



HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2015

OF THE CONDITION AND AFFAIRS OF THE

CareFirst BlueChoice, Inc.

NAIC Group Code 0380 0380 NAIC Company Code 96202 Employer's ID Number 52-1358219
(Current) (Prior)

Organized under the Laws of District of Columbia, State of Domicile or Port of Entry District of Columbia

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 06/22/1984 Commenced Business 03/01/1985

Statutory Home Office 840 First Street, NE Washington, DC, US 20065
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 10455 Mill Run Circle 410-581-3000-
(Street and Number) (Area Code) (Telephone Number)
Owings Mills, MD, US 21117
(City or Town, State, Country and Zip Code)

Mail Address 10455 Mill Run Circle Owings Mills, MD, US 21117
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 10455 Mill Run Circle 410-998-7011
(Street and Number) (Area Code) (Telephone Number)
Owings Mills, MD, US 21117
(City or Town, State, Country and Zip Code)

Internet Website Address www.carefirst.com

Statutory Statement Contact William Vincent Stack 410-998-7011-
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

President and Chief Executive Officer Chester Emerson Burrell Corp. Treasurer & VP Jeanne Ann Kennedy
Corp. Secretary, Exec. VP & Gen. Counsel Meryl Davis Burgin

OTHER

<u>Gregory Mark Chaney EVP, CFO</u>	<u>Fred Adrian Walton Plumb EVP, SBU-FEHP</u>	<u>Jonathan David Blum EVP, Medical Affairs</u>
<u>Harry Dietz Fox EVP, Technical & Ops Support</u>	<u>Steven Jon Margolis EVP, Small & Medium Group SBU</u>	<u>Wanda Kay Oneferu-Bey EVP, Consumer Direct SBU</u>
<u>Gwendolyn Denise Skillern SVP, General Auditor</u>	<u>Maria Harris Tildon SVP, Public Policy</u>	<u>Rita Ann Costello SVP, Strategic Marketing</u>
<u>Kenny Waitem Kan SVP, Chief Actuary</u>	<u>Michael Bruce Edwards SVP, Networks Mgmt</u>	<u>Jennifer Ann Cryor Baldwin SVP, Patient Centered Medical Home (PCMH)</u>
<u>Jon Paul Shematek SVP, Chief Medical Officer</u>	<u>Michelle Judith Wright SVP, Human Resources</u>	<u>Usha Nakhasi SVP, Gen Mgr SBPASC/FEPOC</u>

DIRECTORS OR TRUSTEES

<u>Chester Emerson Burrell</u>	<u>Wendell Lee Johns</u>	<u>Jack Allan Meyer</u>
<u>John Frederick Reim</u>	<u>James Jerry Xinis</u>	

State of Maryland SS:
County of Baltimore

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.

Chester Emerson Burrell
President and Chief Executive Officer

Meryl Davis Burgin
Corp. Secretary, Exec. VP & Gen. Counsel

Jeanne Ann Kennedy
Corp. Treasurer & VP

Subscribed and sworn to before me this 13th day of May, 2015
Kathleen M. Rumbly

- 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.....



STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, Inc.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	747,965,588	0	747,965,588	692,287,341
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	144,544,819	0	144,544,819	160,119,855
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$(40,262,051)), cash equivalents (\$0) and short-term investments (\$69,677,998)	29,415,947	0	29,415,947	29,426,919
6. Contract loans (including \$0 premium notes)	0	0	0	0
7. Derivatives	0	0	0	0
8. Other invested assets	0	0	0	0
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	921,926,354	0	921,926,354	881,834,115
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	5,226,852	0	5,226,852	5,378,504
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	87,028,426	8,937,372	78,091,054	78,829,497
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	41,416,371	0	41,416,371	31,259,212
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	396,820	0	396,820	0
17. Amounts receivable relating to uninsured plans	0	0	0	924,859
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	14,266,619
18.2 Net deferred tax asset	13,595,282	0	13,595,282	13,052,308
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$0)	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	78,845,181	0	78,845,181	41,937,890
24. Health care (\$43,703,712) and other amounts receivable	69,083,047	3,210,213	65,872,834	84,829,502
25. Aggregate write-ins for other than invested assets	898,160	898,160	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,218,416,493	13,045,745	1,205,370,748	1,152,312,506
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	1,218,416,493	13,045,745	1,205,370,748	1,152,312,506
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Expenses	898,160	898,160	0	0
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	898,160	898,160	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 5,850,026 reinsurance ceded)	158,141,707	1,535,302	159,677,009	178,395,323
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	6,453,348	62,652	6,516,000	6,516,000
4. Aggregate health policy reserves, including the liability of \$ 2,500,000 for medical loss ratio rebate per the Public Health Service Act	39,179,123	0	39,179,123	41,113,626
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserve	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	83,068,939	0	83,068,939	68,651,229
9. General expenses due or accrued	99,622,269	0	99,622,269	40,626,478
10.1 Current federal and foreign income tax payable and interest thereon (including \$ 3,809,806 on realized gains (losses))	7,496,898	0	7,496,898	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	1,502,696	0	1,502,696	0
12. Amounts withheld or retained for the account of others	6,680,228	0	6,680,228	6,565,254
13. Remittances and items not allocated	972,946	0	972,946	28,108
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	2,646,496	0	2,646,496	1,867,748
16. Derivatives	0	0	0	0
17. Payable for securities	0	0	0	0
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers, \$ 0 unauthorized reinsurers and \$ 0 certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified (\$ 0) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	1,809,344	0	1,809,344	0
23. Aggregate write-ins for other liabilities (including \$ 51,651,188 current)	59,837,937	0	59,837,937	51,498,411
24. Total liabilities (Lines 1 to 23)	467,411,931	1,597,954	469,009,885	395,262,177
25. Aggregate write-ins for special surplus funds	XXX	XXX	15,000,000	55,000,000
26. Common capital stock	XXX	XXX	10,000	10,000
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	50,615,750	50,615,750
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	670,735,113	651,424,579
32. Less treasury stock, at cost:				
32.1 0 shares common (value included in Line 26 \$ 0)	XXX	XXX	0	0
32.2 0 shares preferred (value included in Line 27 \$ 0)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	736,360,863	757,050,329
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,205,370,748	1,152,312,506
DETAILS OF WRITE-INS				
2301. Reinsurance Payable	189,291	0	189,291	1,969,359
2302. Legal Reserve	900,000	0	900,000	900,000
2303. ACA Risk Adjustment Payable	47,750,000	0	47,750,000	38,100,000
2398. Summary of remaining write-ins for Line 23 from overflow page	10,998,646	0	10,998,646	10,529,052
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	59,837,937	0	59,837,937	51,498,411
2501. Special Surplus 2016 Health Insurer Fee	XXX	XXX	15,000,000	0
2502. Special Surplus 2015 Health Insurer Fee	XXX	XXX	0	55,000,000
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	15,000,000	55,000,000
3001.	XXX	XXX	0	0
3002.	XXX	XXX	0	0
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 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	2,073,050	1,813,873	7,718,910
2. Net premium income (including \$ 0 non-health premium income)	XXX	750,225,184	660,314,368	2,714,449,839
3. Change in unearned premium reserves and reserve for rate credits	XXX	1,934,504	519,710	(16,236,065)
4. Fee-for-service (net of \$ 0 medical expenses)	XXX	0	0	0
5. Risk revenue	XXX	0	0	0
6. Aggregate write-ins for other health care related revenues	XXX	579,365	639,063	2,540,262
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	752,739,053	661,473,141	2,700,754,036
Hospital and Medical:				
9. Hospital/medical benefits	3,175,705	383,271,561	370,523,486	1,548,115,642
10. Other professional services	0	29,380,178	24,941,942	111,290,213
11. Outside referrals	2,099,965	2,099,965	1,837,865	7,515,493
12. Emergency room and out-of-area	156,189	20,145,809	17,580,642	74,160,491
13. Prescription drugs	0	130,035,654	104,410,497	395,687,911
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts	0	0	0	0
16. Subtotal (Lines 9 to 15)	5,431,859	564,933,167	519,294,432	2,136,769,750
Less:				
17. Net reinsurance recoveries	0	10,468,847	(452,177)	31,541,528
18. Total hospital and medical (Lines 16 minus 17)	5,431,859	554,464,320	519,746,609	2,105,228,222
19. Non-health claims (net)	0	0	0	0
20. Claims adjustment expenses, including \$ 13,015,859 cost containment expenses	0	37,959,782	26,387,184	130,452,826
21. General administrative expenses	0	176,842,717	137,788,996	489,860,126
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)	0	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	5,431,859	769,266,819	683,922,789	2,725,541,174
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(16,527,766)	(22,449,648)	(24,787,138)
25. Net investment income earned	0	6,066,077	4,337,032	22,022,423
26. Net realized capital gains (losses) less capital gains tax of \$ 3,809,806	0	7,075,354	3,591,485	6,078,536
27. Net investment gains (losses) (Lines 25 plus 26)	0	13,141,431	7,928,517	28,100,959
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 0) (amount charged off \$ 0)]	0	0	0	0
29. Aggregate write-ins for other income or expenses	0	125,535	(24,886)	1,517,774
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	(3,260,800)	(14,546,017)	4,831,595
31. Federal and foreign income taxes incurred	XXX	17,953,711	5,175,670	(17,259,025)
32. Net income (loss) (Lines 30 minus 31)	XXX	(21,214,511)	(19,721,687)	22,090,620
DETAILS OF WRITE-INS				
0601. TDN Access fees	XXX	10,573	17,063	53,930
0602. FEHBP OPMHMO Incentive	XXX	568,792	622,000	2,486,332
0603.	XXX	0	0	0
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	579,365	639,063	2,540,262
0701.	XXX	0	0	0
0702.	XXX	0	0	0
0703.	XXX	0	0	0
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.	0	0	0	0
1402.	0	0	0	0
1403.	0	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0	0
2901. Miscellaneous Income/Expense	0	140,654	(24,091)	1,511,782
2902. Fines and penalties	0	(15,119)	(795)	5,992
2903.	0	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	125,535	(24,886)	1,517,774

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	757,050,329	733,350,796	733,350,796
34. Net income or (loss) from Line 32	(21,214,511)	(19,721,687)	22,090,620
35. Change in valuation basis of aggregate policy and claim reserves	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 1,105,124	(2,078,195)	(1,189,310)	2,892,836
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38. Change in net deferred income tax	(562,150)	(92,614)	6,890,418
39. Change in nonadmitted assets	3,165,390	(3,348,087)	(8,174,341)
40. Change in unauthorized and certified reinsurance	0	0	0
41. Change in treasury stock	0	0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles.....	0	0	0
44. Capital Changes:			
44.1 Paid in	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....	0	0	0
45. Surplus adjustments:			
45.1 Paid in	0	0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital	0	0	0
46. Dividends to stockholders	0	0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital & surplus (Lines 34 to 47)	(20,689,466)	(24,351,698)	23,699,533
49. Capital and surplus end of reporting period (Line 33 plus 48)	736,360,863	708,999,098	757,050,329
DETAILS OF WRITE-INS			
4701.	0	0	0
4702.	0	0	0
4703.	0	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	0

STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, Inc.

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	762,600,866	647,862,407	2,746,572,751
2. Net investment income	7,333,078	6,016,702	26,255,715
3. Miscellaneous income	579,365	639,063	2,540,262
4. Total (Lines 1 to 3)	770,513,309	654,518,172	2,775,368,728
5. Benefit and loss related payments	537,343,485	498,089,763	2,119,917,453
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	152,946,970	124,258,779	608,165,039
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 3,809,806 tax on capital gains (losses)	0	(1)	27,155,940
10. Total (Lines 5 through 9)	690,290,455	622,348,541	2,755,238,432
11. Net cash from operations (Line 4 minus Line 10)	80,222,854	32,169,631	20,130,296
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	217,221,294	108,992,975	775,950,863
12.2 Stocks	20,003,522	15,000,000	60,289,903
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	4,367	37,007
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	237,224,816	123,997,342	836,277,773
13. Cost of investments acquired (long-term only):			
13.1 Bonds	270,229,610	115,243,372	828,816,326
13.2 Stocks	511,913	7,500,000	76,491,485
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	270,741,523	122,743,372	905,307,811
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(33,516,707)	1,253,970	(69,030,038)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	(46,717,119)	(28,704,787)	13,035,571
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(46,717,119)	(28,704,787)	13,035,571
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(10,972)	4,718,814	(35,864,171)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	29,426,919	65,291,090	65,291,090
19.2 End of period (Line 18 plus Line 19.1)	29,415,947	70,009,904	29,426,919

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	662,036	138,479	464,592	0	473	795	57,697	0	0	0
2. First Quarter	705,444	204,852	438,060	0	611	807	61,114	0	0	0
3. Second Quarter	0	0	0	0	0	0	0	0	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	2,073,050	565,417	1,320,429	0	1,855	2,397	182,952	0	0	0
Total Member Ambulatory Encounters for Period:										
7. Physician	881,656	216,340	564,058	0	0	0	101,258	0	0	0
8. Non-Physician	479,389	122,712	301,100	0	0	0	55,577	0	0	0
9. Total	1,361,045	339,052	865,158	0	0	0	156,835	0	0	0
10. Hospital Patient Days Incurred	24,128	6,273	14,644	0	0	0	3,211	0	0	0
11. Number of Inpatient Admissions	7,071	1,773	4,472	0	0	0	826	0	0	0
12. Health Premiums Written (a)	750,618,178	149,402,307	521,541,812	0	64,158	397,966	79,211,935	0	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	752,552,682	149,402,307	518,521,812	0	64,158	397,966	84,166,439	0	0	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services.....	582,497,831	132,781,700	371,383,591	0	49,658	407,278	77,875,604	0	0	0
18. Amount Incurred for Provision of Health Care Services	564,933,166	128,002,602	361,540,932	0	49,658	80,276	75,259,698	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability 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)	121,411,317	387,969,967	17,323,846	125,873,952	138,735,163	159,260,713
2. Medicare Supplement	0	0	0	0	0	0
3. Dental Only	246,557	1,002,683	89,445	359,803	336,002	488,742
4. Vision Only	0	49,658	0	0	0	0
5. Federal Employees Health Benefits Plan	16,338,251	61,537,353	1,855,348	14,174,614	18,193,599	18,645,868
6. Title XVIII - Medicare	0	0	0	0	0	0
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	137,996,125	450,559,661	19,268,639	140,408,369	157,264,764	178,395,323
10. Healthcare receivables (a)	0	15,373,152	0	0	0	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	0	0	0	0	0
13. Totals (Lines 9-10+11+12)	137,996,125	435,186,509	19,268,639	140,408,369	157,264,764	178,395,323

(a) Excludes \$ 31,474,100 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies**A. Accounting Practices**

The financial statements of CareFirst BlueChoice Inc. (CFBC or the Company) are presented on the basis of accounting practices prescribed or permitted by the District of Columbia Department of Insurance, Securities, and Banking (DISB).

The DISB recognizes only statutory accounting practices prescribed or permitted by the District of Columbia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the District of Columbia Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the District of Columbia. The Company does not utilize any permitted practices.

For the three months ended March 31, 2015 and the year ended December 31, 2014, there were no differences in net (loss) income and surplus between NAIC SAP and practices prescribed by the District of Columbia.

<u>NET (LOSS) INCOME</u>	Domicile	<i>(in thousands)</i>	
		March 31, 2015	December 31, 2014
(1) State basis (Page 4, Line 32, Columns 2 & 4)	DC	\$ (21,215)	\$ 22,091
(2) State Prescribed Practices that increase/(decrease) NAIC SAP		-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP		-	-
(4) NAIC SAP (1-2-3=4)	DC	<u>\$ (21,215)</u>	<u>\$ 22,091</u>
 <u>SURPLUS</u>			
(5) State basis (Page 3, Line 33, Columns 3 & 4)	DC	\$ 736,361	\$ 757,050
(6) State Prescribed Practices that increase/(decrease) NAIC SAP		-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP		-	-
(8) NAIC SAP (5-6-7=8)	DC	<u>\$ 736,361</u>	<u>\$ 757,050</u>

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

No change.

C. Accounting Policy

No change.

2. Accounting Changes and Corrections of Errors

None.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments**A. Mortgage Loans, including Mezzanine Real Estate Loans**

None.

B. Debt Restructuring

None.

C. Reverse Mortgages

None.

D. Loan-Backed Securities

- (1) The Company records its investment in loan-backed securities using the prospective adjustment method. Prepayment assumptions for single and multi-class mortgage-backed/other asset-backed securities are obtained from broker survey values. The Company uses IDC to determine the fair value for such securities.
- (2) The Company does not have any mortgage-backed/other asset-backed securities which are other-than-temporarily impaired where the Company intends to sell, or does not have the intent and ability to hold until recovery.
- (3) For the quarter ended March 31, 2015, the Company did not recognize other than temporary impairment in mortgage-backed/other asset-backed securities that the Company has the intent to hold, but does not expect to

NOTES TO FINANCIAL STATEMENTS

recover the entire amortized cost basis of the securities. At March 31, 2015, the Company did not hold any mortgage-backed or other asset-backed securities where the present value of cash flows expected to be collected is less than the amortized cost basis.

- (4) The following table shows the gross unrealized losses and fair value of the Company's mortgage-backed/other asset-backed securities with unrealized losses that are not deemed to be other than temporarily impaired, aggregated by investment category and by length of time that individual securities have been in a continuous unrealized loss position (*in thousands*).

	Fair Value < 1 Year	Unrealized Losses < 1 Year	Fair Value > 1 Year	Unrealized Losses > 1 Year	Total Unrealized Losses
March 31, 2015					
Government sponsored enterprise mortgage-backed securities	\$ 24,163	\$ 77	\$ 11,328	\$ 125	\$ 202
Other mortgage-backed and asset-backed securities	13,887	29	10,653	118	147
Total	<u>\$ 38,050</u>	<u>\$ 106</u>	<u>\$ 21,981</u>	<u>\$ 243</u>	<u>\$ 349</u>

- (5) No change.

E. Repurchase Agreements and/or Securities Lending Transactions

None.

F. Real Estate

None.

G. Low-Income Housing Tax Credits (LIHTC)

None.

H. Restricted Assets

No change.

I. Working Capital Finance Investments

None.

J. Offsetting and Netting of Assets and Liabilities

None.

K. Structured Notes

No change.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. - B. Not applicable.

7. Investment Income

A. - B. No change.

8. Derivative Instruments

None.

9. Income Taxes

The Company is part of a federal tax sharing agreement that exists among CFBC (and its related subsidiaries). Through this agreement and the tax allocation methodology, federal taxes have been allocated to the Company. The tax sharing agreement calls for allocation of current federal income tax liability to the Company on the basis of the percentage of the consolidated federal income tax liability attributable to the Company computed on a separate company basis to the total consolidated federal income tax liability. The agreement also provides that to the extent the Company's subsidiaries tax attributes (e.g., NOLs) reduce the consolidated federal income tax liability, CFBC shall pay the subsidiaries for use of such attributes in the year utilized. Amounts due from the subsidiaries for federal income taxes are settled quarterly.

Pursuant to this agreement, the Company and its subsidiaries have an enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

NOTES TO FINANCIAL STATEMENTS

The following table shows the components of the net deferred tax asset and deferred tax liability recognized in the Company's financial statements by tax character (*in thousands*):

	March 31, 2015			December 31, 2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 16,704	\$ 313	\$ 17,017	\$ 17,267	\$ 313	\$ 17,580	\$ (563)	\$ -	\$ (563)
Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
Adjusted gross deferred tax assets	16,704	313	17,017	17,267	313	17,580	(563)	-	(563)
Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
Subtotal net admitted deferred tax asset	16,704	313	17,017	17,267	313	17,580	(563)	-	(563)
Deferred tax liabilities	6	3,416	3,422	7	4,521	4,528	(1)	(1,105)	(1,106)
Net admitted deferred tax asset/(liability)	\$ 16,698	\$ (3,103)	\$ 13,595	\$ 17,260	\$ (4,208)	\$ 13,052	\$ (562)	\$ 1,105	\$ 543

The amount of admitted adjusted gross deferred tax assets are as follows (*in thousands*):

	March 31, 2015			December 31, 2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 16,253	-	\$ 16,253	\$ 16,812	-	\$ 16,812	\$ (559)	\$ -	\$ (559)
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets from a, above) After application of the Threshold Limitation. (Lesser of b.i. and b.ii. Below)	-	-	-	-	-	-	-	-	-
i. Adjusted gross DTA expected to be realized following the Balance Sheet Date	-	-	-	-	-	-	-	-	-
ii. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	NA	NA	108,415	NA	NA	111,600	NA	NA	(3,185)
c. Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From a. and b. above) Offset by Gross Deferred Tax Liabilities.	451	313	764	455	313	768	(4)	-	(4)
Deferred Tax Asset Admitted as the result of application of SSAP No. 101 Total (a.+b.+c.)	\$ 16,704	\$ 313	\$ 17,017	\$ 17,267	\$ 313	\$ 17,580	\$ (563)	\$ -	\$ (563)

	2015	2014
Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	983%	983%
Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation	\$ 722,766	\$ 743,998

The impact of tax planning strategies on adjusted gross DTA's and net admitted DTA's is as follows (*in thousands*):

	3/31/2015			12/31/2014			Change		
	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent
Adjusted Gross DTAs amount	\$ 16,704	\$ 313	\$ 17,017	\$ 17,267	\$ 313	\$ 17,580	\$ (563)	\$ -	\$ (563)
Percentage of Adjusted Gross DTAs	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net Admitted Adjusted Gross DTAs	\$ 16,704	\$ 313	\$ 17,017	\$ 17,267	\$ 313	\$ 17,580	\$ (563)	\$ -	\$ (563)
Percentage of Net Admitted Adjusted Gross DTAs	0%	0%	0%	0%	0%	0%	0%	0%	0%

The Company's tax-planning strategy does not include the use of reinsurance.

The provision / (benefit) for income taxes on earnings for the quarters ended March 31, 2015 and 2014 and year ended December 31, 2014 are as follows (*in thousands*):

	Mar. 31, 2015	Mar. 31, 2014	Dec. 31, 2014
Federal provision/(benefit)	\$ 17,954	\$ 5,176	\$ (17,259)
Federal income tax on net capital gains	3,810	1,934	3,273
Federal income taxes incurred/(benefit)	\$ 21,764	\$ 7,110	\$ (13,986)

NOTES TO FINANCIAL STATEMENTS

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows (*in thousands*):

Deferred Tax Assets:	Mar. 31, 2015	Dec. 31, 2014	Change
Ordinary			
Unearned Revenues	\$ 5,756	\$ 4,862	\$ 894
Unpaid Claims	5,349	5,442	(93)
Accrued Expenses	1,347	1,767	(420)
Nonadmitted assets	4,252	5,196	(944)
Subtotal	16,704	17,267	(563)
Admitted ordinary deferred tax assets	16,704	17,267	(563)
Capital			
Investments	313	313	-
Subtotal	313	313	-
Admitted capital deferred tax assets	313	313	-
Admitted deferred tax assets	17,017	17,580	(563)
Deferred Tax Liabilities:			
Ordinary			
Unpaid Claims	6	7	(1)
Subtotal	6	7	(1)
Capital			
Investments	3,416	4,521	(1,105)
Subtotal	3,416	4,521	(1,105)
Deferred Tax Liabilities	3,422	4,528	(1,106)
Net deferred tax assets	\$ 13,595	\$ 13,052	\$ 543

Deferred tax assets are reflected as admitted assets, subject to certain limitations. The components of the net deferred tax asset recognized in the Company's balance sheets—statutory basis are as follows (*in thousands*):

	Mar. 31, 2015	Dec. 31, 2014	Change
Adjusted gross deferred tax assets	\$ 17,017	\$ 17,580	\$ (563)
Total deferred tax liabilities	3,422	4,528	1,106
Net deferred tax assets	\$ 13,595	\$ 13,052	\$ 543
Tax effect of unrealized gains(losses)			(1,105)
Change in net deferred income tax			\$ (562)

The reconciliation of the federal income tax rate to the actual effective rate is as follows (*in thousands*):

	Mar. 31, 2015	Effective Tax Rate
Provision computed at statutory rate	\$ 192	35.00%
Permanent book to tax and other reserve adjustment	20,833	3794.73%
Nonadmitted assets and other	1,301	236.82%
Total	\$ 22,326	4066.55%
Federal income taxes incurred	\$ 21,764	3964.16%
Change in net deferred income taxes	562	102.39%
Total statutory income taxes	\$ 22,326	4066.55%

Beginning in 2014, Health Reform Legislation imposed an annual HIF on health insurers. The HIF is a nondeductible permanent item for income tax purposes thus increasing the company's effective tax rate.

The Company is subject to examination by the Internal Revenue Service and state taxing authorities. In general, the Company's tax years 2011 and forward remain open under the statutes of limitation and subject to examination.

During 2014, the Company released \$33,438,000 of uncertain tax positions.

The Company is exempt from all state income taxes in the jurisdictions for which it is registered to do business.

NOTES TO FINANCIAL STATEMENTS

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

CareFirst BlueChoice, Inc. (CFBC or the Company) is a health maintenance organization (HMO) that provides managed health care products and services to individuals and to employees of businesses and governmental agencies in the Washington, D.C. metropolitan area, Northern Virginia and the state of Maryland. Benefits are provided to members through fee-for-service and capitation agreements with local area physicians, hospitals and other health care providers. CFBC has two wholly-owned subsidiaries; The Dental Network, Inc. (TDN) and CapitalCare, Inc. (CapCare). TDN is a licensed dental service corporation that provides dental health coverage to its subscribers through a network of dentists in the state of Maryland. Effective December 13, 2011, CapCare withdrew its HMO license and became a non-insurance entity.

CFBC and its subsidiaries are wholly-owned subsidiaries of CareFirst Holdings, LLC (CFH). CFH, a Maryland limited liability company, was formed on December 31, 2010 by contributed assets from CareFirst of Maryland, Inc. (CFMI) and Group Hospitalization and Medical Services, Inc. (GHMSI). CFMI and GHMSI are both affiliates of CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield.

11. Debt

Not applicable.

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

Not applicable.

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

(1) – (8) No change.

(9) The Company is subject to the Health Insurer Fee (HIF) under Section 9010 of the Patient Protection and Affordable Care Act. In accordance with SSAP No. 106 *Affordable Care Act Section 9010 Assessment* (SSAP 106) the Company's estimated HIF payable in the following year is required to be reclassified from unassigned surplus to special surplus. The Company's balance of special surplus funds represents the amount reclassified for the period.

(10) Change in net unrealized capital gains (losses) for the three months ended March 31, 2015:

Change in the unrealized gains (losses) from:

Affiliated common stocks:

TDN	\$	(25,823)
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Unaffiliated common stocks		(3,155,132)
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Bonds		(2,364)
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Total unrealized gains (losses)		(3,183,319)
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Capital gains deferred taxes		1,105,124
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Change in net unrealized capital gains (losses)		(2,078,195)
--	--	--------------------

less capital gains taxes (page 5 line 36)	\$	(2,078,195)
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(11) – (13) No change.

14. Liabilities, Contingencies and Assessments**A. Contingent Commitments**

None.

B. Assessments

None.

C. Gain Contingencies

None.

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

None.

E. Joint and Several Liabilities

None.

F. All Other Contingencies

No change.

NOTES TO FINANCIAL STATEMENTS

15. Leases

Not applicable.

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**A. Transfers of Receivables Reported as Sales**

Not applicable.

B. Transfer and Servicing of Financial Assets

Not applicable.

C. Wash Sales

None.

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 or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

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

Not applicable.

20. Fair Value Measurements

Included in various investment-related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stocks, when carried at the lower of cost or market. SSAP No. 100 *Fair Value Measurements* defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value. The fair value hierarchy is as follows:

- Level 1 – Quoted (unadjusted) prices for identical assets or liabilities in active markets.
- Level 2 – Other observable inputs, either directly or indirectly.
- Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset. Management is responsible for the determination of fair value, and performs monthly analyses on the prices received from third parties to determine whether the prices appear to be reasonable estimates of fair value.

There were no transfers between levels during the three months ended March 31, 2015.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Bonds. The fair value of U.S. Treasury securities is determined by an active price for an identical security in an observable market and is therefore classified as Level 1. Other U.S. government agencies securities, state and municipal securities, foreign governments securities, corporate bonds, mortgage-backed securities and other asset-backed securities that are priced by independent pricing services using observable inputs are classified as Level 2. Observable inputs used for other U.S. government agencies securities include quoted prices for like or similar assets, benchmark yields, reported trades and credit spreads. Observable inputs used for state and municipal securities, foreign governments securities and

NOTES TO FINANCIAL STATEMENTS

corporate bonds include quoted prices for identical or similar assets that are traded in an active market, benchmark yields, new issuances, issuer ratings, reported trades of comparable securities and credit spreads. The fair value of mortgage-backed securities and other asset-backed securities is determined by a cash flow model which utilizes observable inputs such as quoted prices for identical or similar assets, benchmark yields, prepayment speeds, collateral performance, credit spreads and default rates at commonly quoted intervals.

Stocks. Fair values of publicly-traded index funds where market quotes are available but are not considered actively traded are classified as Level 2.

The following table presents information about the fair value of the Company's financial instruments measured and reported at fair value (*in thousands*).

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Fair Value as of March 31, 2015
Assets				
Bonds	\$ —	\$ 569	\$ —	\$ 569
Common stocks				
Large capital equity index fund	—	40,114	—	40,114
Small capital equity index fund	—	36,509	—	36,509
International equity index fund	—	33,228	—	33,228
Publicly-traded fixed income index fund (a)	—	34,170	—	34,170
Total common stocks	—	144,021	—	144,021
Total assets measured and reported at fair value	\$ —	\$ 144,590	\$ —	\$ 144,590

(a) Represent investments in U.S. Treasury inflation-protected securities.

As of March 31, 2015, the Company has no financial instruments measured at fair value using Level 3 inputs.

The following table presents information about the aggregate fair value of the Company's financial instruments (*in thousands*).

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Aggregate Fair Value as of March 31, 2015	Admitted Assets as of March 31, 2015
Bonds	\$ 121,985	\$ 647,576	\$ —	\$ 769,561	\$ 747,966
Common stocks	—	144,021	—	144,021	144,021
Total assets at fair value	\$ 121,985	\$ 791,597	\$ —	\$ 913,582	\$ 891,987

As of March 31, 2015, the Company has no financial instruments for which it is not practicable to estimate fair value.

21. Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures and Unusual Items

In accordance with SSAP 106, the entire HIF is recognized as general administrative expense on January 1. As of March 31, 2015 and 2014, the Company has recorded the HIF of \$58,219,000 and \$36,738,000, respectively, net of reinsurance.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non-transferable Tax Credits

Not applicable.

NOTES TO FINANCIAL STATEMENTS

F. Subprime-Mortgage-Related Risk Exposure

- (1) The Company categorizes mortgage securities with an average FICO score of less than 675 (credit score) as a subprime mortgage security. The Company has no subprime mortgage securities as of March 31, 2015.
- (2) The Company does not engage in mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.
- (3) The Company has no exposure in subprime mortgage lending through its fixed maturity and equity investments.

G. Retained Assets

Not applicable.

22. Events Subsequent

Not applicable.

23. Reinsurance**A. Ceded Reinsurance Report**

The Company maintains a reinsurance agreement with CFMI and GHMSI providing stop-loss coverage. This coverage does not have an expiration date.

The Company also maintains a quota-share reinsurance agreement with TDN. Under the terms of the agreement, the Company assumes all the underwriting risk on the business written by TDN. The Company assumed revenue from TDN in the amount of \$1,134,000 and \$1,624,000 and incurred an underwriting (loss) gain in the amount of \$(378,000) and \$130,000 for the three months ended March 31, 2015 and 2014, respectively.

B. Uncollectible Reinsurance

Not applicable.

C. Commutation of Ceded Reinsurance

Not applicable.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. – C. Not applicable.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act are as follows (*in thousands*):

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ —	\$ 29	\$ —	\$ —	\$ 29
(2) Medical loss ratio rebates paid	—	29	—	—	29
(3) Medical loss ratio rebates unpaid	—	—	—	—	—
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ —
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ —	\$ 2,500	\$ —	\$ —	\$ 2,500
(8) Medical loss ratio rebates paid	—	—	—	—	—
(9) Medical loss ratio rebates unpaid	—	2,500	—	—	2,500
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 2,500

NOTES TO FINANCIAL STATEMENTS

E. Risk-Sharing Provisions of the Affordable Care Act

1. Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act (ACA) risk-sharing provisions?

Yes.

2. Impact of Risk-Sharing Provisions of the ACA on Admitted Assets, Liabilities and Revenue for the three months ended March 31, 2015 (*in thousands*):

a. Permanent ACA Risk Adjustment Program

Assets

1. Premium adjustments receivable due to ACA Risk Adjustment \$ -

Liabilities

2. Risk adjustment user fees payable for ACA Risk Adjustment 259

3. Premium adjustments payable due to ACA Risk Adjustment 47,750

Operations (Revenue & Expense)

4. Reported as revenue in premium for accident and health contracts written due to ACA Risk Adjustment (9,650)

5. Reported in expenses as ACA risk adjustment user fees incurred 95

b. Transitional ACA Reinsurance Program

Assets

1. Amounts recoverable for claims paid due to ACA Reinsurance \$ 41,416

2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) 5,850

3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance -

Liabilities

4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium 12,550

5. Ceded reinsurance premiums payable due to ACA Reinsurance 1,503

6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance -

Operations (Revenue & Expense)

7. Ceded reinsurance premiums due to ACA Reinsurance 1,503

8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments 11,387

9. ACA Reinsurance contributions – not reported as ceded premium 5,994

c. Temporary ACA Risk Corridors Program

Assets

1. Accrued retrospective premium due from ACA Risk Corridors \$ -

Liabilities

2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors 600

Operations (Revenue & Expense)

3. Effect of ACA Risk Corridors on net premium income -

4. Effect of ACA Risk Corridors on change in reserves for rate credits 520

NOTES TO FINANCIAL STATEMENTS

3. Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance (*in thousands*):

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
											5
	1	2	3	4	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Premium adjustments (payable)	-	38,100	-	-	-	38,100	-	-	B	-	38,100
3. Subtotal ACA Permanent Risk Adjustment Program	-	38,100	-	-	-	38,100	-	-		-	38,100
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	31,259	-	-	-	31,259	-	5,084	-	C	36,343	-
2. Amounts recoverable for claims unpaid (contra liability)	4,620	-	-	-	4,620	-	(4,620)	-	D	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	-	6,556	-	-	-	6,556	-	-	F	-	6,556
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7. Subtotal ACA Transitional Reinsurance Program	35,879	6,556	-	-	35,879	6,556	464	-		36,343	6,556
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2. Reserve for rate credits or policy experience rating refunds	-	80	-	-	-	80	-	520	J	-	600
3. Subtotal ACA Risk Corridors Program	-	80	-	-	-	80	-	520		-	600
d. Total for ACA Risk Sharing Provisions	\$ 35,879	\$ 44,736	\$ -	\$ -	\$ 35,879	\$ 44,736	\$ 464	\$ 520		\$ 36,343	\$ 45,256

Explanations of Adjustments:

- A. Not applicable.
- B. Not applicable.
- C. Include run-out claims through 3/31/2015.
- D. Accrued receivable is now included in amounts recoverable for claims paid.
- E. Not applicable.
- F. Not applicable.
- G. Not applicable.
- H. Not applicable.
- I. Not applicable.
- J. True-up of year-end estimate.

25. Change in Incurred Claims and Claim Adjustment Expenses

As of March 31, 2015, \$137,996,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$19,269,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$21,131,000 favorable prior year development since December 31, 2014 to March 31, 2015, which includes a \$452,000 favorable development in the Federal Employee Program line of business. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable.

28. Health Care Receivables**A. Pharmaceutical Rebate Receivables**

No change.

NOTES TO FINANCIAL STATEMENTS

B. Risk Sharing Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserve

1. Liability carried for premium deficiency reserves: \$13,910,000 within aggregate health policy reserves
2. Date of the most recent evaluation of this liability: March 31, 2015
3. Was anticipated investment income utilized in the calculation? No

31. Anticipated Salvage and Subrogation

No change.

GENERAL INTERROGATORIES

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:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 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 [] N/A [X]
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. 12/31/2013
- 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. 12/31/2008
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/25/2009
- 6.4 By what department or departments?
District of Columbia Department of Insurance, Securities and Banking
- 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 [] No [] N/A [X]
- 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 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 FDIC	6 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 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
 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
 The code was amended with an effective date of February 26, 2015 to maintain compliance with the applicable provisions of the Federal Acquisition Regulation.
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0
 13. Amount of real estate and mortgages held in short-term investments: \$0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No
 14.2 If yes, please complete the following:
- | | 1
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|---|--|---|
| 14.21 Bonds | \$0 | \$0 |
| 14.22 Preferred Stock | \$0 | \$0 |
| 14.23 Common Stock | \$549,876 | \$524,053 |
| 14.24 Short-Term Investments | \$0 | \$0 |
| 14.25 Mortgage Loans on Real Estate | \$0 | \$0 |
| 14.26 All Other | \$0 | \$0 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$549,876 | \$524,053 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$0 | \$0 |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
 If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- | | | |
|--|----------|---|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ | 0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ | 0 |
| 16.3 Total payable for securities lending reported on the liability page | \$ | 0 |

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No []
- 17.1 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
SunTrust Bank	1445 New York Ave, Washington DC 20005
Bank of New York Mellon	1 Wall Street, New York, NY 10286

- 17.2 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)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No []

- 17.4 If yes, give full information relating thereto:

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

- 17.5 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
15958	Vanguard	P.O. Box 2900 Valley Forge, PA 19482
104596	Dodge & Cox	55 California St., San Francisco, CA 94104
105496	T. Rowe Price	100 E. Pratt St., Baltimore, MD 21202

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

- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent75.4 %
1.2 A&H cost containment percent1.7 %
1.3 A&H expense percent excluding cost containment expenses26.8 %

2.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

2.2 If yes, please provide the amount of custodial funds held as of the reporting date\$.....0

2.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

2.4 If yes, please provide the balance of the funds administered as of the reporting date\$.....0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
NONE								

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

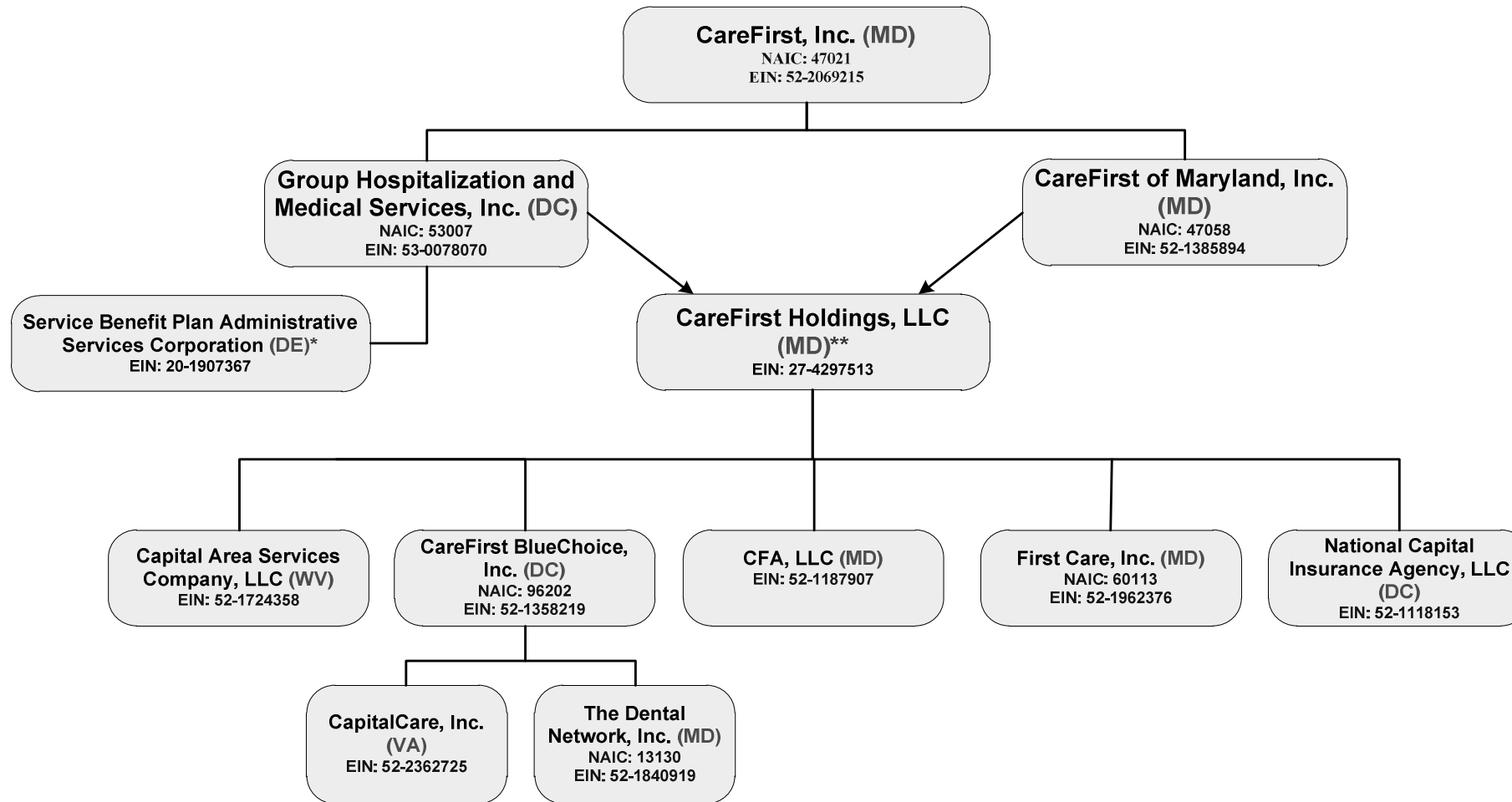
Current Year to Date - Allocated by States and Territories

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	N	0	0	0	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0	0	0	0
5. California	CA	N	0	0	0	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0	0	0	0
9. District of Columbia	DC	L	96,058,621	0	0	0	0	0	96,058,621	0
10. Florida	FL	N	0	0	0	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0	0	0
21. Maryland	MD	L	466,696,060	0	0	79,211,935	0	0	545,907,995	0
22. Massachusetts	MA	N	0	0	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0	0
47. Virginia	VA	L	108,651,562	0	0	0	0	0	108,651,562	0
48. Washington	WA	N	0	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		671,406,243	0	0	79,211,935	0	0	750,618,178	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX		0	0	0	0	0	0	0	0
61. Totals (Direct Business)	(a) 3		671,406,243	0	0	79,211,935	0	0	750,618,178	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.
Enrollment and billing systems capture and report premiums by group situs.

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



15

*Service Benefit Plan Administrative Services Corporation is owned 90% by Group Hospitalization and Medical Services, Inc. and 10% by the Blue Cross and Blue Shield Association.

**CareFirst Holdings, LLC is owned 50.001% by CareFirst of Maryland, Inc. and 49.999% by Group Hospitalization and Medical Services, Inc.

SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
.0380	Carefirst Inc Group	47021	52-2069215				CareFirst, Inc.	MD	IA			0.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	53007	53-0078070				Group Hospitalization and Medical Services, Inc.	DC	IA	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	47058	52-1385894				CareFirst of Maryland, Inc.	MD	IA	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
		00000	20-1907367				Service Benefit Plan Administrative Services Corporation	DE	NIA	Group Hospitalization and Medical Services, Inc.	Ownership	90.000	CareFirst, Inc.	
		00000	27-4297513				CareFirst Holdings, LLC	MD	UDP	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
		00000	52-1724358				Capital Area Services Company, LLC	WV	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	96202	52-1358219				CareFirst BlueChoice, Inc.	DC	RE	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		00000	52-1187907				CFA, LLC	MD	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	60113	52-1962376				First Care, Inc.	MD	IA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		00000	52-1118153				National Capital Insurance Agency, LLC	DC	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		00000	52-2362725				CapitalCare, Inc.	VA	DS	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	13130	52-1840919				The Dental Network, Inc.	MD	DS	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	

Asterisk	Explanation
N/A	

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.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 23

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304. Amounts held for escheatment to State	7,591,636	0	7,591,636	7,122,042
2305. Tax Contingency Reserve	3,407,010	0	3,407,010	3,407,010
2397. Summary of remaining write-ins for Line 23 from overflow page	10,998,646	0	10,998,646	10,529,052

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 acquisition		
2.2 Additional investment made after acquisition		
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 acquisition		
2.2 Additional investment made after acquisition		
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 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. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

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 acquisition		
2.2 Additional investment made after acquisition		
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	852,407,105	774,542,553
2. Cost of bonds and stocks acquired	270,741,523	905,307,811
3. Accrual of discount	68,815	329,350
4. Unrealized valuation increase (decrease)	(3,183,307)	4,451,301
5. Total gain (loss) on disposals	10,885,160	9,314,583
6. Deduct consideration for bonds and stocks disposed of	237,224,816	836,240,766
7. Deduct amortization of premium	1,184,164	5,297,727
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	892,510,316	852,407,105
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	892,510,316	852,407,105

STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, Inc.

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	567,322,729	312,809,757	221,717,014	(9,335,698)	649,079,774	0	0	567,322,729
2. NAIC 2 (a)	172,287,600	11,865,851	26,458,821	7,317,200	165,011,830	0	0	172,287,600
3. NAIC 3 (a)	1,489,312	0	1,293,589	904,990	1,100,713	0	0	1,489,312
4. NAIC 4 (a)	288,301	0	0	(278)	288,023	0	0	288,301
5. NAIC 5 (a)	1,265,675	0	0	(1,262)	1,264,413	0	0	1,265,675
6. NAIC 6 (a)	901,487	0	0	(2,652)	898,835	0	0	901,487
7. Total Bonds	743,555,104	324,675,608	249,469,424	(1,117,700)	817,643,588	0	0	743,555,104
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	743,555,104	324,675,608	249,469,424	(1,117,700)	817,643,588	0	0	743,555,104

(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 \$0 ; NAIC 2 \$0 ; NAIC 3 \$0 ; NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

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SCHEDULE DA - PART 1

Short-Term Investments

	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
9199999 Totals	69,677,998	xxx	69,677,998	13,276	0

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	51,267,775	96,498,693
2. Cost of short-term investments acquired	54,445,991	306,847,460
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	(5,725)
5. Total gain (loss) on disposals	0	37,007
6. Deduct consideration received on disposals	36,035,768	352,020,570
7. Deduct amortization of premium	0	89,090
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	69,677,998	51,267,775
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	69,677,998	51,267,775

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards
N O N E

Schedule DB - Part B - Verification - Futures Contracts
N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open
N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open
N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives
N O N E

Schedule E - Verification - Cash Equivalents
N O N E

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 and Additions Made
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 and Additions Made
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, 2015 OF THE CareFirst BlueChoice, Inc.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
361790-3J-8	GNMA PASS-THRU M SINGLE FAMILY		.03/12/2015	SALOMON SMITH BARNEY INC/SAL		1,718,486	1,641,416	2,553	1
361790-WF-4	GNMA PASS-THRU M SINGLE FAMILY		.02/06/2015	RBC CAPITAL MARKETS CORP		902,275	844,728	1,689	1
38374T-VL-5	GNMA REMIC TRUST 2009-38		.02/04/2015	LINSCO/PRIVATE LEDGER CORP. RE		6,419,194	5,798,730	6,443	1
912810-FE-3	UNITED STATES TREAS BDS		.02/12/2015	SG COWEN SECURITIES CORP		1,386,680	1,000,000	27,201	1
912810-FP-8	UNITED STATES TREAS BDS		.02/12/2015	RBC CAPITAL MARKETS CORP		529,482	375,000	167	1
912810-PX-0	UNITED STATES TREAS BDS		.02/27/2015	VARIOUS		4,918,793	3,630,000	43,378	1
912810-PH-3	UNITED STATES TREAS BDS		.02/10/2015	CFG CAPITAL MARKETS LLC		26,737,969	24,000,000	6,215	1
912810-RJ-9	UNITED STATES TREAS BDS		.02/06/2015	CFG CAPITAL MARKETS LLC		40,100,625	36,000,000	250,608	1
912810-RK-6	UNITED STATES TREAS BDS		.03/06/2015	CFG CAPITAL MARKETS LLC		34,102,500	36,000,000	48,066	1
912828-B6-6	UNITED STATES TREAS NTS		.03/04/2015	DEUTSCHE BANK SECURITIES INC		300,664	285,000	476	1
912828-G3-8	UNITED STATES TREAS NTS		.02/02/2015	CFG CAPITAL MARKETS LLC		5,216,367	5,000,000	23,557	1
912828-G8-7	UNITED STATES TREAS NTS		.01/21/2015	CFG CAPITAL MARKETS LLC		3,097,734	3,000,000	4,050	1
912828-H5-2	UNITED STATES TREAS NTS		.03/06/2015	CFG CAPITAL MARKETS LLC		14,828,516	15,000,000	14,330	1
912828-H7-8	UNITED STATES TREAS NTS		.03/06/2015	CFG CAPITAL MARKETS LLC		9,973,047	10,000,000	5,111	1
912828-H8-6	UNITED STATES TREAS NTS		.02/02/2015	CFG CAPITAL MARKETS LLC		2,002,969	2,000,000	746	1
912828-H9-4	UNITED STATES TREAS NTS		.03/06/2015	CFG CAPITAL MARKETS LLC		9,971,484	10,000,000	6,077	1
912828-UA-6	UNITED STATES TREAS NTS		.02/12/2015	GOLDMAN, SACHS & CO		1,980,859	2,000,000	2,576	1
912828-WA-4	UNITED STATES TREAS NTS		.03/23/2015	DEUTSCHE BANK SECURITIES INC		4,008,906	4,000,000	11,126	1
059999. Subtotal - Bonds - U.S. Governments									
68323A-BM-5	PROVINCE OF ONTARIO	I	.03/02/2015	RBC CAPITAL MARKETS CORP		1,496,265	1,500,000	5,958	1FE
195325-CU-7	COLOMBIA REP	R	.01/21/2015	MORGAN STANLEY & CO. INC		2,104,133	2,125,000	0	2FE
451029-AD-4	ICELAND REP 144 A	R	.02/12/2015	SALOMON SMITH BARNEY INC/SAL		418,000	400,000	3,358	2FE
109999. Subtotal - Bonds - All Other Governments									
3137A1-VZ-3	FHLMC REMIC SERIES 3727		.01/28/2015	WACHOVIA SECURITIES CAPITAL		6,016,511	5,399,000	675	1
3138WP-JE-5	FNMA PASS-THRU INT 15 YEAR		.02/12/2015	NOMURA SECURITIES INTL		391,346	380,770	450	1
31418B-NE-2	FNMA PASS-THRU INT 15 YEAR		.02/12/2015	WACHOVIA SECURITIES CAPITAL		584,608	557,600	790	1
3138EJ-7F-9	FNMA PASS-THRU LNG 30 YEAR		.02/06/2015	CHASE SECURITIES, INC.		59,406	55,237	68	1
3138LT-KF-4	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	FIRST TENN BANK, N.A. -BOND D		802,526	764,880	818	1
3138WD-K7-1	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	VARIOUS		733,637	686,079	839	1
3138WP-G2-4	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	NOMURA SECURITIES INTL		966,853	948,185	869	1
3138Y9-C3-0	FNMA PASS-THRU LNG 30 YEAR		.02/06/2015	SG COWEN SECURITIES CORP		882,290	824,209	1,007	1
31416B-LD-8	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	SALOMON SMITH BARNEY INC/SAL		381,932	338,649	569	1
31416R-RB-1	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	BARCLAYS CAPITAL INC		570,821	524,591	721	1
31416V-UJ-9	FNMA PASS-THRU LNG 30 YEAR		.02/12/2015	DEUTSCHE BANK SECURITIES INC		383,072	344,237	526	1
491189-FW-1	KENTUCKY ASSET / LIABILITY COM		.03/20/2015	CFG CAPITAL MARKETS LLC		60,144	60,000	817	1FE
837151-NP-0	SOUTH CAROLINA ST PUB SVCS REV		.02/13/2015	BARCLAYS CAPITAL INC		550,000	550,000	0	1FE
914126-XY-6	UNIVERSITY CALIF REVS FOR PREV REV		.03/13/2015	BARCLAYS CAPITAL INC		55,000	55,000	0	1FE
319999. Subtotal - Bonds - U.S. Special Revenues									
002824-AV-2	ABBOTT LABS		.03/20/2015	CFG CAPITAL MARKETS LLC		673,905	500,000	14,500	1FE
001055-AC-6	AFLAC INC SR NT		.03/30/2015	CFG CAPITAL MARKETS LLC		125,877	100,000	3,211	1FE
010392-FM-5	ALABAMA PWR CO		.03/05/2015	BANC AMERICA SECURITIES LLC		476,669	480,000	0	1FE
023135-AQ-9	AMAZON COM INC		.01/13/2015	VARIOUS		3,012,882	2,835,000	14,951	1FE
023770-AA-8	AMER AIRLINES PT TR 2015-1 2028110		.03/02/2015	CREDIT SUISSE FIRST BOSTON COR		300,000	300,000	0	1FE
0258MO-DK-2	AMERICAN EXPRESS GR CORP MTNBE		.02/09/2015	LINSCO/PRIVATE LEDGER CORP. RE		3,030,000	3,000,000	25,500	1FE
026351-AZ-9	AMERICAN GENERAL CORP		.03/19/2015	CFG CAPITAL MARKETS LLC		57,046	45,000	323	2FE
026874-DC-8	AMERICAN INTL GROUP INC		.01/12/2015	US BANCORP INVESTMENTS INC		448,511	450,000	0	2FE
042735-BE-9	ARROW ELECTRS INC		.02/23/2015	BANC AMERICA SECURITIES LLC		158,450	160,000	0	2FE
04364F-AC-2	ASCENTUM EQUIP RECV 2015-1 144 A		.02/26/2015	CREDIT SUISSE FIRST BOSTON COR		141,998	142,000	0	1FE
05377R-BB-9	AVIS BUDGET RENTAL FDG 2012-3 144A		.03/25/2015	CFG CAPITAL MARKETS LLC		3,539,102	3,500,000	2,042	1FE
06051G-FM-6	BANK AMER CORP		.01/16/2015	BANC AMERICA SECURITIES LLC		278,312	280,000	0	2FE
06742L-AH-6	BARCLAYS DRYROCK TR 2015-1		.03/05/2015	BARCLAYS CAPITAL INC		99,954	100,000	0	1FE
075896-AB-6	BED BATH & BEYOND INC		.03/20/2015	CFG CAPITAL MARKETS LLC		541,245	500,000	3,686	2FE
084664-BE-0	BERKSHIRE HATHAWAY FIN CORP		.03/25/2015	MERRILL LYNCH PROFESSIONL CLEAR		3,384,390	3,000,000	60,750	1FE
09247X-AL-5	BLACKROCK INC		.02/02/2015	CFG CAPITAL MARKETS LLC		4,294,160	4,000,000	53,278	1FE
11120V-AA-1	BRIXMO OPERATING PRITSH LP		.01/13/2015	SALOMON SMITH BARNEY INC/SAL		459,807	460,000	0	2FE
126802-DC-8	CABELAS CC MSTR TR 2015-1		.03/03/2015	RBC CAPITAL MARKETS CORP		129,967	130,000	0	1FE
124857-AN-3	CBS CORP NEW		.01/09/2015	LINSCO/PRIVATE LEDGER CORP. RE		2,501,000	2,500,000	639	1FE
17275R-AF-9	CISCO SYS INC		.01/09/2015	MIZUHO SECURITIES USA INC		3,123,125	2,500,000	68,368	1FE
17305E-FC-4	CITIBANK CCIT 2013-A3		.03/25/2015	CFG CAPITAL MARKETS LLC		3,520,781	3,500,000	7,338	1FE
172967-JH-5	CITIGROUP INC		.02/12/2015	SCOTIA CAPITAL MKTS (USA) INC		499,125	500,000	325	1FE
20030N-BE-0	COMCAST CORP NEW		.01/09/2015	LINSCO/PRIVATE LEDGER CORP. RE		2,242,000	2,000,000	46,242	1FE
20826F-AA-4	CONOCOPHILLIPS CO		.02/02/2015	CFG CAPITAL MARKETS LLC		3,008,520	3,000,000	10,000	1FE

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STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, Inc.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
263534-CC-1	DU PONT E I DE NEMOURS & CO		03/06/2015	MIZUHO SECURITIES USA INC		812,258	750,000	5,717	1FE
268648-AN-2	E M C CORP MASS		02/09/2015	LINSCO/PRIVATE LEDGER CORP. RE		3,048,000	3,000,000	19,969	1FE
28372E-BJ-6	ENTERPRISE FLEET FNC 2015-1 144 A		02/25/2015	BANC AMERICA SECURITIES LLC		289,950	290,000	0	1FE
28884T-AN-2	ERAC USA FINANCE COMPANY 144 A		02/10/2015	RBC CAPITAL MARKETS CORP		158,157	160,000	0	2FE
34354P-AD-7	FLOWSERVE CORP		02/05/2015	MERRILL LYNCH PROFESSNL CLEAR		1,061,880	1,000,000	9,444	2FE
30286X-AN-9	FREMF MTG TR 2015-K43 144A		02/19/2015	BARCLAYS CAPITAL INC		336,750	335,000	108	1FE
36962G-5Y-6	GENERAL ELEC CAP CORP MTN BE		03/30/2015	CFG CAPITAL MARKETS LLC		101,032	100,000	133	1FE
375558-AW-3	GILEAD SCIENCES INC		02/02/2015	CFG CAPITAL MARKETS LLC		3,288,810	3,000,000	38,233	1FE
437076-BD-3	HOME DEPOT INC		01/08/2015	LINSCO/PRIVATE LEDGER CORP. RE		2,995,250	2,500,000	50,104	1FE
40428H-PN-6	HSBC USA INC NEW		02/12/2015	MILLENNIUM ADVISORS, LLC		505,145	500,000	3,134	1FE
458140-AJ-9	INTEL CORP		02/23/2015	CFG CAPITAL MARKETS LLC		1,060,420	1,000,000	13,292	1FE
459200-HJ-8	INTERNATIONAL BUSINESS MACHS		02/09/2015	LINSCO/PRIVATE LEDGER CORP. RE		2,665,000	2,500,000	0	1FE
46625H-JJ-0	JPMORGAN CHASE & CO		02/12/2015	MERRILL LYNCH PROFESSNL CLEAR		500,020	500,000	5,016	1FE
50116R-AC-0	KUBOTA CR OWNER TR 2015-1 144A		01/22/2015	CHASE SECURITIES, INC.		439,939	440,000	0	1FE
539830-BC-2	LOCKHEED MARTIN CORP		03/13/2015	VARIOUS		1,889,812	1,925,000	4,746	1FE
585055-BF-2	MEDTRONIC INC 144A		02/12/2015	SALOMON SMITH BARNEY INC/SAL		1,017,810	1,000,000	4,722	1FE
586054-AC-2	MEMORIAL SLOAN-KETTERING CANCE		02/04/2015	GOLDMAN, SACHS & CO.		274,002	275,000	0	1FE
58933Y-AG-0	MERCK & CO INC NEW		01/08/2015	MERRILL LYNCH PROFESSNL CLEAR		1,359,041	1,359,000	2,699	1FE
592173-AE-8	METROPOLITAN LIFE INS CO 144A		03/20/2015	CFG CAPITAL MARKETS LLC		80,898	80,000	1,872	1FE
61747Y-DY-8	MORGAN STANLEY		01/22/2015	MORGAN STANLEY & CO. INC		178,650	180,000	0	1FE
666807-BJ-0	NORTHROP GRUMMAN CORP		02/03/2015	CHASE SECURITIES, INC.		674,818	675,000	0	2FE
681919-AZ-9	OMNICOM GROUP INC		01/21/2015	CHASE SECURITIES, INC.		340,259	325,000	2,782	2FE
681919-BA-3	OMNICOM GROUP INC		01/13/2015	CREDIT SUISSE FIRST BOSTON COR		113,037	110,000	859	2FE
71672V-AB-5	PETROLOGISTICS LP/ FIN CORP		01/23/2015	MIZUHO SECURITIES USA INC		543,125	500,000	10,156	1FE
741503-AW-6	PRICELINE GRP INC		03/10/2015	WACHOVIA SECURITIES CAPITAL		428,891	430,000	0	2FE
74153W-CD-9	PRICOA GLBL FDG I MTN 144A		02/02/2015	CFG CAPITAL MARKETS LLC		3,060,420	3,000,000	14,483	1FE
74456Q-BK-1	PUBLIC SVC ELEC GAS CO MTN BE		02/02/2015	CFG CAPITAL MARKETS LLC		3,688,658	3,495,000	26,057	1FE
771196-BE-1	ROCHE HLDGS INC 144 A		02/11/2015	LINSCO/PRIVATE LEDGER CORP. RE		2,104,800	2,000,000	25,683	1FE
81745B-AM-7	SEQUOIA MTG TR 2013-6		03/23/2015	RAYMOND JAMES & ASSOCIATES, INC		1,444,378	1,435,407	3,526	1FE
837004-CE-8	SOUTH CAROLINA ELEC & GAS CO		03/20/2015	CFG CAPITAL MARKETS LLC		380,580	300,000	2,453	1FE
84756N-AG-4	SPECTRA ENERGY PARTNERS LP		03/09/2015	CHASE SECURITIES, INC.		764,102	770,000	0	2FE
896516-AA-9	TRINITY HEALTH CR GROUP		02/05/2015	GOLDMAN, SACHS & CO.		534,470	535,000	0	1FE
92343V-BT-0	VERIZON COMMUNICATIONS INC		03/02/2015	CREDIT SUISSE FIRST BOSTON COR		757,561	580,000	17,940	2FE
984121-OK-7	XEROX CORP		02/26/2015	MIZUHO SECURITIES USA INC		544,341	545,000	0	2FE
98956P-AG-7	ZIMMER HLDGS INC		03/10/2015	SALOMON SMITH BARNEY INC/SAL		720,230	725,000	0	1FE
78010U-NX-1	ROYAL BK CDA	I	03/25/2015	MERRILL LYNCH PROFESSNL CLEAR		4,024,640	4,000,000	8,933	1FE
878742-AS-4	TECK RESOURCES LTD	I	02/05/2015	GOLDMAN, SACHS & CO.		321,503	375,000	10,938	2FE
878742-AW-5	TECK RESOURCES LTD	I	01/27/2015	GOLDMAN, SACHS & CO.		329,809	375,000	977	2FE
00507U-AP-6	ACTAVIS FUNDING SCS	R	03/03/2015	CHASE SECURITIES, INC.		874,956	875,000	0	2FE
00507U-AS-0	ACTAVIS FUNDING SCS	R	03/03/2015	CHASE SECURITIES, INC.		647,693	650,000	0	2FE
00507U-AT-8	ACTAVIS FUNDING SCS	R	03/03/2015	CHASE SECURITIES, INC.		383,345	385,000	0	2FE
00131L-AB-1	ATA GROUP LTD HONG KONG 144 A	R	03/04/2015	MORGAN STANLEY SMITH BARNEY		793,990	795,000	0	1FE
03937L-AA-3	ARCH CAP GROUP LTD	R	03/20/2015	CFG CAPITAL MARKETS LLC		704,390	500,000	14,700	1FE
056752-AD-0	BAIDU INC	R	01/06/2015	MORGAN STANLEY & CO. INC		199,554	200,000	458	1FE
223030-AP-5	COVIDIEN INTL FIN S A	R	02/02/2015	CFG CAPITAL MARKETS LLC		3,087,330	3,000,000	12,292	1FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					85,576,530	81,436,407	622,579	XXX
8399997	Total - Bonds - Part 3					270,229,624	257,524,717	1,094,413	XXX
8399998	Total - Bonds - Part 5					XXX	XXX	XXX	XXX
8399999	Total - Bonds					270,229,624	257,524,717	1,094,413	XXX
8999997	Total - Preferred Stocks - Part 3					0	XXX	0	XXX
8999998	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX
8999999	Total - Preferred Stocks					0	XXX	0	XXX
921943-88-2	VANGUARD DEVELOPED MKTS INDEX INST		03/25/2015	VANGUARD GROUP		11,416,724	149,902	0	L
922908-88-4	VANGUARD EXTENDED MKT INDEX INSTL		03/25/2015	VANGUARD GROUP		214,116	15,095	0	L
922031-74-5	VANGUARD FIXD INCOME SECS FD		03/27/2015	VANGUARD GROUP		870,152	9,285	0	L
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		03/27/2015	VANGUARD GROUP		1,798,783	337,631	0	L
9299999	Subtotal - Common Stocks - Mutual Funds					511,913	XXX	0	XXX
9799997	Total - Common Stocks - Part 3					511,913	XXX	0	XXX
9799998	Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX

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STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, 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 Designation or Market Indicator (a)
9799999. Total - Common Stocks						511,913	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						511,913	XXX	0	XXX
9999999 - Totals						270,741,537	XXX	1,094,413	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

STATEMENT AS OF MARCH 31, 2015 OF THE CareFirst BlueChoice, 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 Ident-ification	Description	For-foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization)/ Accretion	Current Year's Other Than Temporary Impairment Recog-nized	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	Stated Con-tractual Maturity Date	NAIC Design-ation or Market In-dicator (a)	
922031-74-5	VANGUARD FIXED INCOME SECS FD		03/25/2015	CAPITAL GAIN	0.000	3,522		0	0	0	0	0	0	0	0	0	3,522	3,522	0			
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		01/02/2015	VANGUARD GROUP	42,411.073	8,000,000		5,013,028	8,001,697	(2,988,669)	0	0	(2,988,669)	0	5,013,028	0	2,986,972	2,986,972	0			
9299999. Subtotal - Common Stocks - Mutual Funds						20,003,522	XXX	12,905,993	19,940,771	(7,034,778)	0	0	(7,034,778)	0	12,905,993	0	7,097,529	7,097,529	0	XXX	XXX	
9799997. Total - Common Stocks - Part 4						20,003,522	XXX	12,905,993	19,940,771	(7,034,778)	0	0	(7,034,778)	0	12,905,993	0	7,097,529	7,097,529	0	XXX	XXX	
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						20,003,522	XXX	12,905,993	19,940,771	(7,034,778)	0	0	(7,034,778)	0	12,905,993	0	7,097,529	7,097,529	0	XXX	XXX	
9899999. Total - Preferred and Common Stocks						20,003,522	XXX	12,905,993	19,940,771	(7,034,778)	0	0	(7,034,778)	0	12,905,993	0	7,097,529	7,097,529	0	XXX	XXX	
9999999 - Totals						237,224,811	XXX	227,083,171	124,359,150	(7,014,160)	(506,484)	0	(7,520,644)	0	226,339,641	0	10,885,161	10,885,161	1,790,300	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....0

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open
N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open
N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made
N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open
N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By
N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To
N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned
N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned
N O N E

Schedule E - Part 2 - Cash Equivalents - Investments Owned End of Current Quarter

N O N E