



**ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2011  
OF THE CONDITION AND AFFAIRS OF THE**

**ARKANSAS COMMUNITY CARE, INC.**

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

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

Country of Domicile United States

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

Incorporated/Organized 01/31/2005 Commenced Business 01/01/2006

Statutory Home Office 10025 W MARKHAM ST., SUITE 220 , LITTLE ROCK, AR 72205  
(Street and Number) (City, State and Zip Code)

Main Administrative Office 500 12TH STREET, STE 350  
(Street and Number)

OAKLAND, CA 94607 510-832-0311  
(City, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 500 12TH STREET, STE 350 , OAKLAND, CA 94607  
(Street and Number or P.O. Box) (City, State and Zip Code)

Primary Location of Books and Records 500 12TH STREET, STE 350  
(Street and Number)  
OAKLAND, CA 94607 , 510-832-0311  
(City, State and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address WWW.ARCADIANHEALTH.COM

Statutory Statement Contact STACY ELISE PARSONS , 510-817-1815  
(Name) (Area Code) (Telephone Number) (Extension)  
SPARSONS@ARCADIANHEALTH.COM 510-817-1895  
(E-Mail Address) (Fax Number)

**OFFICERS**

Name	Title	Name	Title
<u>ROBERT LAWRENCE FAHLMAN</u> ,	<u>CEO AND PRESIDENT</u>	<u>KENNETH BENJAMIN ZIMMERMAN</u> ,	<u>TREASURER</u>
<u>JAMES FRANCIS NOVELLO</u> ,	<u>SECRETARY</u>		

**OTHER OFFICERS**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DIRECTORS OR TRUSTEES**

ROBERT LAWRENCE FAHLMAN CHASE SPENCER MILBRANDT JEFFREY CRAIG MCMANUS

State of California  
County of Alameda **ss**

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

ROBERT LAWRENCE FAHLMAN  
CEO AND PRESIDENT

KENNETH BENJAMIN ZIMMERMAN  
TREASURER

JAMES FRANCIS NOVELLO  
SECRETARY

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

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 \_\_\_\_\_

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3+4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	1,226,777	6.463	1,226,777		1,226,777	6.463
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	1,543,475	8.131	1,543,475		1,543,475	8.131
1.22 Issued by U.S. government sponsored agencies	2,244,086	11.822	2,244,086		2,244,086	11.822
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)		0.000			0	0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations		0.000			0	0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000			0	0.000
1.43 Revenue and assessment obligations	306,245	1.613	306,245		306,245	1.613
1.44 Industrial development and similar obligations		0.000			0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	431,229	2.272	431,229		431,229	2.272
1.512 Issued or guaranteed by FNMA and FHLMC		0.000			0	0.000
1.513 All other		0.000			0	0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	60,382	0.318	60,382		60,382	0.318
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	17,550	0.092	17,550		17,550	0.092
1.523 All other		0.000			0	0.000
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	6,702,469	35.308	6,702,469		6,702,469	35.308
2.2 Unaffiliated non-U.S. securities (including Canada)		0.000			0	0.000
2.3 Affiliated securities		0.000			0	0.000
3. Equity interests:						
3.1 Investments in mutual funds		0.000			0	0.000
3.2 Preferred stocks:						
3.21 Affiliated		0.000			0	0.000
3.22 Unaffiliated		0.000			0	0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated		0.000			0	0.000
3.32 Unaffiliated		0.000			0	0.000
3.4 Other equity securities:						
3.41 Affiliated		0.000			0	0.000
3.42 Unaffiliated		0.000			0	0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated		0.000			0	0.000
3.52 Unaffiliated		0.000			0	0.000
4. Mortgage loans:						
4.1 Construction and land development		0.000			0	0.000
4.2 Agricultural		0.000			0	0.000
4.3 Single family residential properties		0.000			0	0.000
4.4 Multifamily residential properties		0.000			0	0.000
4.5 Commercial loans		0.000			0	0.000
4.6 Mezzanine real estate loans		0.000			0	0.000
5. Real estate investments:						
5.1 Property occupied by company		0.000	0		0	0.000
5.2 Property held for the production of income (including \$ .....of property acquired in satisfaction of debt)		0.000	0		0	0.000
5.3 Property held for sale (including \$ ..... property acquired in satisfaction of debt)		0.000	0		0	0.000
6. Contract loans		0.000	0		0	0.000
7. Derivatives		0.000	0		0	0.000
8. Receivables for securities		0.000	0		0	0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	6,450,435	33.981	6,450,435		6,450,435	33.981
11. Other invested assets		0.000			0	0.000
12. Total invested assets	18,982,648	100.000	18,982,648	0	18,982,648	100.000

## SCHEDULE A – VERIFICATION BETWEEN YEARS

### Real Estate

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 the 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

NONE

## SCHEDULE B – VERIFICATION BETWEEN YEARS

### Mortgage Loans

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.....		
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.....		
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.....		
13. Subtotal (Line 11 plus Line 12).....		0
14. Deduct total nonadmitted amounts.....		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14).....		0

NONE

## SCHEDULE BA – VERIFICATION BETWEEN YEARS

### Other Long-Term Invested Assets

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.....		
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

NONE

## SCHEDULE D – VERIFICATION BETWEEN YEARS

### Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year.....		14,041,581
2. Cost of bonds and stocks acquired, Part 3, Column 7.....		200,844
3. Accrual of discount.....		16,311
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.....		(756)
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7.....		1,636,316
7. Deduct amortization of premium.....		89,451
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).....		12,532,213
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....		12,532,213

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.

**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
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	5,445,568	5,782,993	5,548,398	5,153,385
	2. Canada .....				
	3. Other Countries .....				
	4. Totals	5,445,568	5,782,993	5,548,398	5,153,385
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	366,626	389,400	369,197	360,469
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States .....	6,720,018	7,421,945	6,782,643	6,717,608
	9. Canada .....				
	10. Other Countries .....				
	11. Totals	6,720,018	7,421,945	6,782,643	6,717,608
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	<b>13. Total Bonds</b>	12,532,212	13,594,338	12,700,238	12,231,463
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....				
	15. Canada .....				
	16. Other Countries .....				
	17. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	0
	<b>19. Total Preferred Stocks</b>	0	0	0	0
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....				
	21. Canada .....				
	22. Other Countries .....				
	23. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	0
	<b>25. Total Common Stocks</b>	0	0	0	0
	26. Total Stocks	0	0	0	0
	<b>27. Total Bonds and Stocks</b>	12,532,212	13,594,338	12,700,238	

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>1. U.S. Governments</b>											
1.1 Class 1 .....	4,619,329	2,488,643	1,768,581	598,311	15	9,474,878	57.2	12,661,273	63.2	9,474,878	
1.2 Class 2 .....						0	0.0	0	0.0		
1.3 Class 3 .....						0	0.0	0	0.0		
1.4 Class 4 .....						0	0.0	0	0.0		
1.5 Class 5 .....						0	0.0	0	0.0		
1.6 Class 6 .....						0	0.0	0	0.0		
1.7 Totals	4,619,329	2,488,643	1,768,581	598,311	15	9,474,878	57.2	12,661,273	63.2	9,474,878	0
<b>2. All Other Governments</b>											
2.1 Class 1 .....						0	0.0	0	0.0		
2.2 Class 2 .....						0	0.0	0	0.0		
2.3 Class 3 .....						0	0.0	0	0.0		
2.4 Class 4 .....						0	0.0	0	0.0		
2.5 Class 5 .....						0	0.0	0	0.0		
2.6 Class 6 .....						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>3. U.S. States, Territories and Possessions, etc., Guaranteed</b>											
3.1 Class 1 .....						0	0.0	0	0.0		
3.2 Class 2 .....						0	0.0	0	0.0		
3.3 Class 3 .....						0	0.0	0	0.0		
3.4 Class 4 .....						0	0.0	0	0.0		
3.5 Class 5 .....						0	0.0	0	0.0		
3.6 Class 6 .....						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 Class 1 .....						0	0.0	0	0.0		
4.2 Class 2 .....						0	0.0	0	0.0		
4.3 Class 3 .....						0	0.0	0	0.0		
4.4 Class 4 .....						0	0.0	0	0.0		
4.5 Class 5 .....						0	0.0	0	0.0		
4.6 Class 6 .....						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>											
5.1 Class 1 .....	60,382	39,631	266,614			366,626	2.2	418,235	2.1	366,626	
5.2 Class 2 .....						0	0.0	0	0.0		
5.3 Class 3 .....						0	0.0	0	0.0		
5.4 Class 4 .....						0	0.0	0	0.0		
5.5 Class 5 .....						0	0.0	0	0.0		
5.6 Class 6 .....						0	0.0	0	0.0		
5.7 Totals	60,382	39,631	266,614	0	0	366,626	2.2	418,235	2.1	366,626	0

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>6. Industrial and Miscellaneous (unaffiliated)</b>											
6.1 Class 1 .....	414,818	2,930,375	1,888,795	467,265		5,701,253	34.4	6,262,787	31.3	5,701,253	
6.2 Class 2 .....		403,648	405,918	123,247		1,018,765	6.2	692,254	3.5	1,018,765	
6.3 Class 3 .....						0	0.0	0	0.0		
6.4 Class 4 .....						0	0.0	0	0.0		
6.5 Class 5 .....						0	0.0	0	0.0		
6.6 Class 6 .....						0	0.0	0	0.0		
6.7 Totals	414,818	3,334,023	2,294,713	590,511	85,953	6,720,018	40.6	6,955,042	34.7	6,720,018	0
<b>7. Hybrid Securities</b>											
7.1 Class 1 .....						0	0.0	0	0.0		
7.2 Class 2 .....						0	0.0	0	0.0		
7.3 Class 3 .....						0	0.0	0	0.0		
7.4 Class 4 .....						0	0.0	0	0.0		
7.5 Class 5 .....						0	0.0	0	0.0		
7.6 Class 6 .....						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>											
8.1 Class 1 .....						0	0.0	0	0.0		
8.2 Class 2 .....						0	0.0	0	0.0		
8.3 Class 3 .....						0	0.0	0	0.0		
8.4 Class 4 .....						0	0.0	0	0.0		
8.5 Class 5 .....						0	0.0	0	0.0		
8.6 Class 6 .....						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>9. Total Bonds Current Year</b>											
9.1 Class 1	(d) 5,094,528	5,458,648	3,923,990	1,065,576	15	15,542,758	93.9	XXX	XXX	15,542,758	0
9.2 Class 2	(d) 0	403,648	405,918	123,247	85,953	1,018,765	6.2	XXX	XXX	1,018,765	0
9.3 Class 3	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Class 4	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.5 Class 5	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.6 Class 6	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.7 Totals	5,094,528	5,862,296	4,329,908	1,188,823	85,968	16,561,523	100.0	XXX	XXX	16,561,523	0
9.8 Line 9.7 as a % of Col. 6	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	0.0
<b>10. Total Bonds Prior Year</b>											
10.1 Class 1	7,738,779	5,042,925	5,238,229	1,322,169	194	XXX	XXX	19,342,295	96.5	19,342,295	1
10.2 Class 2	0	306,310	300,239	0	85,706	XXX	XXX	692,254	3.5	692,254	1
10.3 Class 3	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.4 Class 4	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.5 Class 5	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.6 Class 6	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.7 Totals	7,738,779	5,349,235	5,538,468	1,322,169	85,899	XXX	XXX	20,034,550	100.0	20,034,550	2
10.8 Line 10.7 as a % of Col. 8	39.0	27.0	28.0	7.0	0.4	XXX	XXX	100.0	XXX	100.0	0.0
<b>11. Total Publicly Traded Bonds</b>											
11.1 Class 1	5,094,528	5,458,648	3,923,990	1,065,576	15	15,542,758	93.9	19,342,295	96.5	15,542,758	XXX
11.2 Class 2	0	403,648	405,918	123,247	85,953	1,018,765	6.2	692,254	3.5	1,018,765	XXX
11.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.7 Totals	5,094,528	5,862,296	4,329,908	1,188,823	85,968	16,561,523	100.0	20,034,550	100.0	16,561,523	XXX
11.8 Line 11.7 as a % of Col. 6	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.7 Totals	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.8 Line 12.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$ ..... freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.  
 (b) Includes \$ ..... current year, \$ ..... prior year of bonds with Z designations and \$ ..... current year, \$ ..... 34,282 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 is under regulatory review.  
 (c) Includes \$ ..... current year, \$ ..... prior year of bonds with 5\* designations and \$ ..... current year, \$ ..... 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 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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 Col. 6 as a % of Line 9.5	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>1. U.S. Governments</b>											
1.1 Issuer Obligations .....	4,481,907	2,250,995	1,715,971	594,776		9,043,649	54.6	12,159,205	60.7	9,043,649	
1.2 Residential Mortgage-Backed Securities .....	137,422	237,648	52,610	3,535	15	431,229	2.6	502,067	2.5	431,229	
1.3 Commercial Mortgage-Backed Securities .....						0	0.0				
1.4 Other Loan-Backed and Structured Securities .....						0	0.0				
1.5 Totals	4,619,329	2,488,643	1,768,581	598,311	15	9,474,878	57.2	12,661,273	63.2	9,474,878	0
<b>2. All Other Governments</b>											
2.1 Issuer Obligations .....						0	0.0	0	0.0		
2.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0		
2.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
2.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
2.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>											
3.1 Issuer Obligations .....						0	0.0	0	0.0		
3.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0		
3.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
3.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
3.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 Issuer Obligations .....						0	0.0	0	0.0		
4.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0		
4.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
4.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
4.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>											
5.1 Issuer Obligations .....		39,631	266,614			306,245	1.9	307,107	1.5	306,245	
5.2 Residential Mortgage-Backed Securities .....	60,382					60,382	0.4	111,128	0.6	60,382	
5.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
5.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
5.5 Totals	60,382	39,631	266,614	0	0	366,626	2.2	418,235	2.1	366,626	0
<b>6. Industrial and Miscellaneous</b>											
6.1 Issuer Obligations .....	401,210	3,330,082	2,294,713	590,511	85,953	6,702,469	40.5	6,920,760	34.5	6,702,469	
6.2 Residential Mortgage-Backed Securities .....	13,608	3,942				17,550	0.1	34,282	0.2	17,550	
6.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
6.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
6.5 Totals	414,818	3,334,023	2,294,713	590,511	85,953	6,720,018	40.6	6,955,042	34.7	6,720,018	0
<b>7. Hybrid Securities</b>											
7.1 Issuer Obligations .....						0	0.0	0	0.0		
7.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0		
7.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
7.4 Other Loan-Backed and Structured Securities .....						0	0.0	0	0.0		
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries, and Affiliates</b>											
8.1 Issuer Obligations .....						0	0.0	0	0.0		
8.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0		
8.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0		
8.4 Other Loan-Backed Structured Securities .....						0	0.0	0	0.0		
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**SCHEDULE D - PART 1A - SECTION 2 (Continued)**

<b>Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues</b>											
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 Col. 6 as a % of Line 9.5	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>9. Total Bonds Current Year</b>											
9.1 Issuer Obligations .....	4,883,117	5,620,707	4,277,298	1,185,287	85,953	16,052,362	96.9	XXX	XXX	16,052,362	0
9.2 Residential Mortgage-Backed Securities .....	211,411	241,589	52,610	3,535	15	509,160	3.1	XXX	XXX	509,160	0
9.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.5 Totals .....	5,094,528	5,862,296	4,329,908	1,188,823	85,968	16,561,523	100.0	XXX	XXX	16,561,523	0
9.6 Lines 9.5 as a % Col. 6 .....	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	0.0
<b>10. Total Bonds Prior Year</b>											
10.1 Issuer Obligations .....	7,491,966	5,060,938	5,440,182	1,308,281	85,706	XXX	XXX	19,387,072	96.8	19,387,072	(1)
10.2 Residential Mortgage-Backed Securities .....	246,813	288,297	98,286	13,888	194	XXX	XXX	647,478	3.2	647,478	
10.3 Commercial Mortgage-Backed Securities .....						XXX	XXX	0	0.0		
10.4 Other Loan-Backed and Structured Securities .....						XXX	XXX				
10.5 Totals .....	7,738,779	5,349,235	5,538,468	1,322,169	85,899	XXX	XXX	20,034,550	100.0	20,034,550	(1)
10.6 Line 10.5 as a % Col. 8 .....	39.0	27.0	28.0	7.0	0.4	XXX	XXX	100.0	XXX	100.0	0.0
<b>11. Total Publicly Traded Bonds</b>											
11.1 Issuer Obligations .....	4,883,117	5,620,707	4,277,298	1,185,287	85,953	16,052,362	96.9	19,387,072	96.8	16,052,362	XXX
11.2 Residential Mortgage-Backed Securities .....	211,411	241,589	52,610	3,535	15	509,160	3.1	647,478	3.2	509,160	XXX
11.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0	0	XXX
11.4 Other Loan-Backed and Structured Securities .....						0	0.0			0	XXX
11.5 Totals .....	5,094,528	5,862,296	4,329,908	1,188,823	85,968	16,561,523	100.0	20,034,550	100.0	16,561,523	XXX
11.6 Line 11.5 as a % of Col. 6 .....	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9 .....	31.0	35.0	26.0	7.0	1.0	100.0	XXX	XXX	XXX	100.0	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 Issuer Obligations .....						0	0.0	(2)	0.0	XXX	0
12.2 Residential Mortgage-Backed Securities .....						0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities .....						0	0.0	0	0.0	XXX	0
12.4 Other Loan-Backed and Structured Securities .....						0	0.0			XXX	0
12.5 Totals .....	0	0	0	0	0	0	0.0	(2)		XXX	0
12.6 Line 12.5 as a % of Col. 6 .....	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9 .....	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	5,992,969	5,992,969	0	0	0
2. Cost of short-term investments acquired .....	35,949,577	35,949,577			
3. Accrual of discount .....	0				
4. Unrealized valuation increase (decrease) .....	0				
5. Total gain (loss) on disposals .....	0				
6. Deduct consideration received on disposals .....	37,913,236	37,913,236			
7. Deduct amortization of premium .....	0				
8. Total foreign exchange change in book/adjusted carrying value .....	0				
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) .....	4,029,311	4,029,311	0	0	0
11. Deduct total nonadmitted amounts .....	0				
12. Statement value at end of current period (Line 10 minus Line 11)	4,029,311	4,029,311	0	0	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: 0 .....

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Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification Between Yrs

**NONE**

Schedule A - Part 1

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 1

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 1

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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	For e i g n	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 & Accrued	Amount Rec. During Year	Acquired	Maturity
Bonds - U.S. Governments - Issuer Obligations																					
31331Y-VR-8	FFCB 4.67% 2/27/2018				1FE	209,895		117,814	200,000	207,239		(1,018)			4.670	4.001	FA	3,217	9,340	04/20/2009	02/27/2018
31331Q-PM-3	FFCB 4.97% 1/8/18				1FE	115,465		120,072	100,000	112,706		(1,921)			4.970	2,671	JJ	2,388	4,970	07/21/2010	01/08/2018
31331L-3B-2	FFCB 5.7% 7/3/17				1FE	119,312		123,030	100,000	115,582		(2,597)			5.700	2,640	JJ	2,818	5,700	07/21/2010	07/03/2017
31331X-07-0	FFCB 5.8% 12/30/26				1FE	601,125		129,5150	500,000	594,776		(4,500)			5.800	4,096	JD		29,000	07/29/2010	12/30/2026
3133XV-NT-4	FHLB 1.75% 12/14/12				1FE	102,112		101,3560	100,000	100,843		(877)			1.750	0,860	JD	83	1,750	07/19/2010	12/14/2012
3133XW-KV-0	FHLB 2.375% 3/14/14				1FE	103,671		104,0940	100,000	102,237		(994)			2.375	1,341	MS	706	2,375	07/20/2010	03/14/2014
3133XV-NU-1	FHLB 2.75% 12/12/14				1FE	104,424		106,0420	100,000	103,003		(985)			2.750	1,701	JD	145	2,750	07/20/2010	12/12/2014
3133XS-R5-9	FHLB 3.75% 12/14/18				1FE	105,528		113,3260	100,000	104,671		(596)			3.750	3,001	JD	177	3,750	07/20/2010	12/14/2018
3133XT-B2-1	FHLB 4.3% 3/6/19				1FE	108,860		116,0580	100,000	107,534		(922)			4.300	3,121	MS	1,374	4,300	07/20/2010	03/06/2019
3133XH-ZK-1	FHLB 4.75% 12/16/16				1FE	113,811		117,4950	100,000	110,877		(2,041)			4.750	2,410	JD	198	4,750	07/21/2010	12/16/2016
3133XB-DM-4	FHLB 4.75% 2/13/15				1FE	222,520		112,4920	200,000	211,881		(3,602)			4.750	2,749	FA	3,589	9,500	12/18/2008	02/13/2015
3133XS-3K-2	FHLB 5.20% 9/12/2018			1	1FE	100,875		107,4200	100,000	100,324		(178)			5.200	4,999	MS	1,574	5,200	09/23/2008	09/12/2018
3133XD-VS-7	FHLB 5.25% 12/11/20				1FE	108,180		125,1610	100,000	106,623		(594)			5.250	4,348	JD	292	5,250	04/13/2009	12/11/2020
3133XL-JP-9	FHLB 5.5% 8/13/14				1FE	116,229		112,7050	100,000	110,554		(3,934)			5.500	1,380	FA	2,108	5,500	07/20/2010	08/13/2014
3133M9-TG-7	FHLB 7.00% 8/26/2019				1FE	247,760		135,9700	200,000	237,414		(4,080)			7.000	4,125	FA	4,861	14,000	05/18/2009	08/26/2019
3137EA-CD-9	FHLMC 3% 7/28/17				1FE	105,922		106,1120	100,000	103,832		(1,449)			3.000	1,478	JJ	1,275	3,000	07/20/2010	07/28/2014
3137EA-AD-1	FHLMC 5.25% 4/18/16				1FE	116,833		117,8030	100,000	112,783		(2,812)			5.250	2,122	AO	1,065	5,250	07/20/2010	04/18/2016
3128X2-RL-1	FHLMC 5.35% 8/1/15				1FE	116,250		115,5590	100,000	111,743		(3,134)			5.350	1,942	FA	2,229	5,350	07/21/2010	08/01/2015
31398A-U3-4	FNMA 2.375% 7/28/15				1FE	102,491		105,5070	100,000	101,797		(482)			2.375	1,853	JJ	1,009	2,375	07/20/2010	07/28/2015
31398A-UJ-9	FNMA 2.875% 12/11/13				1FE	105,444		104,7950	100,000	103,146		(1,589)			2.875	1,233	JD	160	2,875	07/19/2010	12/11/2013
3136F9-4C-4	FNMA 3.275% 1/14/19				1FE	101,669		108,6480	100,000	101,414		(178)			3.275	3,050	JJ	1,519	3,275	07/21/2010	01/14/2019
3136F9-CD-3	FNMA 4.05% 3/18/13				1FE	108,255		104,5530	100,000	103,795		(3,094)			4.050	0,901	MS	1,159	4,050	07/21/2010	03/18/2013
31359M-SD-6	FNMA 4.6% 6/5/18				1FE	111,542		118,1280	100,000	109,615		(1,340)			4.600	2,947	JD	332	4,600	07/20/2010	06/05/2018
911759-KU-1	Housing Urban Development			1	1FE	515,000		108,7910	500,000	513,171		(1,278)			4.130	3,768	FA	8,604	21,224	07/21/2010	08/01/2025
912828-GF-1	US Treasury Note				1	255,120		100,3590	230,827	230,682		(8,296)			4.750	1,110	JJ	4,542	10,925	01/09/2009	01/31/2012
912828-GU-8	US Treasury Note	SD			1	121,756		101,9140	121,000	121,072		(168)			4.750	4,604	MN	487	5,748	08/10/2007	05/31/2012
912828-KN-9	US Treasury Note	SD			1	626,161		103,6250	630,000	628,162		762			1.875	2,004	AO	1,969	11,813	04/30/2009	04/30/2014
912828-MR-8	US Treasury Note	SD			1	46,230		106,1020	46,000	46,149		(45)			2.375	2,269	FA	366	1,093	03/01/2010	02/28/2015
912828-QJ-2	US Treasury Note				1	200,844		106,0940	200,000	200,713		(131)			2.125	2,035	FA	1,417	2,125	03/11/2011	02/29/2016
0199999	Bonds - U.S. Governments - Issuer Obligations					5,113,284	XXX	5,319,919	4,727,000	5,014,339	0	(52,072)	0	0	XXX	XXX	XXX	49,663	191,836	XXX	XXX
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																					
36202E-LJ-6	GNMA 11 Pool #3929				1FE	38,384		111,1630	38,920	38,502		75			5.000	5.321	MON	162	1,946	11/28/2007	12/20/2036
36241K-KV-9	GNMA Pool # 782108				1FE	89,971		108,4710	91,081	90,288		107			5.500	5.820	MON	417	5,009	07/13/2007	08/15/2021
36297A-KC-6	GNMA POOL#705991				1FE	306,758		108,3100	296,385	302,439		(1,713)			4.500	3.553	MON	1,111	13,337	02/13/2009	01/15/2024
0299999	Bonds - U.S. Governments - Residential Mortgage-Backed Securities					435,114	XXX	463,074	426,385	431,229	0	(1,531)	0	0	XXX	XXX	XXX	1,691	20,293	XXX	XXX
0599999	Bonds - U.S. Governments - Subtotals - U.S. Governments					5,548,398	XXX	5,782,993	5,153,385	5,445,568	0	(53,602)	0	0	XXX	XXX	XXX	51,354	212,129	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations																					
359900-LH-8	Fulton Cnty GA Dev Auth Rev				1FE	108,350		116,7500	100,000	106,245		(862)			6.600	5.368	MN	1,100	6,600	06/16/2009	11/01/2020
447025-KC-0	Huntsville Ala				1FE	200,000		105,8580	200,000	200,000					3.486	3.486	MS	2,324	6,720	09/01/2010	09/01/2020
2599999	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations					308,350	XXX	328,466	300,000	306,245	0	(862)	0	0	XXX	XXX	XXX	3,424	13,320	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities																					
383750-WC-9	GNR 2008-50 QA				1FE	60,847		100,7680	60,934	60,382		3			5.500	5.094	MON	277	3,326	06/02/2008	06/16/2038
2699999	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities					60,847	XXX	60,934	60,469	60,382	0	3	0	0	XXX	XXX	XXX	277	3,326	XXX	XXX

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**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**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	For e i g n	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 & Accrued	Amount Rec. During Year	Acquired	Maturity	
3199999	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Subtotals - U.S. Special Revenue and Special Assessment Obligations of Agencies of Governments and Their Political Subdivisions					369,197	XXX	389,400	360,469	366,626	0	(859)	0	0	XXX	XXX	XXX		3,701	16,646	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																						
002824-AT-7	Abbott Laboratories				1FE	108,722		117,311	100,000	105,586		(1,133)			5.875	4.455	MN	751	5,875	02/13/2009	05/15/2016	
025816-AW-9	American Express				1FE	97,533		110,220	100,000	98,573		257			5.500	5.852	MS	1,665	5,500	07/16/2007	09/12/2016	
02580E-CC-5	American Express BK FSB				1FE	102,969		113,302	100,000	101,948		(283)			6.000	5.596	MS	1,800	6,000	02/05/2008	09/13/2017	
037411-AS-4	Apache Corporation				1FE	104,806		118,539	100,000	103,000		(512)			5.625	4.945	JJ	2,594	5,625	03/26/2008	01/15/2017	
039483-AM-4	Archer Daniels Midland				1FE	106,700		139,364	100,000	106,068		(221)			7.500	6.851	MS	2,208	7,500	12/11/2008	03/15/2027	
00206R-AJ-1	AT&T Inc.				1FE	98,686		115,753	100,000	99,105		120			5.500	5.676	FA	2,292	5,500	03/25/2008	02/01/2018	
63858S-AA-7	Bank of America Corp.				2FE	127,462		108,952	100,000	123,247		(1,174)			8.570	5.958	MN	1,095	8,570	02/06/2008	11/15/2024	
064057-BD-3	Bank of New York Mellon				1FE	97,535		112,072	100,000	98,418		218			5.500	5.820	JD	458	5,500	07/16/2007	12/01/2017	
06406H-BE-8	Bank of NY Mellon				1FE	103,962		103,685	100,000	100,753		(870)			4.950	4.823	MN	825	4,950	02/06/2008	11/01/2012	
066365-BX-4	Bankers Trust				1FE	113,377		106,696	100,000	107,188		(1,626)			7.500	5.418	MN	958	7,500	11/14/2007	11/15/2015	
071813-AU-3	Baxter International Inc.				1FE	98,653		110,584	100,000	99,324		190			4.625	4.855	MS	1,362	4,625	03/25/2008	03/15/2015	
09247X-AC-5	Blackrock Inc.				1FE	104,000		116,341	100,000	102,588		(374)			6.250	5.712	MS	1,840	6,250	11/20/2007	09/15/2017	
097023-AH-8	Boeing Co.				1FE	127,997		143,494	100,000	122,839		(1,233)			7.950	5.427	FA	3,003	7,950	02/06/2008	08/15/2024	
10138M-AB-1	Bottling Group LLC				1FE	100,695		103,382	100,000	100,157		(172)			4.625	4.440	MN	591	4,625	09/19/2008	11/15/2012	
134429-AG-4	Campbell Soup Company				1FE	125,672		146,725	100,000	119,459		(1,508)			8.875	6.109	MN	1,479	8,875	06/04/2007	05/01/2021	
149123-BM-2	Caterpillar Inc.				1FE	99,527		117,346	100,000	99,729		50			5.700	5.768	FA	2,153	5,700	07/16/2007	08/15/2016	
17275R-AC-6	Cisco Systems Inc.				1FE	212,636		232,746	200,000	207,918		(1,705)			5.500	4.443	FA	3,942	11,000	02/13/2009	02/22/2016	
125720-AD-7	CME Group Inc.				1FE	202,844		109,002	200,000	201,295		(561)			5.750	5.423	FA	4,344	11,500	02/05/2009	02/15/2014	
191219-AQ-7	Coca Cola Enterprises				1FE	119,436		144,281	100,000	115,333		(994)			8.000	6.035	MS	2,356	8,000	06/04/2007	09/15/2022	
200339-CG-2	Comerica Bank				1FE	98,677		109,596	100,000	99,182		140			5.750	5.945	MN	639	5,750	02/05/2008	11/21/2016	
200340-AL-1	Comerica Inc.				1FE	92,329		102,252	100,000	96,131		1,017			4.800	6.100	MN	800	4,800	11/27/2007	05/01/2015	
20449E-BT-2	Compass Bank				1FE	94,800		96,694	100,000	96,118		353			5.500	6.106	AO	1,375	5,500	11/28/2007	04/01/2020	
216871-AD-5	Cooper US Inc.				1FE	101,087		111,816	100,000	100,553		(152)			5.450	5.263	AO	1,363	5,450	03/26/2008	04/01/2015	
22160K-AC-9	Costco Wholesale Corp.				1FE	97,656		119,439	100,000	98,578		228			5.500	5.821	MS	1,619	5,500	07/16/2007	03/15/2017	
22541L-AM-5	Credit Suisse FB USA Inc.				1FE	97,439		104,231	100,000	99,095		408			5.125	5.601	JJ	2,363	5,125	07/16/2007	01/15/2014	
263534-BN-8	E.I. Dupont De Nemour				1FE	99,343		109,230	100,000	99,705		117			4.875	5.011	AO	813	4,875	09/19/2008	04/30/2014	
285661-AD-6	Electronic Data Systems				1FE	105,549		106,007	100,000	102,138		(1,273)			6.000	4.585	FA	2,500	6,000	03/17/2009	08/01/2013	
532457-AN-8	Eli Lilly & Co.				1FE	105,897		118,556	100,000	103,137		(680)			6.570	5.682	JJ	3,285	6,570	07/16/2007	01/01/2016	
316773-CF-5	Fifth Third Bancorp.				2FE	99,521		105,438	100,000	99,702		50			5.450	5.519	JJ	2,513	5,450	02/05/2008	01/15/2017	
302570-BC-9	FPL Group Capital Inc.				2FE	117,375		119,300	100,000	110,737		(2,406)			7.875	4.859	JD	350	7,875	02/13/2009	12/15/2015	
369550-AK-4	General Dynamics Corp.				1FE	93,624		104,878	100,000	98,310		1,153			4.250	5.544	MN	543	4,250	07/16/2007	05/15/2013	
369626-3U-6	General Electric Capital Corp.				1FE	90,489		112,000	100,000	93,061		845			5.625	7.000	MN	938	5,625	09/17/2008	05/01/2018	
37247X-AL-6	Genworth Global Fnd 2007-C				1FE	100,430		100,341	100,000	100,042		(109)			5.250	5.134	MN	671	5,250	03/11/2008	05/15/2012	
40621P-AB-5	Halliburton Company				1FE	114,030		119,809	100,000	109,034		(1,409)			7.530	5.560	FA	3,138	7,530	03/04/2008	05/12/2017	
459200-GM-7	IBM Corp.				1FE	118,232		134,196	100,000	113,710		(1,645)			7.625	5.203	AO	1,610	7,625	02/13/2009	10/15/2018	
45905A-DE-5	International Bank Recon & Devel. International Business		@		1FE	110,004		158,096	300,000	123,025		6,096				5.147	N/A				10/19/2009	07/15/2029
459200-AL-5	Machines				1FE	108,697		109,849	100,000	102,990		(1,924)			7.500	5.339	JD	333	7,500	11/13/2008	06/15/2013	
478160-AM-6	Johnson & Johnson				1FE	104,809		104,759	100,000	101,643		(1,161)			3.800	2.574	MN	486	3,800	03/17/2009	05/15/2013	
49327X-AB-6	Key Bank NA				2FE	97,201		107,619	100,000	98,391		331			5.450	5.890	MS	1,605	5,450	02/05/2008	03/03/2016	
548661-CH-8	Lowe's Companies Inc.				1FE	94,954		112,078	100,000	97,386		600			5.000	5.778	AO	1,056	5,000	07/16/2007	10/15/2015	
58013M-EE-0	McDonald's Corp.				1FE	100,681		119,490	100,000	100,471		(63)			5.350	5.260	MS	1,783	5,350	03/11/2008	03/01/2018	
585055-AH-9	Medtronic Inc.				1FE	98,476		111,997	100,000	99,177		197			4.750	4.996	MS	1,399	4,750	03/11/2008	09/15/2015	
589331-AH-0	Merck & Co Inc.				1FE	104,838		104,297	100,000	101,448		(1,249)			4.375	3.053	FA	1,653	4,375	03/17/2009	02/15/2013	
59156R-AR-9	Metlife Inc.				1FE	102,000		118,954	100,000	101,463		(172)			6.817	6.541	FA	2,575	6,817	08/15/2008	08/15/2018	
617446-V7-1	Morgan Stanley				1FE	102,081		97,865	100,000	101,359		(192)			6.250	5.968	FA	2,135	6,250	11/20/2007	08/28/2017	
637432-LM-5	National Rural Utilities Corp.				1FE	97,000		106,954	100,000	98,934		658			5.500	6.256	JJ	2,750	5,500	11/13/2008	07/01/2013	
670346-AE-5	Nucor Corp.				1FE	101,430		102,674	100,000	100,258		(330)			4.875	4.522	AO	1,219	4,875	03/24/2008	10/01/2012	
74005P-AQ-7	Paxair Inc.				1FE	105,435		112,234	100,000	102,916		(937)			5.250	4.163	MN	671	5,250	03/17/2009	11/15/2014	

E10.1



Schedule D - Part 2 - Section 1

**NONE**

Schedule D - Part 2 - Section 2

**NONE**



**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks **SOLD, REDEEMED** or Otherwise **DISPOSED OF** During Current Year

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Maturity Date
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B/A. C.V. (11+12-13)	15 Total Foreign Exchange Change in B/A. C.V.						
Bonds - U.S. Governments																				
313316-QJ-1	FFCB 4.50% 3/18/2019		03/18/2011	CALLED @ 100.0000000		200,000	200,000	200,800	200,089		(89)		(89)		200,000			.0	4,500	03/18/2019
313370-6K-9	FHLB 3.6% 7/21/20		08/21/2011	CALLED @ 100.0000000		500,000	500,000	500,695	500,398		234		234		500,632		(632)	(632)	19,700	07/21/2020
313370-DA-3	FHLB 4.05% 8/12/25		09/19/2011	CALLED @ 100.0000000		500,000	500,000	500,000	500,000						500,000			.0	22,259	08/12/2025
313444-VJ-0	FHLMC 4.75% 1/18/11		01/18/2011	MATURITY		100,000	100,000	105,575	100,183		(183)		(183)		100,000			.0	2,375	01/18/2011
36202E-LJ-6	GNMA II Pool #3929		12/20/2011	PRINCIPAL RECEIPT		11,117	11,117	10,964	10,976		141		141		11,117			.0	295	12/20/2036
36241K-KV-9	GNMA Pool # 782108		12/15/2011	PRINCIPAL RECEIPT		23,418	23,418	23,133	23,187		231		231		23,418			.0	612	08/15/2021
36297A-KC-6	GNMA POOL#705991		12/15/2011	PRINCIPAL RECEIPT		34,247	34,247	35,446	35,145		(898)		(898)		34,247			.0	527	01/15/2024
0599999 - Bonds - U.S. Governments						1,368,782	1,368,782	1,376,612	1,369,977	0	(563)	0	(563)	0	1,369,414	0	(632)	(632)	50,267	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Governments and Their Political Subdivisions																				
383750-WC-9	GNR 2008-50 0A		12/16/2011	PRINCIPAL RECEIPT		30,376	30,376	30,566	30,331		46		46		30,376			.0	878	06/16/2038
38375P-LO-2	GNR 2008-9 DE		02/20/2011	PRINCIPAL RECEIPT		20,385	20,385	20,436	20,419		(34)		(34)		20,385			.0	104	02/20/2038
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						50,761	50,761	51,002	50,750	0	12	0	12	0	50,761	0	0	0	983	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
17311A-AD-7	CMSI 2006-7 2A1		12/25/2011	PRINCIPAL RECEIPT		14,841	14,841	14,804	14,798		42		42		14,841			.0	487	12/25/2021
36962G-M7-6	General Electric Capital Corp		11/21/2011	MATURITY		100,000	100,000	100,448	97,995		2,005		2,005		100,000			.0	473	11/21/2011
828807-BU-0	Simon Property Group LP		06/03/2011	CALLED @ 100.0000000		100,000	100,000	101,652	100,332		(208)		(208)		100,124		(124)	(124)	4,231	09/01/2011
94985C-AB-1	WFMSB 2006-17 A2		02/25/2011	PRINCIPAL RECEIPT		1,933	1,933	1,927	1,926		7		7		1,933			.0	9	11/25/2021
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						216,774	216,774	218,831	215,051	0	1,846	0	1,846	0	216,897	0	(124)	(124)	5,201	XXX
8399997 - Bonds - Subtotals - Bonds - Part 4						1,636,316	1,636,316	1,646,445	1,635,778	0	1,294	0	1,294	0	1,637,072	0	(756)	(756)	56,451	XXX
8399999 - Bonds - Subtotals - Bonds						1,636,316	1,636,316	1,646,445	1,635,778	0	1,294	0	1,294	0	1,637,072	0	(756)	(756)	56,451	XXX
9999999 Totals						1,636,316	XXX	1,646,445	1,635,778	0	1,294	0	1,294	0	1,637,072	0	(756)	(756)	56,451	XXX

Schedule D - Part 5

**NONE**

Schedule D - Part 6 - Section 1

**NONE**

Schedule D - Part 6 - Section 2

**NONE**



Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part A - Section 2

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part B - Section 2

**NONE**

Schedule DB - Part D

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.

**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 Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>NONE</b>							
8699999 Total Cash Equivalents					0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ARKANSAS COMMUNITY CARE, INC.**

**SCHEDULE E PART 3 - SPECIAL DEPOSITS**

States, etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR	.B STATUTORY DEPOSIT	.628,162	.652,838		
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX	.B STATUTORY DEPOSIT	.367,933	.384,310		
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. US Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CN					
58. Aggregate Other Alien	OT	.XXX	.0	.0	.0	.0
59. Total	XXX	XXX	996,095	1,037,148	0	0
<b>DETAILS OF WRITE-INS</b>						
5801.						
5802.						
5803.						
5898. Sum of remaining write-ins for Line 58 from overflow page	XXX	XXX	.0	.0	.0	.0
5899. Totals (Lines 5801 - 5803 + 5898) (Line 58 above)	XXX	XXX	0	0	0	0

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