end of reporting period (Line 33 plus 48)	6,214,114	3,010,359	7,208,769
<b>DETAILS OF WRITE-INS</b>			
4701. Correction of Error - See Footnotes to Financials.....			0
4702. 2006 Audit Adjustments.....			(709,330)
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	(709,330)

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**CASH FLOW**

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	16,130,679	51,401,137
2. Net investment income .....	214,614	719,809
3. Miscellaneous income .....	0	0
4. Total (Lines 1 to 3) .....	16,345,293	52,120,946
5. Benefit and loss related payments .....	12,118,631	36,853,164
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	4,155,467	9,140,806
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0
10. Total (Lines 5 through 9) .....	16,274,098	45,993,970
11. Net cash from operations (Line 4 minus Line 10) .....	71,195	6,126,976
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	3,534,056	3,913,764
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) .....	3,534,056	3,913,764
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	2,983,157	13,481,144
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) .....	2,983,157	13,481,144
14. Net increase (or decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	550,899	(9,567,380)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	7,300,000
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	2,643,740	(3,054,790)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	2,643,740	4,245,210
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,265,834	804,806
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	6,785,269	5,980,463
19.2 End of period (Line 18 plus Line 19.1) .....	10,051,103	6,785,269

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

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STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>Total Members at end of:</b>										
1. Prior Year .....	5,825	0	0	0	0	0	0	5,825	0	0
2. First Quarter .....	7,388							7,388		
3. Second Quarter .....	0									
4. Third Quarter .....	0									
5. Current Year	0									
6. Current Year Member Months	21,569							21,569		
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician .....	15,513							15,513		
8. Non-Physician .....	9,651							9,651		
9. Total	25,164	0	0	0	0	0	0	25,164	0	0
10. Hospital Patient Days Incurred	1,525							1,525		
11. Number of Inpatient Admissions	275							275		
12. Health Premiums Written (a) .....	15,415,306							15,415,306		
13. Life Premiums Direct .....	0									
14. Property/Casualty Premiums Written .....	0									
15. Health Premiums Earned .....	15,415,306							15,415,306		
16. Property/Casualty Premiums Earned .....	0									
17. Amount Paid for Provision of Health Care Services.....	12,139,788							12,139,788		
18. Amount Incurred for Provision of Health Care Services	12,858,767							12,858,767		

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



## UNDERWRITING AND INVESTMENT EXHIBIT

### ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					0	0
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....	5,160,526	6,979,262	3,772,901	5,758,285	8,933,427	8,933,426
7. Title XIX - Medicaid .....					0	0
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8) .....	5,160,526	6,979,262	3,772,901	5,758,285	8,933,427	8,933,426
10. Healthcare receivables (a) .....					0	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....	0	0	92,857	49,763	92,857	40,533
13. Totals	5,160,526	6,979,262	3,865,758	5,808,048	9,026,284	8,973,959

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

## 1. **Summary of Significant Accounting Policies**

### **A. Accounting Practices**

The accompanying financial statements of the Company have been prepared in conformity with the statutory accounting practices set forth in the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures manual*, version effective March 2005 ("NAIC").

The Arkansas Insurance Department ("AID") requires that insurance companies domiciled in Arkansas prepare their statutory basis financial statements in accordance with NAIC SAP to the extent that the practices and procedures contained in the manual do not conflict with any other provisions of Arkansas Insurance code. Title 23, subtitle of the Arkansas Insurance Code contains differences from NAIC SAP. These sections that supersede the NAIC SAP rules pertain primarily to limitations on investments, and reserve requirements.

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

The preparation of financial statements as prescribed by Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### **C. Accounting Policy**

#### **Investments**

Investments are stated in accordance with methods and values adopted by the NAIC and, as such, bonds are generally stated at amortized cost. The retrospective method is used to value mortgage-backed securities. Prepayment assumptions and market values for mortgage-backed securities were obtained from IDC or Bloomberg as of March 31, 2008. Premiums and discounts on fixed maturity investments are accreted to income using the modified scientific method over the anticipated life of the security. Short-term investments and U.S. Treasury Bills are carried at amortized cost, which approximates fair market value. Market values are determined using market prices published by the NAIC Securities Valuation Office ("SVO), IDC or Bloomberg.

Net investment income earned consists of interest less investments related expense. Interest is recognized on an accrual basis. Realized gains or losses on the sale of investments are determined on the specific identification method. Unrealized gain or losses are reflected directly in unassigned surplus and, accordingly, do not affect the statements of income.

#### **Cash and Short-Term Investments**

Cash includes balances held in banks and includes certificates of deposit with maturities of less than one year. Investments which have a maturity of one year or less, at the date of purchase, including money market mutual funds, are considered short-term investments and are either carried at cost or amortized cost.

#### **Other Accounting Policies**

Unpaid claims adjustment expenses include an amount determined from individual case estimates, and loss reports and an amount, based on past experience, for losses incurred but not yet reported. Such estimates are based on assumptions, and while management believes the amount to be adequate, the ultimate liability may be in excess or less than the amount provided. The methods for making such estimates and establishing the resulting liability are continually reviewed and adjustments are reflected in the period determined.

The costs to acquire new members, acquisition costs, are expensed as incurred.

## 2. **Accounting Changes and Correction of Errors**

Not Applicable

3. **Business Combinations and Goodwill**

Not Applicable

4. **Discontinued Operations**

Not Applicable

5. **Investments**

A, B & C. ACC had no mortgage loans, debt restructuring or reverse mortgages at March 31, 2008.

D. Loan-Backed Securities

The retrospective method is used to value mortgage-backed securities. Prepayment assumptions and market values for mortgage-backed securities were obtained from IDC or Bloomberg as of March 31, 2008.

E, F & G. ACC had no repurchase agreements, real estate investments or LIHTC investments at March 31, 2008.

6. **Joint Ventures, Partnerships and Limited Liability Companies**

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

7. **Investment Income**

For the 3 months ending March 31, 2008, reported net investment income was \$139,008. At March 31, 2008 ACC had investment income due and accrued of \$167,067 none of which was nonadmitted.

8. **Derivative Instruments**

Not Applicable

9. **Income Taxes**

Earnings expectations for 2008 will be offset by prior year losses for ACC and as such the Company does not expect to pay income taxes for 2008.

10. **Information Concerning Parent, Subsidiaries and Affiliates**

A. The Company is owned 60% by Arcadian Health Plan, Inc. (AHP) and 40% by Arcadian Management Services, Inc. (AMS). The Company was granted a certificate of Authority by the Arkansas Insurance Commissioner on March 21, 2005.

B & C. Not Applicable

D. At March 31, 2008, the Company had \$30,454 and \$252,792 payable to its parents AMS and AHP respectively. The company also had a payable to its affiliate Arcadian Health Plan of Georgia, Inc (AHPGA) of \$163,545. The terms of the intercompany agreements require these balances to be settled monthly. ACC does not have any outstanding payables or receivables from its affiliates Arcadian Health Plan of Louisiana, Inc. (AHPLA) or Arcadian Health Plan of North Carolina, Inc. (AHPNC).

E. Not Applicable

F. AMS supplies certain services to its subsidiary companies. Those services include enrollment processing, claims processing, professional credentialing, information

technology, treasury, financial and tax services. Compensation under this contract is on a per member per month basis with additional flat rate fees and was \$570,846 for the 3 month period ending March 31, 2008. The management fee for the current month is included in the payable due to the parent company AMS.

G. 60% of the outstanding shares of the Company are owned by AHP and the other 40% is owned by AMS a management service organization domiciled in Delaware.

H. Not Applicable

I, J & K. ACC does not have an investment in an SCA entity that exceeds 10% of the company's admitted assets. The company likewise has no investments in foreign insurance subsidiaries.

11. **Debt**

The Company has no outstanding debt as of March 31, 2008.

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

A. The Company participates in a qualified, 401k plan sponsored by the Parent Company, Arcadian Management Services, Inc. Non-highly compensated employees that earn less than \$105,000 are eligible for a Company match of up to 5% of the income that they contribute to the plan. Employer match contributions are made on a yearly basis and are accrued for monthly. Compensation for the 3 months ending March 31, 2008 is estimated at \$6,285. The employer match liability for the 2008 plan year is expected to be less than \$25,000 based on prior year payouts.

The 401K plan is administered by ING and therefore the Company assumes none of the liabilities associated with plan administration.

B, C & D. The Company does not participate in any defined contribution plans, multiemployer plans, or consolidated/holding company plans.

E. The Company accrues a liability for paid time off (PTO) for its employees on a monthly basis. The liability for compensated absences can be reasonably estimated and is reflected as part of the general expenses due and accrued on Page 3 of the quarterly filing.

F. The Medicare Modernization Act on Postretirement Benefits had no impact on the Company.

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

1. The Company has 10 shares authorized and 5 shares issued and outstanding of \$0.01 par value common stock as of March 31, 2008.

2. The Company has no preferred stock authorized.

3 & 4. The Company has not paid out any dividends to stockholders as of March 31, 2008 and is not expected to issue dividends based on 2008 profits as the Company is still in a deficit position concerning the unassigned surplus.

5. The Company is not currently in a surplus position with regard to unassigned funds.

6. Not Applicable.

7. The Company does not have any stock held for special purposes such as conversion of preferred stock, employee stock options, or stock purchase warrants.

8. There were no other changes to any special surplus funds from the prior period.

9. Unassigned funds (surplus) includes a reduction of \$86,496 for non-admitted assets which primarily represents provider receivable greater than 90 days old, prepaid expenses, office furniture and equipment, and deposits.

10, 11 & 12. The Company does not have any surplus notes and has not entered into any quasi-reorganizations.

14. **Contingencies**

A. ACC does not have any contingent commitments to a SCA entity at March 31, 2008.

B, C, D & E. ACC has not had any assessments, gain contingencies, contractual or bad faith losses related to lawsuits or any other contingencies.

15. **Leases**

The Company leases office equipment under various non-cancelable operating lease agreements that expire in March 31, 2011. In addition, the Company has entered into a lease for office space that expire in 2011. Rent expense for all leases was \$22,840.

As of March 31, 2008, the Company has the following aggregate non-cancelable lease commitments:

<b>Year</b>	<b>Amount</b>
2008	173,294
2009	139,508
2010	32,709
2011	11,224
2012	2,720
Total	<u>359,455</u>

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

Not Applicable

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

Not Applicable

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

A. ASO Plans - Not applicable

B. ASC Plans – Not applicable

C. Medicare Plans – Low Income Cost Sharing (LICS) reconciliation payable.

The Company receives LICS advance payments from the Center of Medicare and Medicaid Services (CMS) on a monthly basis. These payments represents the difference in dollar amount that CMS pays on behalf of low income beneficiaries for their drugs versus the non-low income beneficiaries, and is paid to the health plan on a prospective basis. Plans are paid dollar for dollar for the low income subsidy cost sharing, and since plans are paid prospectively, an annual reconciliation will be performed once a year. The difference between the actual LICS RX costs incurred for the 2008 service year and the advance payments received will be recognized as a payable (if advance payments are higher than costs) or a receivable (if advance payments are less than costs), and settled with CMS approximately six months after year end. As of March 31, 2008, the Company received \$4,506,629 in LICS advance payments and had incurred approximately

\$2,163,315 in LICS costs through the first quarter of the 2008 service year. The LICS payable back to CMS recorded is \$2,343,314. As of March 31, 2008, the Company had not recorded a receivable for LICS, based on the reconciliation performed at year end. Accordingly, no allowance had been recorded. Additionally, there has been no adjustment to revenue relating to LICS.

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

Not Applicable

20. **Other Items**

A- H. Not Applicable

21. **Events Subsequent**

There were no known type I or type II subsequent events for Arkansas Community Care that occurred after March 31<sup>st</sup> 2008.

22. **Reinsurance**

**A. Section 1 – General Interrogatories**

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% of controlled, either directly or indirectly, by the Company or by any representative, officer, trustee or director of the Company?

Yes ( ) No (X)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

**A. Section 2 – Ceded Reinsurance Report – Part A**

(1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for non-payment of premium or other similar credit?

Yes ( ) No (X)

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

**A. Section 3 – Ceded Reinsurance Report – Part B**

(1) What is the estimated amount of aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected on Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of business reinsured in making this estimate. \$83,170

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes ( ) No (X)

**B. Uncollectible Reinsurance** – Not Applicable (None)

**C. Commutation of Ceded Reinsurance** – Not Applicable (None)

23. **Retrospectively Rated Contracts & Contracts Subject to Redetermination**

Not applicable.

24. **Change in Incurred Claims and Claim Adjustment Expenses**

Reserves for incurred losses and loss adjustment expenses attributable to insured events has increased by \$597,760 from \$8,933,426 in 2007 to \$9,531,168 at March 31, 2008 as a result of changes in estimates of unpaid losses and loss adjustment expenses. This increase generally is the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Included in this increase, the Company experienced \$52,325 of favorable prior year loss development on retrospectively rated policies. However, because the business to which it relates is subject to premium adjustments, there was no significant impact on surplus.

25. **Intercompany Pooling Arrangements**

Not Applicable

26. **Structured Settlements**

Not Applicable

27. **Health Care Receivables**

A. Pharmaceutical Rebate Receivables – Not applicable. The Company recognizes RX rebates on a cash basis.

B. Risk Sharing Receivables – Not applicable.

C. Other – (Claims Receivable Due from Providers and A/R –P2P)

The Company paid medical and hospital claims on members that were subsequently termed retroactively by CMS. As most of the claims paid were with contracted providers, the Company is able to seek reimbursements from the providers for these non-eligible members' claims per provisions of the contracts. The receivable is recorded when billed and an allowance for doubtful accounts is provided based on historical collection rate and other factors. At March 31, 2008, the Company admitted a net receivable due from providers of \$253,295. The provision for the allowance for doubtful accounts is \$180,299.

In addition, the Company had incurred RX claims on members that were subsequently transferred to other health plans by CMS. Pursuant to Medicare Part D reimbursement regulations, the Company is able to bill the other plans for these claims (A/R – P2P) and report any non-payment to CMS after 3 months. Accordingly, the Company recorded A/R- P2P of \$37,017 and no provision has been made for an allowance for doubtful accounts.

28. **Participating Policies**

Not Applicable

29. **Premium Deficiency Reserves**

Not Applicable

30. **Anticipated Salvage and Subrogation**

**GENERAL INTERROGATORIES**

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

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]  
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 4.2 If yes, provide the name of 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 Company Code	3 State of Domicile

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 05/01/2008
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 02/23/2005
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 02/23/2005
- 6.4 By what department or departments?  
Arkansas Insurance Department
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ X ] No [ ] N/A [ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ X ] No [ ] N/A [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

**GENERAL INTERROGATORIES**

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

**FINANCIAL**

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

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ ] No [ X ]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ ] No [ X ]
- 14.2 If yes, please complete the following:

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

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

## GENERAL INTERROGATORIES

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

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

1 Name of Custodian(s)	2 Custodian Address
Bank of America .....	Oakland, CA .....
Metropolitan National Bank .....	Little Rock, AR .....
Regions Bank (Morgan Keegan) .....	Memphis, TN .....
Wells Fargo Bank .....	Houston, TX .....
US Bank .....	Saint Paul, MN .....

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [ X ]

16.4 If yes, give full information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
112629 .....	Parkway Advisors, LLP .....	6550 Directors Parkway Abilene, TX 79606 .....

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

17.2 If no, list exceptions:



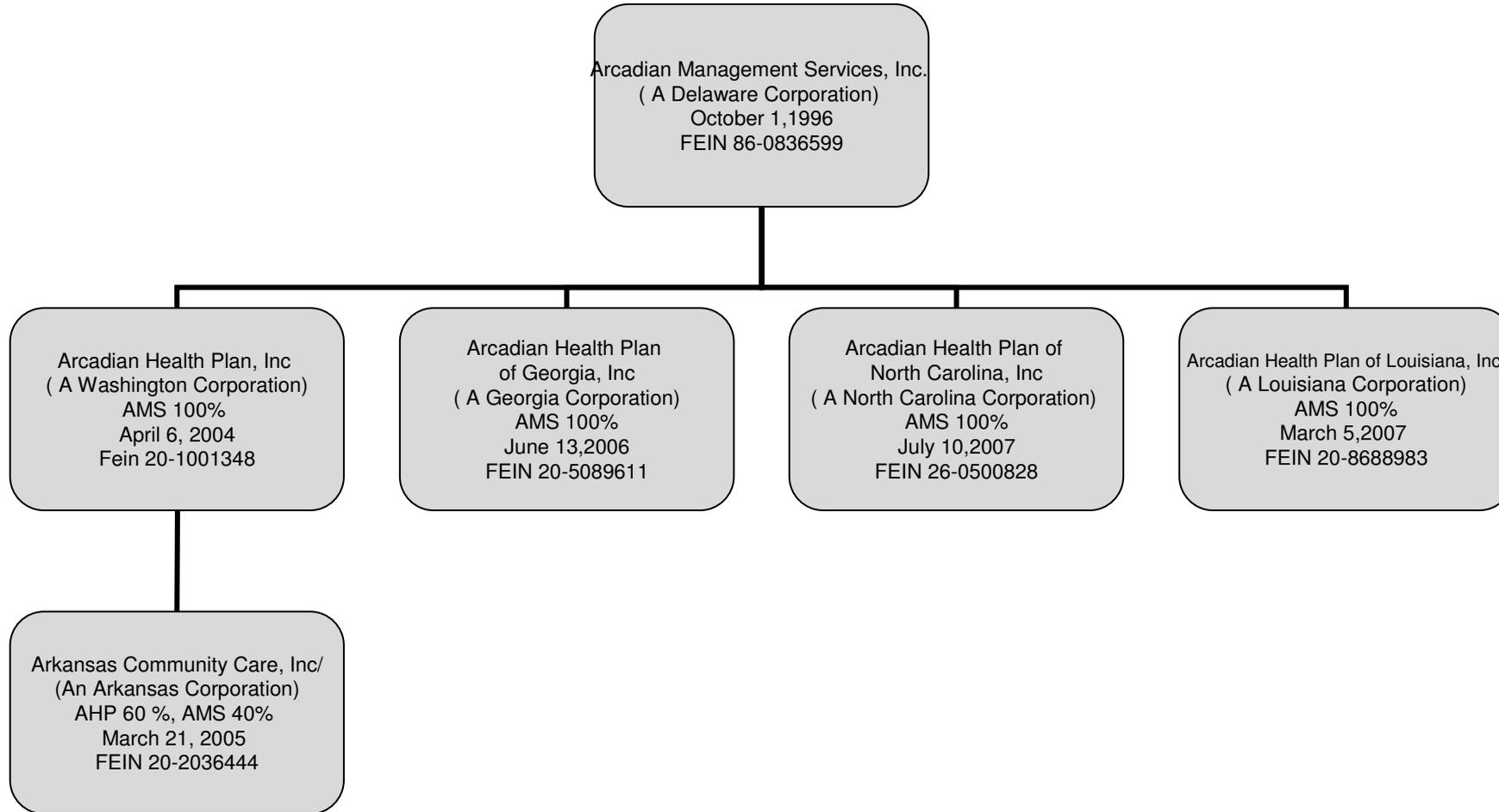
**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama AL									0	
2. Alaska AK									0	
3. Arizona AZ									0	
4. Arkansas AR	L		12,354,098						12,354,098	
5. California CA									0	
6. Colorado CO									0	
7. Connecticut CT									0	
8. Delaware DE									0	
9. District of Columbia DC									0	
10. Florida FL									0	
11. Georgia GA									0	
12. Hawaii HI									0	
13. Idaho ID									0	
14. Illinois IL									0	
15. Indiana IN									0	
16. Iowa IA									0	
17. Kansas KS									0	
18. Kentucky KY									0	
19. Louisiana LA									0	
20. Maine ME									0	
21. Maryland MD									0	
22. Massachusetts MA									0	
23. Michigan MI									0	
24. Minnesota MN									0	
25. Mississippi MS									0	
26. Missouri MO									0	
27. Montana MT									0	
28. Nebraska NE									0	
29. Nevada NV									0	
30. New Hampshire NH									0	
31. New Jersey NJ									0	
32. New Mexico NM									0	
33. New York NY									0	
34. North Carolina NC									0	
35. North Dakota ND									0	
36. Ohio OH									0	
37. Oklahoma OK	L		1,622,246						1,622,246	
38. Oregon OR									0	
39. Pennsylvania PA									0	
40. Rhode Island RI									0	
41. South Carolina SC									0	
42. South Dakota SD									0	
43. Tennessee TN									0	
44. Texas TX	L		1,438,962						1,438,962	
45. Utah UT									0	
46. Vermont VT									0	
47. Virginia VA									0	
48. Washington WA									0	
49. West Virginia WV									0	
50. Wisconsin WI									0	
51. Wyoming WY									0	
52. American Samoa AS									0	
53. Guam GU									0	
54. Puerto Rico PR									0	
55. U.S. Virgin Islands VI									0	
56. Northern Mariana Islands MP									0	
57. Canada CN									0	
58. Aggregate Other Aliens OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	15,415,306	0	0	0	0	0	15,415,306	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX								0	
61. Totals (Direct Business)	(a) 3	0	15,415,306	0	0	0	0	0	15,415,306	0
DETAILS OF WRITE-INS										
5801.	XXX									
5802.	XXX									
5803.	XXX									
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0

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

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 ORGANIZATIONAL CHART**



# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

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

NO

Explanation:

1. Part D coverage provided through a Medicare Advantage plan.

Bar Code:



Medicare Part D Coverage Supplement [Document Identifier 365]

**OVERFLOW PAGE FOR WRITE-INS**

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**SCHEDULE A - VERIFICATION**

Real Estate

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

NONE

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

NONE

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

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

NONE

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	12,019,500	2,447,191
2. Cost of bonds and stocks acquired .....	2,983,157	13,481,144
3. Accrual of discount .....	7,439	29,758
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....	9,728	4,750
6. Deduct consideration for bonds and stocks disposed of .....	3,534,056	3,913,764
7. Deduct amortization of premium .....	(18,851)	29,579
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	11,504,619	12,019,500
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	11,504,619	12,019,500

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	18,834,929	20,276,224	15,544,453	21,502	23,588,202	0	0	18,834,929
2. Class 2 (a) .....	0				0	0	0	
3. Class 3 (a) .....	0				0	0	0	
4. Class 4 (a) .....	0				0	0	0	
5. Class 5 (a) .....	0				0	0	0	
6. Class 6 (a) .....	0				0	0	0	
7. Total Bonds	18,834,929	20,276,224	15,544,453	21,502	23,588,202	0	0	18,834,929
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0				0	0	0	0
9. Class 2 .....	0				0	0	0	0
10. Class 3 .....	0				0	0	0	0
11. Class 4 .....	0				0	0	0	0
12. Class 5 .....	0				0	0	0	0
13. Class 6 .....	0				0	0	0	0
14. Total Preferred Stock .....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	18,834,929	20,276,224	15,544,453	21,502	23,588,202	0	0	18,834,929

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

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**SCHEDULE DA - PART 1****Short-Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
8299999 Totals	10,588,238	XXX	10,589,074	12,158	4,116

**SCHEDULE DA - VERIFICATION****Short-Term Investments**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	5,817,711	5,812,876
2. Cost of short-term investments acquired .....	13,804,917	32,220,821
3. Accrual of discount .....	1,803	0
4. Unrealized valuation increase (decrease) .....	0	17,345
5. Total gain (loss) on disposals .....	1,075	
6. Deduct consideration received on disposals .....	9,035,806	32,233,331
7. Deduct amortization of premium .....	1,462	0
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	10,588,238	5,817,711
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	10,588,238	5,817,711

Schedule DB - Part F - Section 1 - Replicated (Synthetic) Assets Open

**N O N E**

Schedule DB - Part F - Section 2 - Reconciliation of Replicated (Synthetic) Assets Open

**N O N E**

**SCHEDULE E - VERIFICATION****Cash Equivalents**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	997,718	0
2. Cost of cash equivalents acquired .....	3,488,151	997,718
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	2,990,523	
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	1,495,346	997,718
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	1,495,346	997,718

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired

**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired

**N O N E**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**N O N E**

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)	
31339X-YL-2	FHLB 4.20% 6/26/2013		.02/13/2008	Suntrust Capital Markets		99,875	100,000	.618	1FE	
3133XP-SH-8	FHLB 5.50% 3/3/2020		.02/12/2008	Coastal Securities Inc.		99,875	100,000	.0	1FE	
3128X5-WL-8	FHLMC 5.30% 1/9/2012		.02/14/2008	Morgan Keegan		102,348	100,000	.530	1FE	
3128X6-3K-0	FHLMC 6.00% 3/3/2028		.02/19/2008	Coastal Securities Inc.		199,600	200,000	.0	1FE	
<b>0399999. Bonds - U.S. Governments</b>										
38375P-LQ-2	GNR 2008-9 DE		.02/15/2008	Morgan Keegan		501,698	500,000	1,148	XXX	
<b>3199999. Bonds - Special Revenues</b>										
02580E-CC-5	American Express BK FSB		.02/05/2008	Morgan Keegan		300,750	300,000	1,167	1FE	
037411-AS-4	Apache Corporation		.03/26/2008	Suntrust Capital Markets		300,750	300,000	1,167	XXX	
00206R-AJ-1	AT&T Inc.		.03/25/2008	Morgan Keegan		102,969	100,000	2,417	1FE	
63858S-AA-7	Bank of America Corp		.02/06/2008	Morgan Keegan		104,806	100,000	1,188	1FE	
06406H-BE-8	Bank of NY Mellon		.02/06/2008	Suntrust Capital Markets		98,686	100,000	.871	1FE	
071813-AU-3	Baxter International Inc.		.03/25/2008	Suntrust Capital Markets		127,462	100,000	2,047	1FE	
097023-AH-8	Boeing Co.		.02/06/2008	Morgan Keegan		103,962	100,000	1,375	1FE	
200339-CG-2	Comerica Bank		.02/05/2008	Suntrust Capital Markets		98,653	100,000	.167	1FE	
216871-AD-5	Cooper US Inc.		.03/26/2008	Suntrust Capital Markets		127,297	100,000	3,887	1FE	
316773-CF-5	Fifth Third Bancorp		.02/05/2008	Morgan Keegan		98,677	100,000	1,230	1FE	
37247X-AL-6	Genworth Global Fnd 2007-C		.03/11/2008	Suntrust Capital Markets		101,087	100,000	.61	1FE	
40621P-AB-5	Halliburton Company		.03/04/2008	Suntrust Capital Markets		99,521	100,000	.348	1FE	
49327X-AB-6	Key Bank NA		.02/05/2008	Suntrust Capital Markets		100,430	100,000	1,735	1FE	
58013M-EE-0	McDonald's Corp		.03/11/2008	Morgan Keegan		114,030	100,000	.753	1FE	
585055-AH-9	Medtronic Inc.		.03/11/2008	Suntrust Capital Markets		97,201	100,000	2,165	1FE	
670346-AE-5	Nucor Corp		.03/24/2008	Suntrust Capital Markets		100,681	100,000	.208	1FE	
693476-BB-8	PNC Funding Corp		.02/06/2008	Suntrust Capital Markets		98,476	100,000	2,362	1FE	
828807-BU-0	Simon Property Group LP		.02/05/2008	Morgan Keegan		101,430	100,000	2,383	1FE	
867914-AZ-6	Suntrust Banks		.02/05/2008	Suntrust Capital Markets		100,537	100,000	.156	1FE	
918204-AS-7	VF Corp		.03/11/2008	Morgan Keegan		101,652	100,000	2,442	1FE	
959802-AB-5	Western Union Co.		.02/22/2008	Suntrust Capital Markets		103,366	100,000	2,467	1FE	
<b>4599999. Bonds - Industrial and Miscellaneous</b>										
<b>6099997. Total - Bonds - Part 3</b>							2,983,157	2,900,000	35,445	XXX
<b>6099998. Total - Bonds - Part 5</b>							XXX	XXX	XXX	XXX
<b>6099999. Total - Bonds</b>							2,983,157	2,900,000	35,445	XXX
<b>6599997. Total - Preferred Stocks - Part 3</b>							0	XXX	0	XXX
<b>6599998. Total - Preferred Stocks - Part 5</b>							XXX	XXX	XXX	XXX
<b>6599999. Total - Preferred Stocks</b>							0	XXX	0	XXX
<b>7299997. Total - Common Stocks - Part 3</b>							0	XXX	0	XXX
<b>7299998. Total - Common Stocks - Part 5</b>							XXX	XXX	XXX	XXX
<b>7299999. Total - Common Stocks</b>							0	XXX	0	XXX
<b>7399999. Total - Preferred and Common Stocks</b>							0	XXX	0	XXX
<b>7499999 - Totals</b>							2,983,157	XXX	35,445	XXX

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

STATEMENT AS OF MARCH 31, 2008 OF THE ARKANSAS COMMUNITY CARE, INC.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book/Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
31331T-ND-9	FFCB 3.97% 6/17/2008		02/15/2008	CALLED @ 100.0000000		100,000	100,000	98,398	99,472	.0	138	.0	138	.0	99,609	.0	391	391	.640	06/17/2008	IFE	
31331Y-CG-3	FFCB 5.65% 11/1/2017		02/01/2008	CALLED @ 100.0000000		100,000	100,000	99,950	99,951	.0	.0	.0	.0	.0	99,951	.0	49	49	1,413	11/01/2017	IFE	
31331Y-GK-0	FFCB 5.7% 12/4/2017		03/25/2008	CALLED @ 100.0000000		100,000	100,000	99,875	99,875	.0	3	.0	3	.0	99,878	.0	122	122	1,555	12/04/2017	IFE	
3133MY-QR-1	FHLB 05/21/2008 (Step Up)		02/21/2008	CALLED @ 100.0000000		100,000	100,000	98,768	99,809	.0	67	.0	67	.0	99,877	.0	124	124	1,125	05/21/2008	IFE	
31339Y-BJ-2	FHLB 3.355% 12/18/2008		03/18/2008	CALLED @ 100.0000000		100,000	100,000	96,782	98,358	.0	355	.0	355	.0	98,714	.0	1,286	1,286	839	12/18/2008	IFE	
31339Y-ZV-7	FHLB 3.505 8/4/2008		02/08/2008	CALLED @ 100.0000000		100,000	100,000	97,530	99,039	.0	166	.0	166	.0	99,205	.0	795	795	1,791	08/04/2008	IFE	
3133X5-ZL-5	FHLB 3.52% 1/30/2008		01/30/2008	MATURITY		100,000	100,000	97,578	99,860	.0	140	.0	140	.0	100,000	.0	.0	.0	880	01/30/2008	IFE	
3133X6-GL-4	FHLB 3.57% 4/28/2008		03/26/2008	CALLED @ 99.9999900		100,000	100,000	98,100	99,510	.0	355	.0	355	.0	99,864	.0	136	136	1,417	04/28/2008	IFE	
31339Y-ZA-3	FHLB 3.875% 2/13/2009		02/13/2008	CALLED @ 100.0000000		100,000	100,000	97,970	98,519	.0	152	.0	152	.0	98,671	.0	1,329	1,329	1,938	02/13/2009	IFE	
3133XB-DR-3	FHLB 4.515% 4/15/08		01/15/2008	CALLED @ 100.0000000		100,000	100,000	99,125	99,782	.0	29	.0	29	.0	99,811	.0	189	189	1,129	04/15/2008	IFE	
3133XC-JU-8	FHLB 4.56% 8/12/08		02/12/2008	CALLED @ 100.0000000		100,000	100,000	99,047	99,605	.0	73	.0	73	.0	99,678	.0	322	322	2,280	08/12/2008	IFE	
3133XL-QD-8	FHLB 6.00% 7/24/2012		01/24/2008	CALLED @ 100.0000000		300,000	300,000	300,000	300,000	.0	.0	.0	.0	.0	300,000	.0	.0	.0	9,000	07/24/2012	IFE	
3133XL-UG-6	FHLB 6.29% 8/21/2017		02/21/2008	CALLED @ 100.0000000		100,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	.0	.0	3,145	08/21/2017	IFE	
3128X1-HJ-9	FHLMC 3.15% 6/4/08		02/07/2008	CALLED @ 100.0000000		100,000	100,000	97,368	99,137	.0	200	.0	200	.0	99,337	.0	663	663	551	06/04/2008	IFE	
3128X1-UY-1	FHLMC 3.50% 7/30/08		01/30/2008	CALLED @ 100.0000000		200,000	200,000	196,454	198,019	.0	274	.0	274	.0	198,293	.0	1,707	1,707	3,500	07/30/2008	IFE	
3128X5-XC-7	FHLMC 5.70% 1/16/2014		01/16/2008	CALLED @ 100.0000000		200,000	200,000	200,000	200,000	.0	.0	.0	.0	.0	200,000	.0	.0	.0	5,700	01/16/2014	IFE	
3128X5-US-5	FHLMC 6.125% 12/28/2021		03/28/2008	CALLED @ 100.0000000		300,000	300,000	300,000	300,000	.0	.0	.0	.0	.0	300,000	.0	.0	.0	4,594	12/28/2021	IFE	
3128X5-YH-5	FHLMC 6% 8/8/18		02/08/2008	CALLED @ 100.0000000		300,000	300,000	300,000	300,000	.0	.0	.0	.0	.0	300,000	.0	.0	.0	9,000	08/08/2018	IFE	
3128X1-M7-9	FHLMC 9/29/2008 (Step Up)		01/14/2008	CALLED @ 100.0000000		100,000	100,000	98,950	99,682	.0	27	.0	27	.0	99,709	.0	291	291	1,313	09/29/2008	IFE	
3136F6-RC-5	FNMA 12/22/2014 (Step Up)		03/22/2008	CALLED @ 100.0000000		200,000	200,000	197,813	198,211	.0	193	.0	193	.0	198,404	.0	1,596	1,596	2,500	12/22/2014	IFE	
3136F3-C9-5	FNMA 3.12% 12/30/08		03/31/2008	CALLED @ 100.0000000		100,000	100,000	96,284	98,005	.0	482	.0	482	.0	98,487	.0	1,513	1,513	780	12/30/2008	IFE	
3136F3-TM-8	FNMA 4.00% 5/20/2008		02/20/2008	CALLED @ 100.0000000		100,000	100,000	98,504	99,541	.0	160	.0	160	.0	99,700	.0	300	300	1,000	05/20/2008	IFE	
3136F5-GP-0	FNMA 4.04% 3/16/2009		02/04/2008	CALLED @ 100.0000000		100,000	100,000	97,890	98,548	.0	107	.0	107	.0	98,656	.0	1,344	1,344	1,549	03/16/2009	IFE	
31359M-YA-5	FNMA 4.2% 3/24/08		03/24/2008	MATURITY		100,000	100,000	98,869	99,763	.0	237	.0	237	.0	100,000	.0	.0	.0	2,100	03/24/2008	IFE	
3136F8-ES-0	FNMA 6.125% 1/25/2022		01/25/2008	CALLED @ 100.0000000		100,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	.0	.0	3,063	01/25/2022	IFE	
36202E-LJ-6	GNMA II Pool #3929		03/20/2008	PRINCIPAL RECEIPT		3,123	3,123	3,080	3,080	.0	43	.0	43	.0	3,123	.0	.0	.0	27	12/20/2036	IFE	
36241K-KV-9	GNMA Pool # 782108		03/15/2008	PRINCIPAL RECEIPT		12,848	12,848	12,691	12,691	.0	157	.0	157	.0	12,848	.0	.0	.0	114	08/15/2021	IFE	
<b>0399999. Bonds - U.S. Governments</b>						3,415,971	3,415,971	3,380,846	3,400,457	0	3,358	0	3,358	0	3,403,815	0	12,157	12,157	62,943	XXX	XXX	
3133XD-OP-3	FHLB 00-0582 H		03/25/2008	PRINCIPAL RECEIPT		2,045	2,045	2,039	2,042	.0	3	.0	3	.0	2,045	.0	.0	.0	14	10/25/2010	IFE	
38375P-LQ-2	GNR 2008-9 DE		03/20/2008	PRINCIPAL RECEIPT		5,660	5,660	5,674	.0	.0	(14)	.0	(14)	.0	5,660	.0	.0	.0	24	02/20/2038	IFE	
<b>3199999. Bonds - Special Revenues</b>						7,705	7,705	7,713	2,042	0	(11)	0	(11)	0	7,705	0	0	0	38	XXX	XXX	
17311A-AD-7	GNIS 2006-7 2A1		03/25/2008	PRINCIPAL RECEIPT		3,319	3,319	3,311	3,311	.0	.8	.0	.8	.0	3,319	.0	.0	.0	36	12/25/2021	IFE	
8336P0-DQ-2	Societe Generale NY		02/25/2008	CALLED @ 100.0000000		100,000	100,000	97,000	97,258	.0	43	.0	43	.0	97,301	.0	2,699	2,699	2,675	08/25/2015	IFE	
94985C-AB-1	WFMS 2006-17 A2		03/25/2008	PRINCIPAL RECEIPT		7,061	7,061	7,041	7,040	.0	21	.0	21	.0	7,061	.0	.0	.0	71	11/25/2021	IFE	
<b>4599999. Bonds - Industrial and Miscellaneous</b>						110,380	110,380	107,352	107,609	0	72	0	72	0	107,681	0	2,699	2,699	2,782	XXX	XXX	
<b>6099997. Total - Bonds - Part 4</b>						3,534,056	3,534,056	3,495,911	3,510,108	0	3,419	0	3,419	0	3,519,201	0	14,856	14,856	65,763	XXX	XXX	
<b>6099998. Total - Bonds - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>6099999. Total - Bonds</b>						3,534,056	3,534,056	3,495,911	3,510,108	0	3,419	0	3,419	0	3,519,201	0	14,856	14,856	65,763	XXX	XXX	
<b>6599997. Total - Preferred Stocks - Part 4</b>						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
<b>6599998. Total - Preferred Stocks - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>6599999. Total - Preferred Stocks</b>						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
<b>7299997. Total - Common Stocks - Part 4</b>						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
<b>7299998. Total - Common Stocks - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>7299999. Total - Common Stocks</b>						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
<b>7399999. Total - Preferred and Common Stocks</b>						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
<b>7499999 - Totals</b>						3,534,056	XXX	3,495,911	3,510,108	0	3,419	0	3,419	0	3,519,201	0	14,856	14,856	65,763	XXX	XXX	

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

E05

Schedule DB - Part A - Section 1 - Options, Caps, Floors and Insurance Futures Options Owned

**N O N E**

Schedule DB - Part B - Section 1 - Options, Caps, Floors and Insurance Futures Options Written and  
In Force

**N O N E**

Schedule DB - Part C - Section 1 - Collar, Swap and Forwards Open

**N O N E**

Schedule DB - Part D - Section 1 - Futures Contracts and Insurance Futures Contracts Open

**N O N E**



