



HEALTH QUARTERLY STATEMENT
AS OF MARCH 31, 2017
OF THE CONDITION AND AFFAIRS OF THE
Group Hospitalization and Medical Services, Inc.

NAIC Group Code	<u>0380</u>	<u>0380</u>	NAIC Company Code	<u>53007</u>	Employer's ID Number	<u>53-0078070</u>
	(Current)	(Prior)				
Organized under the Laws of	<u>District of Columbia</u>	State of Domicile or Port of Entry	<u>DC</u>			
Country of Domicile	<u>United States of America</u>					
Licensed as business type:	<u>HMDI</u>					
Is HMO Federally Qualified? Yes [] No []						
Incorporated/Organized	<u>08/11/1939</u>	Commenced Business	<u>03/15/1934</u>			
Statutory Home Office	<u>840 First Street NE</u>	<u>Washington, DC, US 20065</u>				
	(Street and Number)	(City or Town, State, Country and Zip Code)				
Main Administrative Office	<u>10455 Mill Run Circle</u>	<u>410-581-3000</u>				
	<u>Owings Mills, MD, US 21117</u>	(Area Code) (Telephone Number)				
	(City or Town, State, Country and Zip Code)					
Mail Address	<u>10455 Mill Run Circle</u>	<u>Owings Mills, MD, US 21117</u>				
	(Street and Number or P.O. Box)	(City or Town, State, Country and Zip Code)				
Primary Location of Books and Records	<u>10455 Mill Run Circle</u>	<u>410-998-7011</u>				
	<u>Owings Mills, MD, US 21117</u>	(Area Code) (Telephone Number)				
	(City or Town, State, Country and Zip Code)					
Internet Website Address	<u>www.carefirst.com</u>					
Statutory Statement Contact	<u>William Vincent Stack</u>	<u>410-998-7011</u>				
	(Name)	(Area Code) (Telephone Number)				
	<u>bill.stack@carefirst.com</u>	<u>410-998-6850</u>				
	(E-mail Address)	(FAX Number)				

OFFICERS

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

OTHER

<u>Gregory Mark Chaney, EVP & CFO</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>Brian David Pieninck, EVP, Large Group SBU</u>
<u>Fred Adrian Walton Plumb, EVP, SBU-FEHBP</u>	<u>Jennifer Ann Cryor Baldwin, SVP, Patient Centered Medical Home (PCMH)</u>	<u>Peter Andrew Berry, SVP, Chief Actuary</u>
<u>Rita Ann Costello, SVP, Strategic Marketing</u>	<u>Michael Bruce Edwards, SVP, Networks Mgmt</u>	<u>Usha Nakhasi, SVP, Gen Mgr SBPASC/FEPOC</u>
<u>Rahul Rajkumar, SVP, Chief Medical Officer</u>	<u>Gwendolyn Denise Skillern, SVP, General Auditor</u>	<u>Maria Harris Tildon, SVP, Public Policy</u>
<u>Michelle Judith Wright, SVP, Human Resources</u>		

DIRECTORS OR TRUSTEES

<u>Shirley Marcus Allen</u>	<u>Clifford Edward Barnes</u>	<u>Victoria Walsh Bayless</u>
<u>Sherri Lin Bohinc</u>	<u>Robert Reginald Hagans Jr.</u>	<u>Artis Gail Hampshire-Cowan</u>
<u>Polly Povejsil Heath</u>	<u>Wendell Lee Johns</u>	<u>Robert Carl Kovarik Jr.</u>
<u>Michael Joseph McShea</u>	<u>Shirley Rollins Patterson</u>	<u>Courtney Dawn Piron #</u>
<u>Elena Victoria Rios</u>	<u>Patricia Amelia Rodriguez</u>	

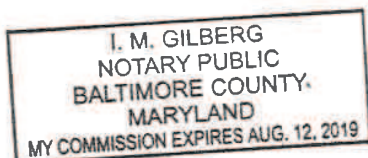
State of Maryland SS:
County of Baltimore

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.

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

Subscribed and sworn to before me this 4th day of May, 2017

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.....



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	404,994,905	0	404,994,905	413,494,434
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	107,662,002	0	107,662,002	111,265,844
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 (\$(88,817,909)), cash equivalents (\$0) and short-term investments (\$120,302,233)	31,484,324	0	31,484,324	5,002,712
6. Contract loans (including \$0 premium notes)	0	0	0	0
7. Derivatives	0	0	0	0
8. Other invested assets	471,931,959	166,667	471,765,292	453,073,427
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)	1,016,073,190	166,667	1,015,906,523	982,836,417
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	3,017,810	0	3,017,810	3,021,249
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	270,007,429	9,954,381	260,053,048	241,300,358
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 (\$6,588) and contracts subject to redetermination (\$119,251,697)	119,258,285	0	119,258,285	95,754,913
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	17,227,925	0	17,227,925	25,314,264
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	6,951,677	0	6,951,677	6,759,621
17. Amounts receivable relating to uninsured plans	72,803,176	315,215	72,487,961	51,098,500
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2 Net deferred tax asset	29,102,391	29,102,391	0	0
19. Guaranty funds receivable or on deposit	10,445,945	0	10,445,945	0
20. Electronic data processing equipment and software	154,025,844	135,230,512	18,795,332	17,749,789
21. Furniture and equipment, including health care delivery assets (\$0)	13,678,423	13,678,423	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	31,721,205	0	31,721,205	39,761,465
24. Health care (\$135,039,359) and other amounts receivable	901,115,572	10,291,011	890,824,561	819,126,311
25. Aggregate write-ins for other than invested assets	64,803,348	63,433,201	1,370,147	1,380,087
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,710,232,220	262,171,801	2,448,060,419	2,284,102,974
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	2,710,232,220	262,171,801	2,448,060,419	2,284,102,974
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 Pension	446,438	446,438	0	0
2502. Prepaid Expenses	62,986,763	62,986,763	0	0
2503. Other Assets	1,370,147	0	1,370,147	1,380,087
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)	64,803,348	63,433,201	1,370,147	1,380,087

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$5,811,593 reinsurance ceded)	266,615,017	10,679,751	277,294,768	290,600,209
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	10,141,686	406,244	10,547,930	11,209,475
4. Aggregate health policy reserves, including the liability of \$5,680,000 for medical loss ratio rebate per the Public Health Service Act	792,960,283	0	792,960,283	727,008,385
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	42,640,323	0	42,640,323	44,121,765
9. General expenses due or accrued	84,162,462	0	84,162,462	68,674,629
10.1 Current federal and foreign income tax payable and interest thereon (including \$737,922 on realized gains (losses))	3,044,403	0	3,044,403	3,613,986
10.2 Net deferred tax liability	8,608,716	0	8,608,716	7,111,951
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others.....	38,177,606	0	38,177,606	39,279,271
13. Remittances and items not allocated	21,024,031	0	21,024,031	1,607,594
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	107,127,705	0	107,127,705	69,683,723
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	11,030,459	0	11,030,459	11,577,290
23. Aggregate write-ins for other liabilities (including \$13,026,814 current)	48,509,271	0	48,509,271	46,376,645
24. Total liabilities (Lines 1 to 23)	1,434,041,962	11,085,995	1,445,127,957	1,320,864,923
25. Aggregate write-ins for special surplus funds	XXX	XXX	18,750,000	0
26. Common capital stock	XXX	XXX	0	0
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	0	0
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	984,182,462	963,238,051
32. Less treasury stock, at cost:				
32.10 shares common (value included in Line 26 \$0)	XXX	XXX	0	0
32.20 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	1,002,932,462	963,238,051
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	2,448,060,419	2,284,102,974
DETAILS OF WRITE-INS				
2301. Amounts Withheld for Escheatment	7,601,103	0	7,601,103	7,435,483
2302. Reinsurance Payable	9,101,849	0	9,101,849	8,086,637
2303. Noncurrent Pension and Other Postretirement Liabilities	23,852,388	0	23,852,388	22,614,364
2398. Summary of remaining write-ins for Line 23 from overflow page	7,953,931	0	7,953,931	8,240,161
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	48,509,271	0	48,509,271	46,376,645
2501. Special Surplus – 2018 Health Insurer fee	XXX	XXX	18,750,000	0
2502.	XXX	XXX	0	0
2503.	XXX	XXX		
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	18,750,000	0
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	2,087,772	2,260,410	8,848,893
2. Net premium income (including \$0 non-health premium income).....	XXX	910,945,400	876,496,622	3,559,039,424
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	(65,951,898)	(6,461,594)	(83,166,566)
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	3,999,999	3,562,499	19,498,891
7. Aggregate write-ins for other non-health revenues	XXX	1,405,872	1,338,546	6,615,910
8. Total revenues (Lines 2 to 7)	XXX	850,399,373	874,936,073	3,501,987,659
Hospital and Medical:				
9. Hospital/medical benefits	14,010,708	456,459,848	468,802,821	1,951,854,365
10. Other professional services	708,176	58,323,049	52,952,118	221,044,608
11. Outside referrals	13,330,387	13,330,387	13,874,028	52,771,594
12. Emergency room and out-of-area	422,387	17,409,649	18,858,274	73,023,573
13. Prescription drugs	0	193,730,430	189,811,005	801,675,688
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)	28,471,658	739,253,363	744,298,246	3,100,369,828
Less:				
17. Net reinsurance recoveries	0	11,965,165	15,022,851	71,310,469
18. Total hospital and medical (Lines 16 minus 17)	28,471,658	727,288,198	729,275,395	3,029,059,359
19. Non-health claims (net)	0	0	0	0
20. Claims adjustment expenses, including \$11,559,713 cost containment expenses	0	31,948,495	39,918,909	135,234,452
21. General administrative expenses	0	67,615,796	136,625,726	341,473,177
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).....	28,471,658	826,852,489	905,820,030	3,505,766,988
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	23,546,884	(30,883,957)	(3,779,329)
25. Net investment income earned	0	3,686,277	3,845,582	16,222,270
26. Net realized capital gains (losses) less capital gains tax of \$737,922	0	2,951,687	1,049,802	4,564,856
27. Net investment gains (losses) (Lines 25 plus 26)	0	6,637,964	4,895,384	20,787,126
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	(2,302)	58,151	254,747
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	30,182,546	(25,930,422)	17,262,544
31. Federal and foreign income taxes incurred	XXX	5,523,537	8,141,043	26,735,046
32. Net income (loss) (Lines 30 minus 31)	XXX	24,659,009	(34,071,465)	(9,472,502)
DETAILS OF WRITE-INS				
0601. FEP Performance Incentive	XXX	3,999,999	3,562,499	19,367,017
0602. Miscellaneous Fees	XXX	0	0	131,874
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	3,999,999	3,562,499	19,498,891
0701. FEP Bridge Revenue	XXX	1,405,872	1,338,546	6,615,910
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	1,405,872	1,338,546	6,615,910
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	0	(2,100)	55,624	243,911
2902. Regulatory Fines and Fees	0	(202)	2,527	10,836
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	(2,302)	58,151	254,747

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.....	963,238,049	960,214,523	960,214,523
34. Net income or (loss) from Line 32	24,659,009	(34,071,465)	(9,472,502)
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 \$451,629	19,530,603	(17,764,074)	(3,947,481)
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38. Change in net deferred income tax	(82,209)	3,851,569	7,791,307
39. Change in nonadmitted assets	(4,412,990)	2,313,606	(8,640,003)
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	2,462,172	17,292,205
48. Net change in capital & surplus (Lines 34 to 47)	39,694,413	(43,208,192)	3,023,526
49. Capital and surplus end of reporting period (Line 33 plus 48)	1,002,932,462	917,006,331	963,238,049
DETAILS OF WRITE-INS			
4701. Change in Pension Prepaid Asset/Liability	0	0	14,481,714
4702. Correction of Errors, Net of Taxes	0	2,462,172	2,462,175
4703. Prior Year Miscellaneous Adjustments	0	0	348,316
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	2,462,172	17,292,205

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	865,029,934	839,142,400	3,449,274,937
2. Net investment income	4,238,929	4,301,825	18,972,862
3. Miscellaneous income	5,405,871	4,901,045	26,114,801
4. Total (Lines 1 to 3)	874,674,734	848,345,270	3,494,362,600
5. Benefit and loss related payments	803,234,426	697,668,573	2,983,391,811
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	106,423,863	122,429,441	437,365,281
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$737,922 tax on capital gains (losses)	6,831,042	63,827	21,847,664
10. Total (Lines 5 through 9)	916,489,331	820,161,841	3,442,604,756
11. Net cash from operations (Line 4 minus Line 10)	(41,814,597)	28,183,429	51,757,844
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	86,961,358	133,649,274	514,538,139
12.2 Stocks	23,750,000	15,000,000	29,094,771
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	0	4,428
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	110,711,358	148,649,274	543,637,338
13. Cost of investments acquired (long-term only):			
13.1 Bonds	79,083,727	155,538,292	495,612,896
13.2 Stocks	15,093,501	6,342,858	24,707,162
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)	94,177,228	161,881,150	520,320,058
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)	16,534,130	(13,231,876)	23,317,280
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)	51,762,081	22,857,250	(144,371,807)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	51,762,081	22,857,250	(144,371,807)
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) ..	26,481,614	37,808,803	(69,296,683)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	5,002,710	74,299,394	74,299,394
19.2 End of period (Line 18 plus Line 19.1)	31,484,324	112,108,197	5,002,710

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

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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	722,128	60,984	221,251	10,527	15,579	37,792	359,694	0	0	16,301
2. First Quarter	692,771	55,608	201,261	10,338	16,280	37,294	357,701	0	0	14,289
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	2,087,772	170,261	610,018	31,226	49,037	113,393	1,071,061	0	0	42,776
Total Member Ambulatory Encounters for Period:										
7. Physician	1,697,008	66,583	220,883	30,088	0	0	1,379,454	0	0	0
8. Non-Physician	1,107,906	50,024	142,735	11,320	0	0	903,827	0	0	0
9. Total	2,804,914	116,607	363,618	41,408	0	0	2,283,281	0	0	0
10. Hospital Patient Days Incurred	30,541	2,056	4,867	1,201	0	0	22,417	0	0	0
11. Number of Inpatient Admissions	7,673	662	1,531	273	0	0	5,207	0	0	0
12. Health Premiums Written (a)	923,347,122	68,397,244	241,837,104	6,106,341	3,786,848	18,787,842	581,775,128	0	0	2,656,615
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	857,395,224	68,397,244	239,617,104	6,106,341	3,786,848	18,787,842	518,043,230	0	0	2,656,615
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services.....	754,132,440	61,623,543	181,604,769	5,497,529	3,374,410	13,639,558	488,059,075	0	0	333,556
18. Amount Incurred for Provision of Health Care Services	739,253,363	56,781,663	171,219,229	5,595,724	3,484,730	13,873,163	487,509,075	0	0	789,779

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

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

oo

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)	57,287,450	224,366,056	10,510,610	64,257,361	67,798,060	88,383,907
2. Medicare Supplement	2,851,336	4,875,830	550,812	3,421,087	3,402,148	3,932,046
3. Dental Only	2,693,060	9,314,320	744,221	4,398,071	3,437,281	4,895,064
4. Vision Only	0	3,218,416	0	291,161	0	180,841
5. Federal Employees Health Benefits Plan	162,489,768	325,569,307	35,117,756	154,872,244	197,607,524	190,540,000
6. Title XVIII - Medicare	0	0	0	0	0	0
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	214,952	111,424	1,157,081	1,974,364	1,372,033	2,668,351
9. Health subtotal (Lines 1 to 8)	225,536,566	567,455,353	48,080,480	229,214,288	273,617,046	290,600,209
10. Healthcare receivables (a)	0	52,398,280	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)	225,536,566	515,057,073	48,080,480	229,214,288	273,617,046	290,600,209

(a) Excludes \$ 89,860,864 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 Group Hospitalization and Medical Services, Inc. (GHMSI 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, 2017 and the year ended December 31, 2016, there were no differences in net income (loss) and surplus between NAIC SAP and practices prescribed by the District of Columbia.

						(in thousands)	
				March 31,		December 31,	
NET INCOME (LOSS)				2017		2016	
(1) State basis (Page 4, Line 32, Columns 2 & 4)	SSAP #	F/S Page	F/S Line #	\$	24,659	\$	(9,473)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	XXX	XXX	XXX		-		-
(3) State Permitted Practices that increase/(decrease) NAIC SAP					-		-
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$	24,659	\$	(9,473)
SURPLUS							
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$	1,002,932	\$	963,238
(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)	XXX	XXX	XXX	\$	1,002,932	\$	963,238

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

No change.

C. Accounting Policy

Bonds

Mortgage-backed securities that are included within bonds are valued at amortized cost using the interest method including anticipated prepayments except in cases where NAIC guidance requires them to be carried at the lower of cost or fair value. Prepayment assumptions are obtained from external sources and are based on the current interest rate and economic environment. The prospective adjustment method is used to value all such securities (refer to Note 20).

2. Accounting Changes and Corrections of Errors

Changes in Accounting Principles

In December 2016 and March 2017, the NAIC adopted revisions to SSAP No. 35R, *Guaranty Fund and Other Assessments*. The revisions allow entities to consider expected renewals of in-force short-term health contracts when determining the premium tax credit receivable resulting from an accrued retrospective guaranty fund assessment for the insolvency of an insurer that wrote long-term care contracts. The revisions also allow the resulting premium tax credit receivable to be discounted. The Company adopted the revisions effective January 1, 2017 and recorded a discounted premium tax credit receivable in March 2017 in accordance with the revised guidance (see Note 14).

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.

NOTES TO FINANCIAL STATEMENTS

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, 2017, 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 recover the entire amortized cost basis of the securities. At March 31, 2017, 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, 2017					
Government sponsored enterprise mortgage-backed securities	\$ 83,677	\$ 1,378	\$ 6,083	\$ 162	\$ 1,540
Other mortgage-backed and asset-backed securities	14,703	108	1,566	47	155
Total	\$ 98,380	\$ 1,486	\$ 7,649	\$ 209	\$ 1,695

- (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

None.

I. Working Capital Finance Investments

None.

J. Offsetting and Netting Assets and Liabilities

None.

K. Structured Notes

No change.

L. 5* Securities

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. – B. No change.

7. Investment Income

A. – B. No change.

8. Derivative Instruments

None.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

The Company is included in the consolidated federal income tax return of CFI. The federal statutory income tax rate for the Company is 35%. For federal income tax purposes, the Company benefits from a special deduction provided to certain BlueCross and BlueShield organizations under Internal Revenue Code Section 833(b) (the 833(b) deduction).

The 833(b) deduction results in the Company incurring income taxes at the Tentative Minimum Tax rate of 20%. As a result, the Company’s income tax provision is reduced from the statutory rate of 35% to account for the benefit of the 833(b) deduction. The Company could lose the benefit of the 833(b) deduction in the future if there is a change in the tax law, if the Company ceases to be not-for-profit, if the Company’s reserves reach certain levels, if the Company’s medical loss ratio does not exceed 85% as required under the Health Reform Legislation, or if certain other events occur. If the Company can no longer use the 833(b) deduction, the Company will incur federal income taxes at the statutory rate of 35%, net of available Alternative Minimum Tax (AMT) credits.

CFI has a written agreement, approved by the Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidated return. 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 tax attributes (e.g., NOLs) reduce the consolidated federal income tax liability, CFI shall pay the Company 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 has the 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.

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, 2017			December 31, 2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 213,769	\$ 24,733	\$ 238,502	\$ 210,925	\$ 22,357	\$ 233,282	\$ 2,844	\$ 2,376	\$ 5,220
Statutory valuation allowance adjustment	155,730	-	155,730	156,130	-	156,130	(400)	-	(400)
Adjusted gross deferred tax assets	58,039	24,733	82,772	54,795	22,357	77,152	3,244	2,376	5,620
Deferred tax assets nonadmitted	29,102	-	29,102	28,139	-	28,139	963	-	963
Subtotal net admitted deferred tax asset	28,937	24,733	53,670	26,656	22,357	49,013	2,281	2,376	4,657
Deferred tax liabilities	6	62,273	62,279	6	56,118	56,124	-	6,155	6,155
Net admitted deferred tax asset/(liability)	\$ 28,931	\$ (37,540)	\$ (8,609)	\$ 26,650	\$ (33,761)	\$ (7,111)	\$ 2,281	\$ (3,779)	\$ (1,498)

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

	March 31, 2017			December 31, 2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 24,369	\$ -	\$ 24,369	\$ 22,699	\$ -	\$ 22,699	\$ 1,670	\$ -	\$ 1,670
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	147,606	NA	NA	141,823	NA	NA	5,783
c. Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From a. and b. above) Offset by Gross Deferred Tax Liabilities.	4,568	24,733	29,301	3,957	22,357	26,314	611	2,376	2,987
Deferred Tax Asset Admitted as the result of application of SSAP No. 101 Total (a.+b.+c.)	\$ 28,937	\$ 24,733	\$ 53,670	\$ 26,656	\$ 22,357	\$ 49,013	\$ 2,281	\$ 2,376	\$ 4,657

	2017	2016
Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	851%	851%
Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation	\$ 984,037	\$ 945,488

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

	March 31, 2017			December 31, 2016			Change		
	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent
Adjusted Gross DTAs	\$ 58,039	\$ 24,733	\$ 82,772	\$ 54,795	\$ 22,357	\$ 77,152	\$ 3,244	\$ 2,376	\$ 5,620
Percentage of Adjusted Gross DTAs	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net Admitted Adjusted Gross DTAs	\$ 28,937	\$ 24,733	\$ 53,670	\$ 26,656	\$ 22,357	\$ 49,013	\$ 2,281	\$ 2,376	\$ 4,657
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.

NOTES TO FINANCIAL STATEMENTS

The provision for income taxes on earnings for the quarters ended March 31, 2017 and March 31, 2016 and year ended December 31, 2016 and December 31, 2015 are as follows (*in thousands*):

	Mar. 31, 2017	Mar. 31, 2016	Dec. 31, 2016
Federal provision	\$ 5,524	\$ 8,141	\$ 26,735
Federal income tax on net capital gains	738	262	1,141
Federal income tax incurred	<u>\$ 6,262</u>	<u>\$ 8,403</u>	<u>\$ 27,876</u>

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, 2017	Dec. 31, 2016	Change
Ordinary			
Benefit Obligations	\$ 33,556	\$ 33,483	\$ 73
Unpaid Claims	909	1,003	(94)
Accrued Expenses	4,954	4,983	(29)
Nonadmitted Assets	37,448	34,182	3,266
AMT Credits	115,626	118,002	(2,376)
Other	21,276	19,272	2,004
Subtotal	213,769	210,925	2,844
Statutory valuation allowance adjustment	155,730	156,130	(400)
Nonadmitted	29,102	28,139	963
Admitted ordinary deferred tax assets	28,937	26,656	2,281
Capital			
Investments	24,733	22,357	2,376
Subtotal	24,733	22,357	2,376
Nonadmitted	-	-	-
Admitted capital deferred tax assets	24,733	22,357	2,376
Admitted deferred tax assets	53,670	49,013	4,657
Deferred Tax Liabilities:			
Ordinary			
Accrued Expenses	-	-	-
Unpaid Claims	6	6	-
Subtotal	6	6	-
Capital			
Investments	4,562	3,951	611
Investment in affiliate	57,711	52,167	5,544
Subtotal	62,273	56,118	6,155
Deferred tax liabilities	62,279	56,124	6,155
Net deferred tax liabilities	<u>\$ (8,609)</u>	<u>\$ (7,111)</u>	<u>\$ (1,498)</u>

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, 2017	Dec. 31, 2016	Change
Adjusted gross deferred tax assets	\$ 82,772	\$ 77,152	\$ 5,620
Total deferred tax liabilities	62,279	56,124	(6,155)
Net deferred tax assets/(liabilities)	\$ 20,493	\$ 21,028	\$ (535)
Tax effect of unrealized gains(losses)			258
Investment in Affiliate			3,168
Change in net deferred income tax			<u>\$ 2,891</u>

NOTES TO FINANCIAL STATEMENTS

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

	Mar. 31, 2017	Effective Tax Rate
Benefit computed at statutory rate	\$ 10,822	35.00%
Section 833(b) Deduction	(5,560)	-17.98%
Permanent book to tax and other reserve adjustment	(3,260)	-10.54%
Change in Depreciation	(603)	-1.95%
Changes in valuation allowance	5,238	16.94%
Nonadmitted assets and other	(3,266)	-10.57%
Total	<u>\$ 3,371</u>	<u>10.90%</u>
Federal income taxes incurred	\$ 6,262	20.25%
Change in net deferred income taxes	(2,891)	-9.35%
Total statutory income taxes	<u>\$ 3,371</u>	<u>10.90%</u>

The Company is subject to examination by the Internal Revenue Service and state taxing authorities. In general, the Company’s tax years 2013 and forward remain open under the statutes of limitation and subject to examination.

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

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

Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) is a not-for-profit company that provides a comprehensive array of health insurance and managed care products and services primarily through indemnity health insurance and health benefits administration. Other products and services include preferred provider and point of service networks, third-party administrator services and other managed care services. These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area, Northern Virginia and the state of Maryland.

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield. The Company and CFMI hold joint interests in a holding company, CareFirst Holdings, LLC (CFH). CFH was formed on December 31, 2010 by contributed assets from the Company and CFMI. CFH’s wholly-owned subsidiaries include First Care, Inc. (FirstCare), CFA, LLC, National Capital Insurance Agency, LLC, Capital Area Services Company, LLC, CareCo, LLC (CareCo) and CareFirst BlueChoice, Inc. (CFBC) and its subsidiaries. CFH and its subsidiaries are owned 50.001% by CFMI and 49.999% by GHMSI. Since control over CFH operations is vested in CFI, GHMSI determined that neither GHMSI nor CFMI exercise control over CFH.

CareCo was formed on January 10, 2017 to provide certain services to support the Patient-Centered Medical Home program operated by the Company and its affiliates.

GHMSI’s subsidiary, Service Benefit Plan Administrative Services Corporation (SBP), was created to operate the Federal Employee Program Operations Center under a contract with the BlueCross BlueShield Association (BCBSA). SBP is 90% owned by GHMSI and 10% owned by BCBSA.

11. Debt

None.

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

The components of net periodic benefit cost for the three months ended March 31, 2017 and 2016 are as follows (*in thousands*):

	Pension Benefits		Other Postretirement Benefits	
	2017	2016	2017	2016
Service cost	\$ 1,786	\$ 1,685	\$ 117	\$ 125
Interest cost	3,409	3,557	218	257
Expected return on plan assets	(5,272)	(5,358)	–	–
Amortization of transition asset	(662)	(662)	–	–
Amortization of prior service cost	39	49	69	69
Net recognized actuarial loss (gain)	1,762	2,304	(98)	(46)
Net periodic benefit cost for the three months ended March 31	<u>\$ 1,062</u>	<u>\$ 1,575</u>	<u>\$ 306</u>	<u>\$ 405</u>

NOTES TO FINANCIAL STATEMENTS

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) imposed 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, 2017:

Change in the unrealized gains (losses) from:		
Affiliated other invested assets:		
CareFirst Holdings	\$	(72,215)
CareFirst BlueChoice		15,841,083
FirstCare		(71,490)
CFA		2,028,888
CASCI		909,476
NCIA		56,124
Unaffiliated common stocks		1,291,009
Bonds		(643)
Total unrealized gains (losses)		19,982,232
Capital gains deferred taxes		(451,629)
Change in net unrealized capital gains (losses)		
less capital gains taxes (page 5 line 36)	\$	19,530,603

- (11) – (13) No change.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

None.

B. Assessments

In the jurisdictions in which the Company is licensed to conduct business, guaranty associations have been created for the purpose, among others, of protecting insured parties under health insurance policies when a health insurer becomes impaired, insolvent, or fails. The Company is contingently liable for assessments in any calendar year, in order to provide any required funds to carry out the power and duties of the associations. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written by member insurers in the line of business in which the impaired, insolvent or failed insurer is engaged. Some states permit member insurers to recover assessments through full or partial premium tax offsets.

On March 1, 2017, the Commonwealth Court of Pennsylvania declared long-term care insurer Penn Treaty Network America Insurance Company and one of its subsidiaries (collectively, Penn Treaty) insolvent and ordered Penn Treaty to be liquidated. The insolvency resulted in a retrospective premium-based guaranty fund assessment against the Company of \$16,582,000 and a discounted premium tax credit receivable of \$10,446,000 which were recorded in general expenses due or accrued and guaranty funds receivable or on deposit, respectively, as of March 31, 2017. The Company paid assessment invoices of \$14,054,000 in April 2017 and expects the remaining assessments of \$2,528,000 to be invoiced and paid in 2018. The Company expects the premium tax credit to be realized incrementally through 2028. The net impact of \$6,136,000 was recorded in general and administrative expenses for the three months ended March 31, 2017.

A reconciliation of the recognized premium tax credit receivable is as follows (*in thousands*):

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges as of January 1, 2017	\$	-
b. Decreases:		-
c. Increases:		
Premium tax offset recognized		10,446
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges as of March 31, 2017	\$	10,446

NOTES TO FINANCIAL STATEMENTS

The recognized premium tax credit receivable was based on an undiscounted receivable of \$12,644,000, a discount rate of 3.5% and the following assumptions:

Name of the insolvency	Recoverables		
	Number of jurisdictions	Range of years	Weighted average number of years
Penn Treaty Network America Insurance Company and American Network Insurance Company	1	2-11	6

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

The Company, along with the BCBSA and all of the other BCBSA licensees, has been named as a defendant in multiple suits that make up the Blue Cross Blue Shield Antitrust Litigation. This matter is part of a multi-district litigation combining several anti-trust cases that challenge the exclusive service areas outlined in the BCBSA license agreements. The Company has been cooperating in the joint defense with the BCBSA. These cases are pending in the U.S. District Court for the Northern District of Alabama. The Company has retained its own independent counsel to defend these cases; however, it is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

The Company insures individuals and provides administrative services to non-risk groups with members who are qualified Medicare beneficiaries. During 2012, CFMI and GHMSI discovered a processing error related to the handling of claims for Medicare members of certain non-risk groups between the years from 2009 to 2012. As a result, CFMI and GHMSI recorded a liability of \$4,800,000 payable to CMS at December 31, 2012, of which \$1,143,000 was recorded by the Company. The liability was subsequently adjusted in 2013 and 2014 after the Company completed its review of the claims data related to this liability. As of December 31, 2014, the balance of the liability is \$1,261,000, and is included in other liabilities. There have been no adjustments to this liability since December 31, 2014. The Company’s management believes that the final resolution of this matter will not result in additional material liabilities to the Company.

On December 30, 2014, the DISB issued an order in which it concluded that GHMSI’s RBC of 998% at December 31, 2011 was excessive, and that the appropriate RBC was 721%. The order stated that 21% of GHMSI’s 2011 surplus was attributable to the District of Columbia (District), and instructed GHMSI to submit a plan for dedication of excess 2011 surplus attributable to the District to community reinvestment in a fair and equitable manner. GHMSI contends that this order is erroneous in many respects, as set out in a Motion to Reconsider filed on January 22, 2015, which was denied.

On February 10, 2015, the Maryland Insurance Commissioner issued an order instructing GHMSI that it may not distribute or reduce its surplus in response to an order of the District of Columbia without his express permission, which had not been granted. On June 10, 2015, the Virginia State Corporation Commission issued an order instructing GHMSI that it may not distribute or reduce its surplus in response to an order of the District of Columbia without its express permission, which had not been granted. The Virginia State Corporation Commission reiterated this position in a second order issued on October 10, 2016.

On June 14, 2016, the DISB issued a second order, in which it rejected arguments made by GHMSI that no further surplus distribution would be appropriate, and stated that DISB would issue a plan for distribution of surplus within sixty days.

On July 22, 2016, GHMSI filed suit against the DISB Commissioner in the United States District Court for the District of Maryland, naming the Maryland Insurance Commissioner and the Chair of the Virginia State Corporation Commission as interested parties. Among other things, GHMSI seeks a ruling that the District cannot proceed without the agreement of Maryland and Virginia, as required by GHMSI’s federal charter, and a federal ruling as to which of the conflicting state orders takes precedence over the others.

On August 30, 2016, the DISB issued a third order, in which GHMSI was ordered to distribute \$51,325,000 in rebates to subscribers within 120 days. GHMSI filed a motion for reconsideration and for a stay on September 22, 2016, and a protective appeal to the District of Columbia Court of Appeals on September 27, 2016. On October 19, 2016, the Court of Appeals ordered the appeal to be held in abeyance until resolution of the proceedings before the Commissioner.

GHMSI’s requirements to consider the instructions of its regulators in Maryland and Virginia, and the pending legal decisions that will occur at a future time, coupled with the decline in RBC since the December 31, 2011 measurement date in the DISB December 30, 2014 order, combine to create uncertainty of the outcome of the timing and amount of any potential payment. However, according to statutory accounting guidance, the DISB order issued on August 30, 2016 is considered a judgment rendered by a court. Under statutory accounting guidance, when a judgment is rendered by a court, a liability is required to be accrued. Therefore as of December 31, 2016, GHMSI recorded a liability of \$51,325,000, which is the amount stated in the DISB order issued on August 30, 2016. The amount was recorded as a

NOTES TO FINANCIAL STATEMENTS

reduction to earned premiums. There have been no adjustments to this liability since December 31, 2016. GHMSI will continue to monitor the developments in this matter which may require a reconsideration of whether a different estimated loss should be recorded at a future date.

15. Leases

A. Lessee Operating Lease

No change.

B. Lessor 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

The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the three months ended March 31, 2017 and 2016 (*in thousands*):

	March 31	
	2017	2016
Gross reimbursement for medical costs incurred	\$ 233,573	\$ 210,374
Gross administrative fees accrued	17,514	12,532
Gross expenses incurred	(251,839)	(226,617)
Operating loss, before stop loss	\$ (752)	\$ (3,711)
Stop loss, net	2,182	3,021
Proforma operating gain (loss)	\$ 1,430	\$ (690)

The stop loss amount reported above represents the stop loss underwriting gain from the ASC business.

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* 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.

NOTES TO FINANCIAL STATEMENTS

- 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, 2017.

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 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. Fair values of privately held equity securities, where there has been limited trading activity or where less price transparency exists around the inputs to the valuation, are classified as Level 3.

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, 2017
Assets							
Bonds	\$	–	\$	634	\$	–	\$ 634
Common stocks							
Large capital equity index fund		–		33,686		–	33,686
Small capital equity index fund		–		11,935		–	11,935
International equity index fund		–		29,362		–	29,362
Publicly-traded fixed income index fund (a)		–		28,852		–	28,852
Privately held equity securities		–		–		3,827	3,827
Total common stocks		–		103,835		3,827	107,662
Total assets measured and reported at fair value	\$	–	\$	104,469	\$	3,827	\$ 108,296

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

A reconciliation of the beginning and ending balances of privately held equity securities measured at fair value using Level 3 inputs is as follows (*in thousands*):

Beginning balance at January 1, 2017	\$	3,827
Gains recognized in capital and surplus—statutory-basis		–
Ending balance at March 31, 2017	\$	3,827

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, 2017	Admitted Assets as of March 31, 2017
Bonds	\$	41,811	\$	359,002	\$	–	\$ 400,813	\$ 404,995
Common stocks		–		103,835		3,827	107,662	107,662
Total assets at fair value	\$	41,811	\$	462,837	\$	3,827	\$ 508,475	\$ 512,657

As of March 31, 2017, the Company has no financial instruments for which it is not practicable to estimate fair value.

NOTES TO FINANCIAL STATEMENTS

21. Other Items**A. Unusual or Infrequent Items**

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures

In accordance with SSAP 106, the entire HIF is recognized as general administrative expense on January 1. As a result of the 2017 HIF moratorium, there is no HIF expense in 2017. As of March 31, 2016, the Company has recorded the HIF of \$70,299,000, net of reinsurance.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non-transferable Tax Credits

Not applicable.

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, 2017.
- (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.

H. Insurance-Linked Securities (ILS) Contracts

Not applicable.

22. Events Subsequent

Not applicable.

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

The Company maintains a quota-share reinsurance contract with FirstCare, a former plan sponsor of Medicare Part D prescription drug insurance coverage under a contract with CMS. Effective July 11, 2014, FirstCare is no longer a Medicare Part D plan sponsor. Therefore, any reinsurance amounts assumed by the Company represent FirstCare's obligations from run-out activities.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). The net underwriting gain or loss from this cross-jurisdictional business is transferred via a quota-share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company remains obligated for amounts ceded in the event that CFMI does not meet its obligations. As a result of this reinsurance agreement, the following amounts were assumed from and ceded to CFMI for the three months ended March 31, 2017 and 2016 (*in thousands*):

NOTES TO FINANCIAL STATEMENTS

	March 31	
	2017	2016
Premiums assumed	\$ 8,381	\$ 8,560
Premiums ceded	(20,786)	(27,047)
Premiums, net	(12,405)	(18,487)
Cost of care assumed	5,368	4,931
Cost of care ceded	(17,198)	(19,043)
Cost of care, net	(11,830)	(14,112)
General and administrative expenses ceded, net	(2,828)	(2,091)
Net loss (gain) ceded	\$ 2,253	\$ (2,284)

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*):

	Small Group		Large Group		Other Categories			
	Individual	Employer	Employer	with Rebates	Total			
Prior Reporting Year								
(1) Medical loss ratio rebates incurred	\$	—	\$	3,460	\$	—	\$	3,460
(2) Medical loss ratio rebates paid		—		—		—		—
(3) Medical loss ratio rebates unpaid		—		3,460		—		3,460
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX				—
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX				1,167
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX			\$	2,293
Current Reporting Year-to-Date								
(7) Medical loss ratio rebates incurred	\$	—	\$	2,220	\$	—	\$	2,220
(8) Medical loss ratio rebates paid		—		—		—		—
(9) Medical loss ratio rebates unpaid		—		5,680		—		5,680
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX				—
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX				1,900
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX			\$	3,780

The ceded amounts above are under the Company’s reinsurance contract with CFMI (refer to Note 23).

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, 2017 (*in thousands*):

- a. Permanent ACA Risk Adjustment Program

- Assets

1. Premium adjustments receivable due to ACA Risk Adjustment \$ 114,748

- Liabilities

2. Risk adjustment user fees payable for ACA Risk Adjustment 194

3. Premium adjustments payable due to ACA Risk Adjustment –

- Operations (Revenue & Expense)

4. Reported as revenue in premium for accident and health contracts written due to ACA Risk Adjustment 26,270

5. Reported in expenses as ACA risk adjustment user fees incurred 33

- b. Transitional ACA Reinsurance Program

- Assets

1. Amounts recoverable for claims paid due to ACA Reinsurance \$ 17,228

2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) 1,224

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 2,594

5. Ceded reinsurance premiums payable due to ACA Reinsurance –

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

- Operations (Revenue & Expense)

7. Ceded reinsurance premiums due to ACA Reinsurance –

8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments 135

9. ACA Reinsurance contributions – not reported as ceded premium –

- c. Temporary ACA Risk Corridors Program

- Assets

1. Accrued retrospective premium due from ACA Risk Corridors \$ 7

- Liabilities

2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors 120

- 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 –

The above amounts are subject to the Company's reinsurance agreement with CFMI as noted in Note 23.

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*):

- a. Permanent ACA Risk Adjustment Program
1. Premium adjustments receivable
2. Premium adjustments (payable)
3. Subtotal ACA Permanent Risk Adjustment Program
- b. Transitional ACA Reinsurance Program
1. Amounts recoverable for claims paid
2. Amounts recoverable for claims unpaid (contra liability)
3. Amounts receivable relating to uninsured plans
4. Liabilities for contributions payable due to ACA Reinsurance –not reported as ceded premium
5. Ceded reinsurance premiums payable
6. Liability for amounts held under uninsured plans
7. Subtotal ACA Transitional Reinsurance Program
- c. Temporary ACA Risk Corridors Program
1. Accrued retrospective premium
2. Reserve for rate credits or policy experience rating refunds
3. Subtotal ACA Risk Corridors Program
- d. Total for ACA Risk Sharing Provisions

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	6				9	10
1	2	3	4	5	6	7	8	Ref	9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
\$ 91,520	\$ -	\$ 3,042	\$ -	\$ 88,478	\$ -	\$ 1,800	\$ -		\$ 90,278	\$ -
-	-	-	-	-	-	-	-		-	-
91,520	-	3,042	-	88,478	-	1,800	-		90,278	-
25,314	-	9,626	-	15,688	-	1,540	-	C	17,228	-
2,629	-	-	-	2,629	-	(1,405)	-		1,224	-
-	-	-	-	-	-	-	-	E	-	-
-	2,594	-	-	-	2,594	-	-	F	-	2,594
-	-	-	-	-	-	-	-	G	-	-
-	-	-	-	-	-	-	-	H	-	-
27,943	2,594	9,626	-	18,317	2,594	135	-	I	18,452	2,594
9	-	2	-	7	-	-	-		7	-
-	120	-	-	-	120	-	-		-	120
9	120	2	-	7	120	-	-	J	7	120
\$ 119,472	\$ 2,714	\$ 12,670	\$ -	\$ 106,802	\$ 2,714	\$ 1,935	\$ -		\$ 108,737	\$ 2,714

Explanations of Adjustments:

- A. True-up of year-end estimate.
- B. Not applicable.
- C. Include run-out claims through 3/31/2017.
- 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. Not applicable.

NOTES TO FINANCIAL STATEMENTS

4. Roll-forward of Risk Corridors Asset and Liability Balances by Program Benefit Year (in thousands):

Risk Corridors Program Year:		Accrued as of December 31 of the prior reporting year		Received or Paid as of the Current Period on Business Written For the Risk Corridors Program Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
						Accrued Less Payments (Col 1 - 3)	Accrued Less Payments (Col 2 - 4)				Cumulative Balance (Col 1 - 3 + 7)	Cumulative Balance (Col 2 - 4 + 8)
		1	2	3	4	5	6	Balances	Balances		9	10
		Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
2014	Accrued Retrospective premium	\$ 9	\$ -	\$ 2	\$ -	\$ 7	\$ -	\$ -	\$ -	A	\$ 7	\$ -
	Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	B	-	-
2015	Accrued Retrospective premium	-	-	-	-	-	-	-	-	C	-	-
	Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
2016	Accrued Retrospective premium	-	-	-	-	-	-	-	-	E	-	-
	Reserve for rate credits or policy experience rating refunds	-	120	-	-	-	120	-	-	F	-	120
Total for Risk Corridors		\$ 9	\$ 120	\$ 2	\$ -	\$ 7	\$ 120	\$ -	\$ -		\$ 7	\$ 120

Explanations of Adjustments:

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.
- D. Not applicable.
- E. Not applicable.
- F. Not applicable.

5. ACA Risk Corridors Receivable as of Reporting Date (in thousands):

Risk Corridors Program Year:	1	2	3	4 = 1 (-) 2 (-) 3	5	6 = 4 (-) 5
	Estimated Amount to be Filed or Final Amount Filed with CMS	Non-Accrued Amounts for Impairment or Other Reasons	Amounts received from CMS	Asset Balance (Gross of Non-admissions)	Non-admitted Amount	Net Admitted Asset
2014	\$ 1,022	\$ 861	\$ 154	\$ 7	\$ -	\$ 7
2015	3,750	3,750	-	-	-	-
2016	15,700	15,700	-	-	-	-
Total	\$ 20,472	\$ 20,311	\$ 154	\$ 7	\$ -	\$ 7

25. Change in Incurred Claims and Claim Adjustment Expenses

As of March 31, 2017, \$225,537,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$48,080,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$16,983,000 favorable prior year development since December 31, 2016 to March 31, 2017, which includes a \$7,068,000 unfavorable 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: \$1,310,000 within aggregate health policy reserves
- 2. Date of the most recent evaluation of this liability: March 31, 2017
- 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 ☐

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 ☒

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?
If yes, complete Schedule Y, Parts 1 and 1A.

Yes ☒ No ☐

3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☒ No ☐

3.3

If the response to 3.2 is yes, provide a brief description of those changes.
CareFirst Holdings, LLC has a new wholly-owned subsidiary, CareCo, LLC.

4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

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?
If yes, attach an explanation.

Yes ☐ No ☐ N/A ☒

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.

12/31/2013

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).

06/29/2015

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 ☒

6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ 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 ☒

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 ☒

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 ☒

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?
(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.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] 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 [X]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13.

Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$.....0	\$.....0
14.22 Preferred Stock	\$.....0	\$.....0
14.23 Common Stock	\$.....0	\$.....0
14.24 Short-Term Investments	\$.....0	\$.....0
14.25 Mortgage Loans on Real Estate	\$.....0	\$.....0
14.26 All Other	\$.....453,073,427	\$.....471,765,292
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$.....453,073,427	\$.....471,765,292
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 [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes [] No []

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.

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

16.3 Total payable for securities lending reported on the liability page.
- \$

\$

\$
- 0

0

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 [X] 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 St., 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 [X]

- 17.4 If yes, give full information relating thereto:

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

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Dodge & Cox	U.
T.Rowe Price	U.
Vanguard	U.
CareFirst (internally managed)	I.

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?
- Yes [] No [X]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?
- Yes [] No [X]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
15958	Vanguard	54930002789CX3LOCJP65	SEC	NO.
104596	Dodge & Cox	549300SV2H1B7EJR0U84	SEC	NO.
105496	T.Rowe Price	7HTL8AEQSEDX602FBU63	SEC	NO.

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

- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
- 1.1 A&H loss percent

87.4 %
- 1.2 A&H cost containment percent

1.4 %
- 1.3 A&H expense percent excluding cost containment expenses

10.4 %
- 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

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

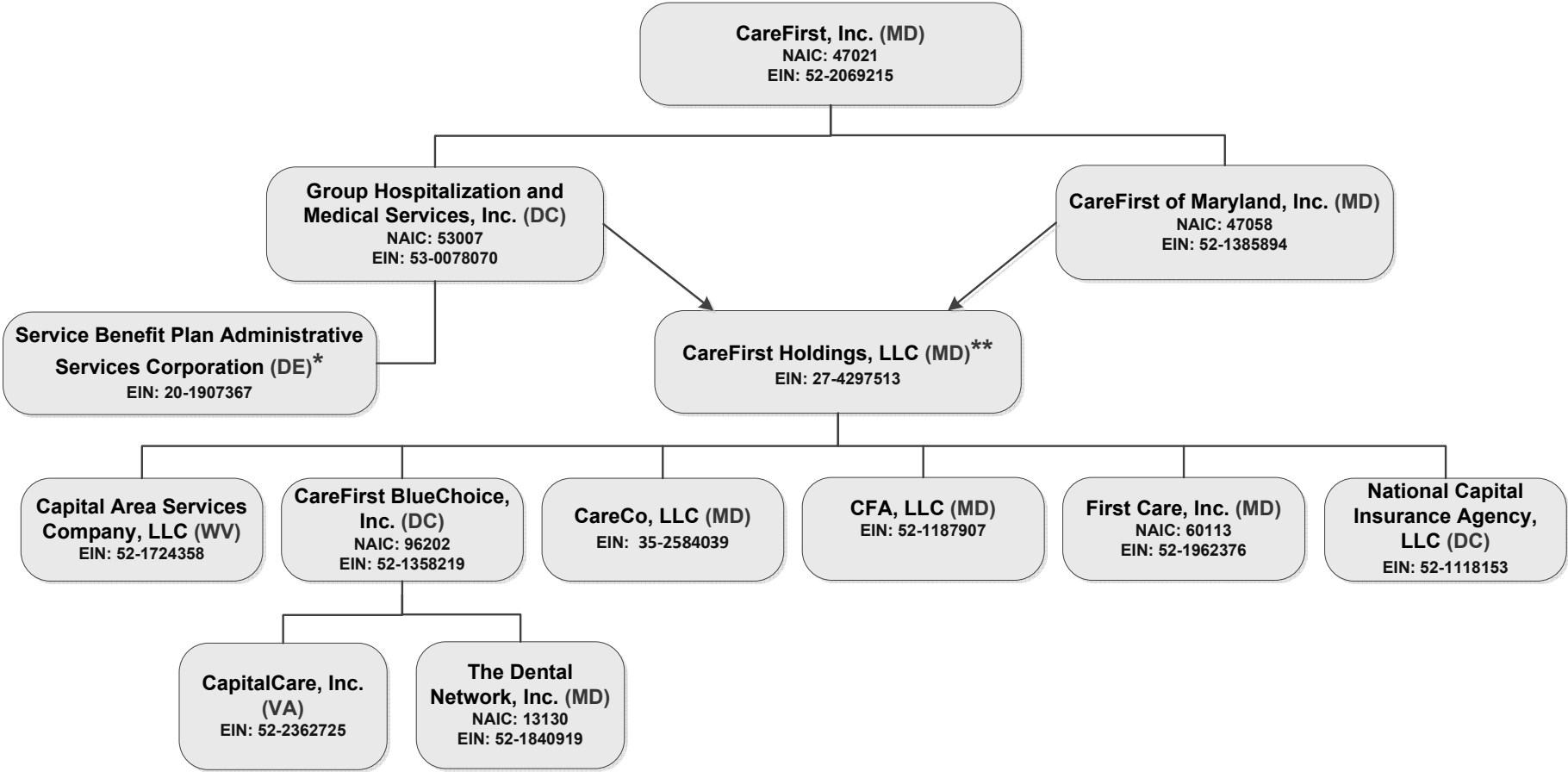
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama	AL	N	0	0	0	0	0	0	0
2.	Alaska	AK	N	0	0	0	0	0	0	0
3.	Arizona	AZ	N	0	0	0	0	0	0	0
4.	Arkansas	AR	N	0	0	0	0	0	0	0
5.	California	CA	N	0	0	0	0	0	0	0
6.	Colorado	CO	N	0	0	0	0	0	0	0
7.	Connecticut	CT	N	0	0	0	0	0	0	0
8.	Delaware	DE	N	0	0	0	0	0	0	0
9.	District of Columbia	DC	L	135,957,022	0	112,689,070	0	0	248,646,092	0
10.	Florida	FL	N	0	0	0	0	0	0	0
11.	Georgia	GA	N	0	0	0	0	0	0	0
12.	Hawaii	HI	N	0	0	0	0	0	0	0
13.	Idaho	ID	N	0	0	0	0	0	0	0
14.	Illinois	IL	N	0	0	0	0	0	0	0
15.	Indiana	IN	N	0	0	0	0	0	0	0
16.	Iowa	IA	N	0	0	0	0	0	0	0
17.	Kansas	KS	N	0	0	0	0	0	0	0
18.	Kentucky	KY	N	0	0	0	0	0	0	0
19.	Louisiana	LA	N	0	0	0	0	0	0	0
20.	Maine	ME	N	0	0	0	0	0	0	0
21.	Maryland	MD	L	104,471,460	0	263,860,908	0	0	368,332,368	0
22.	Massachusetts	MA	N	0	0	0	0	0	0	0
23.	Michigan	MI	N	0	0	0	0	0	0	0
24.	Minnesota	MN	N	0	0	0	0	0	0	0
25.	Mississippi	MS	N	0	0	0	0	0	0	0
26.	Missouri	MO	N	0	0	0	0	0	0	0
27.	Montana	MT	N	0	0	0	0	0	0	0
28.	Nebraska	NE	N	0	0	0	0	0	0	0
29.	Nevada	NV	N	0	0	0	0	0	0	0
30.	New Hampshire	NH	N	0	0	0	0	0	0	0
31.	New Jersey	NJ	N	0	0	0	0	0	0	0
32.	New Mexico	NM	N	0	0	0	0	0	0	0
33.	New York	NY	N	0	0	0	0	0	0	0
34.	North Carolina	NC	N	0	0	0	0	0	0	0
35.	North Dakota	ND	N	0	0	0	0	0	0	0
36.	Ohio	OH	N	0	0	0	0	0	0	0
37.	Oklahoma	OK	N	0	0	0	0	0	0	0
38.	Oregon	OR	N	0	0	0	0	0	0	0
39.	Pennsylvania	PA	N	0	0	0	0	0	0	0
40.	Rhode Island	RI	N	0	0	0	0	0	0	0
41.	South Carolina	SC	N	0	0	0	0	0	0	0
42.	South Dakota	SD	N	0	0	0	0	0	0	0
43.	Tennessee	TN	N	0	0	0	0	0	0	0
44.	Texas	TX	N	0	0	0	0	0	0	0
45.	Utah	UT	N	0	0	0	0	0	0	0
46.	Vermont	VT	N	0	0	0	0	0	0	0
47.	Virginia	VA	L	101,143,512	0	205,225,150	0	0	306,368,662	0
48.	Washington	WA	N	0	0	0	0	0	0	0
49.	West Virginia	WV	N	0	0	0	0	0	0	0
50.	Wisconsin	WI	N	0	0	0	0	0	0	0
51.	Wyoming	WY	N	0	0	0	0	0	0	0
52.	American Samoa	AS	N	0	0	0	0	0	0	0
53.	Guam	GU	N	0	0	0	0	0	0	0
54.	Puerto Rico	PR	N	0	0	0	0	0	0	0
55.	U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0
56.	Northern Mariana Islands	MP	N	0	0	0	0	0	0	0
57.	Canada	CAN	N	0	0	0	0	0	0	0
58.	Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0
59.	Subtotal	XXX	341,571,994	0	0	581,775,128	0	0	923,347,122	0
60.	Reporting Entity Contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61.	Totals (Direct Business)	(a) 3	341,571,994	0	0	581,775,128	0	0	923,347,122	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 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 except for Federal Employees Health Benefits Program (FEHBP). FEHBP premiums from members residing in the United States are reported based on the members' residence whereas premiums from overseas members are reported in D.C.The D.C. Accident & Health Premiums above include premiums from Medicare Supplement, Stop Loss, and the Federal Employees Dental/Vision Program (FEDVIP) of \$916,479, \$1,263,231 and \$4,582,445 respectively.

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

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

PART 1 – ORGANIZATIONAL CHART



*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.

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PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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]



STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

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.	Contingent Liability Reserve	2,394,394	0	2,394,394	2,611,060
2305.	Tax Contingency Reserve	987,233	0	987,233	987,233
2306.	Other Liabilities	4,572,304	0	4,572,304	4,641,868
2397.	Summary of remaining write-ins for Line 23 from overflow page	7,953,931	0	7,953,931	8,240,161

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	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)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	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 paid 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)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	453,240,094	458,316,784
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	18,691,865	(5,076,690)
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	471,931,959	453,240,094
12. Deduct total nonadmitted amounts	166,667	166,667
13. Statement value at end of current period (Line 11 minus Line 12)	471,765,292	453,073,427

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	524,760,321	540,543,345
2. Cost of bonds and stocks acquired	94,177,228	520,320,058
3. Accrual of discount	39,116	195,508
4. Unrealized valuation increase (decrease)	1,290,362	4,418,328
5. Total gain (loss) on disposals	3,689,610	5,701,642
6. Deduct consideration for bonds and stocks disposed of	110,711,358	543,632,910
7. Deduct amortization of premium	588,329	2,785,651
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)	512,656,950	524,760,321
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	512,656,950	524,760,321

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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)	388,812,225	151,460,454	121,399,408	(843,271)	418,030,000	0	0	388,812,225
2. NAIC 2 (a)	106,821,810	10,349,686	11,688,231	284,349	105,767,614	0	0	106,821,810
3. NAIC 3 (a)	0	0	2,316	336,032	333,716	0	0	0
4. NAIC 4 (a)	1,040,904	0	85,521	(339,572)	615,811	0	0	1,040,904
5. NAIC 5 (a)	0	0	0	0	0	0	0	0
6. NAIC 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	496,674,939	161,810,140	133,175,476	(562,462)	524,747,141	0	0	496,674,939
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	496,674,939	161,810,140	133,175,476	(562,462)	524,747,141	0	0	496,674,939

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$117,749,933 ; NAIC 2 \$2,002,301 ; NAIC 3 \$0 NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

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	120,302,233	xxx	120,320,592	117,619	3,729

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	83,730,498	75,822,130
2. Cost of short-term investments acquired	82,726,416	464,014,976
3. Accrual of discount	1	62
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	4,428
6. Deduct consideration received on disposals	46,142,080	456,095,550
7. Deduct amortization of premium	12,602	15,548
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)	120,302,233	83,730,498
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	120,302,233	83,730,498

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, 2017 OF THE Group Hospitalization & Medical Services, 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)
912810-PX-0	UNITED STATES TREAS BDS		.03/22/2017	GOLDMAN, SACHS & CO.		.488,424	.385,000	.6,126	1
912810-OT-8	UNITED STATES TREAS BDS		.01/04/2017	GOLDMAN, SACHS & CO.		.853,716	.840,000	.3,988	1
912810-RU-4	UNITED STATES TREAS BDS		.01/17/2017	CFG CAPITAL MARKETS LLC		1,977,344	2,000,000	11,119	1
912828-U2-4	UNITED STATES TREAS NTS		.03/23/2017	CFG CAPITAL MARKETS LLC		.7,236,328	.7,500,000	53,453	1
912828-V9-8	UNITED STATES TREAS NTS		.03/15/2017	CFG CAPITAL MARKETS LLC		.19,133,223	.19,500,000	15,632	1
912828-WD-8	UNITED STATES TREAS NTS		.03/01/2017	BANC AMERICA SECURITIES LLC		.866,588	.865,000	.3,614	1
0599999. Subtotal - Bonds - U.S. Governments						30,555,623	31,090,000	93,932	XXX
68323A-ED-2	ONTARIO PROV CDA	A	.02/01/2017	SCOTIA CAPITAL MKTS (USA) INC		.299,256	.300,000	.0	1FE
1099999. Subtotal - Bonds - All Other Governments						.299,256	.300,000	.0	XXX
13063B-FR-8	CALIFORNIA ST GO		.03/03/2017	M LYNCH,PIERCE,FENNER, & SMITH		.327,202	.225,000	.334	1FE
452151-LF-8	ILLINOIS ST GO BDS JUNE-2		.03/24/2017	CITIGROUP GLOBAL MARKETS INC		.252,027	.275,000	.4,597	2FE
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions						579,229	500,000	4,931	XXX
3130A3-DU-5	FEDERAL HOME LOAN BANKS		.03/07/2017	FIRST TENN BANK,N.A.-BOND D		.2,007,740	.2,000,000	29,500	1
3128MJ-ZM-5	FHLMC PC GOLD COMB 30		.02/07/2017	CREDIT SUISSE FIRST BOSTON COR		.535,193	.538,729	.539	1
3137BU-RQ-3	FHLMC REMIC SERIES 4650		.02/01/2017	DAIWA SECURITIES AMERICA INC.		.110,971	.110,871	.64	1
3137BV-TC-0	FHLMC REMIC SERIES 4654		.02/01/2017	SALOMON SMITH BARNEY INC/SAL		.44,792	.44,607	.20	1
3138ER-QN-3	FNMA PASS-THRU INT 15 YEAR		.01/12/2017	SALOMON SMITH BARNEY INC/SAL		.24,733	.24,583	.38	1
3138WJ-VA-3	FNMA PASS-THRU INT 15 YEAR		.01/12/2017	JP MORGAN SECURITIES INC		.342,125	.340,000	.519	1
3138ER-N6-3	FNMA PASS-THRU INT 20 YEAR		.02/01/2017	WACHOVIA SECURITIES INC		.201,502	.199,353	.199	1
3138ER-N7-1	FNMA PASS-THRU INT 20 YEAR		.02/01/2017	WACHOVIA SECURITIES INC		.53,686	.53,154	.53	1
31418C-G9-9	FNMA PASS-THRU INT 20 YEAR		.03/01/2017	SALOMON SMITH BARNEY INC/SAL		.1,150,351	.1,106,606	1,291	1
3138ER-NP-1	FNMA PASS-THRU LNG 30 YEAR		.02/01/2017	JP MORGAN SECURITIES INC		.116,172	.117,642	.118	1
3138WG-DN-1	FNMA PASS-THRU LNG 30 YEAR		.03/06/2017	CREDIT SUISSE FIRST BOSTON COR		.530,766	.520,758	.608	1
3138WH-X8-0	FNMA PASS-THRU LNG 30 YEAR		.01/12/2017	VARIOUS		.36,097	.36,185	.51	1
3138WJ-G4-4	FNMA PASS-THRU LNG 30 YEAR		.01/12/2017	SALOMON SMITH BARNEY INC/SAL		.171,099	.171,474	.243	1
3138WJ-GK-8	FNMA PASS-THRU LNG 30 YEAR		.02/01/2017	JP MORGAN SECURITIES INC		.178,189	.180,302	.180	1
3138WJ-GP-7	FNMA PASS-THRU LNG 30 YEAR		.02/01/2017	JP MORGAN SECURITIES INC		.84,570	.85,641	.86	1
3138VG-XF-4	FNMA PASS-THRU LNG 30 YEAR		.03/09/2017	BANC AMERICA SECURITIES LLC		.220,519	.217,545	.254	1
3140F5-C3-5	FNMA PASS-THRU LNG 30 YEAR		.02/01/2017	JP MORGAN SECURITIES INC		.69,783	.70,610	.71	1
3140F9-WP-6	FNMA PASS-THRU LNG 30 YEAR		.02/01/2017	BANC AMERICA SECURITIES LLC		.44,280	.44,784	.45	1
3140FQ-T2-3	FNMA PASS-THRU LNG 30 YEAR		.03/01/2017	JP MORGAN SECURITIES INC		.352,145	.334,928	.447	1
31410L-TW-2	FNMA PASS-THRU LNG 30 YEAR		.03/09/2017	BANC AMERICA SECURITIES LLC		.524,649	.517,613	.604	1
31418C-AY-0	FNMA PASS-THRU LNG 30 YEAR		.01/12/2017	NOMURA SECURITIES/FIX INCOME		.206,129	.195,528	.369	1
31418C-EH-3	FNMA PASS-THRU LNG 30 YEAR		.03/01/2017	NOMURA SECURITIES/FIX INCOME		.53,662	.51,084	.68	1
31417C-GY-5	FNMA PASS-THRU SF30 LTV125+		.03/01/2017	GOLDMAN, SACHS & CO.		.202,403	.197,904	.231	1
3136AU-KP-5	FNMA REMIC TRUST 2016-84		.02/01/2017	MORGAN STANLEY		.1,800	.1,813	.0	1
3136AV-ZT-9	FNMA REMIC TRUST 2017-16		.02/13/2017	BNP PARIBAS SECS CORP/BOND		.200,188	.200,000	.20	1
977100-EL-6	WISCONSIN ST GEN FD ANNUAL APP		.01/12/2017	PERSHING LLC		.300,000	.300,000	.0	1FE
3199999. Subtotal - Bonds - U.S. Special Revenues						7,763,544	7,661,713	35,618	XXX
001055-AR-3	AFLAC INC		.01/19/2017	KEYBANC CAPITAL MARKETS INC		.477,270	.500,000	.6,944	1FE
00912X-AV-6	AIR LEASE CORP		.03/01/2017	JP MORGAN SECURITIES INC		.127,713	.130,000	.0	2FE
0258MO-EE-5	AMERICAN EXPRESS CR CORP MTNBE		.03/01/2017	BANC AMERICA SECURITIES LLC		.374,610	.375,000	.0	1FE
06051G-FG-9	BANK AMER CORP		.01/19/2017	NATIONAL FINL SERVICES CORP		2,689,000	2,500,000	38,255	2FE
096630-AF-5	BOARDWALK PIPELINES LP		.01/05/2017	BARCLAYS CAPITAL INC		.64,778	.65,000	.0	2FE
11120V-AE-3	BRIXMOR OPERATING PRITSHIP LP		.03/01/2017	JP MORGAN SECURITIES INC		.89,108	.90,000	.0	2FE
12189L-AU-5	BURLINGTON NORTHN SANTA FE CP		.01/03/2017	CFG CAPITAL MARKETS LLC		2,169,460	2,000,000	31,597	1FE
14042R-FJ-5	CAPITAL ONE NATL ASSN VA		.03/13/2017	NATIONAL FINL SERVICES CORP		2,014,060	2,000,000	5,351	2FE
125509-BT-5	CIGNA CORP		.02/16/2017	MORGAN STANLEY & CO. INC		.113,968	.100,000	.105	2FE
172967-BL-4	CITIGROUP INC		.01/09/2017	DEUTSCHE BANK SECURITIES INC		.334,857	.275,000	1,366	2FE
172967-LD-1	CITIGROUP INC		.01/04/2017	SALOMON SMITH BARNEY INC/SAL		.775,000	.775,000	.0	2FE
191216-BW-9	COCA COLA CO		.03/29/2017	NATIONAL FINL SERVICES CORP		1,449,150	1,500,000	12,750	1FE
126408-HF-3	CSX CORP		.01/04/2017	NATIONAL FINL SERVICES CORP		1,649,988	1,750,000	14,963	2FE
28108P-AA-4	EDLINC ST LN FDG TR 144A		.02/16/2017	STIFEL, NICOLAUS & CO., INC.		1,043,037	1,013,888	5,210	1FE
29372E-BV-9	ENTERPRISE FLEET FNC 2017-1		.01/24/2017	BANC AMERICA SECURITIES LLC		.199,995	.200,000	.0	1FE
31428X-BN-5	FEDEX CORP		.01/03/2017	WACHOVIA SECURITIES CAPITAL		.197,892	.200,000	.0	2FE
361886-AR-5	GMF FLRPLN OWNR TR 2017-1		.01/24/2017	DEUTSCHE BANK SECURITIES INC		.114,981	.115,000	.0	1FE
39154T-AJ-7	GREAT AMER LEASE RECV 144A		.02/07/2017	BANC AMERICA SECURITIES LLC		.100,000	.100,000	.0	1FE
391164-AG-5	GREAT PLAINS ENERGY INC		.03/06/2017	GOLDMAN, SACHS & CO.		.94,926	.95,000	.0	2FE
444859-BF-8	HUMANA INC		.03/13/2017	JP MORGAN SECURITIES INC		.64,920	.65,000	.0	2FE
459200-JH-5	INTERNATIONAL BUSINESS MACHS		.01/23/2017	NATIONAL FINL SERVICES CORP		2,229,080	2,000,000	40,994	1FE
46625H-RY-8	JPMORGAN CHASE & CO		.02/01/2017	JP MORGAN SECURITIES INC		.510,000	.510,000	.0	1FE

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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)
548661-DN-4	LOWES COS INC		.01/09/2017	NATIONAL FINL SERVICES CORP		1,901,430	2,000,000	17,883	1FE
571748-BC-5	MARSH & MCLENNAN COS INC		.01/09/2017	BANC AMERICA SECURITIES LLC		79,493	80,000	.0	1FE
584918-CA-0	MICROSOFT CORP		.02/08/2017	NATIONAL FINL SERVICES CORP		1,548,660	1,500,000	1,240	1FE
617468-EC-6	MORGAN STANLEY		.03/07/2017	NATIONAL FINL SERVICES CORP		2,052,640	2,000,000	6,109	1FE
617468-EH-5	MORGAN STANLEY		.03/09/2017	NATIONAL FINL SERVICES CORP		1,204,008	1,200,000	1,535	1FE
654106-AG-8	NIKE INC		.01/04/2017	NATIONAL FINL SERVICES CORP		1,824,940	2,000,000	14,625	1FE
68389X-AW-5	ORACLE CORP		.01/23/2017	NATIONAL FINL SERVICES CORP		1,573,815	1,500,000	3,375	1FE
717081-ED-1	PFIZER INC		.01/04/2017	CFG CAPITAL MARKETS LLC		2,052,180	2,000,000	11,000	1FE
747525-AK-9	QUALCOMM INC		.01/03/2017	CFG CAPITAL MARKETS LLC		2,162,440	2,000,000	12,267	1FE
828807-CL-9	SIMON PTY GROUP LP		.01/03/2017	CFG CAPITAL MARKETS LLC		2,151,400	2,000,000	29,292	1FE
92343V-DP-6	VERIZON COMM INC 5.012% 144A		.02/16/2017	VARIOUS		479,393	500,965	265	2FE
92343V-DU-5	VERIZON COMMUNICATIONS INC		.03/13/2017	BARCLAYS CAPITAL INC		198,460	200,000	.0	2FE
949746-SL-6	WELLS FARGO & CO NEW		.03/07/2017	NATIONAL FINL SERVICES CORP		2,038,340	2,000,000	5,264	1FE
404280-BJ-7	HSBC HLDGS PLC	C	.03/06/2017	HSBC Securities		225,000	225,000	.0	1FE
456837-AG-8	JNG GROEP N V	C	.03/21/2017	JP MORGAN SECURITIES INC		349,325	350,000	.0	2FE
716540-CA-8	PETROLEOS MEXICANOS	C	.01/24/2017	EXCHANGE		100,000	100,000	.0	2FE
716540-CC-4	PETROLEOS MEXICANOS	C	.01/24/2017	EXCHANGE		437,428	462,000	.0	2FE
822582-AD-4	SHELL INTERNATIONAL FIN BV	C	.01/24/2017	BANC AMERICA SECURITIES LLC		355,058	275,000	2,045	1FE
822582-AN-2	SHELL INTERNATIONAL FIN BV	C	.01/09/2017	GOLDMAN, SACHS & CO.		267,856	225,000	3,678	1FE
822582-BQ-4	SHELL INTERNATIONAL FIN BV	C	.01/09/2017	NATIONAL FINL SERVICES CORP		1,483,575	1,500,000	10,333	1FE
88167A-AE-1	TEVA PHARMACEUTICAL FIN NETH	C	.02/01/2017	BANC AMERICA SECURITIES LLC		316,845	350,000	5,880	2FE
90352J-AA-1	UBS GROUP FDG SWITZ AG 144 A	C	.03/16/2017	UBS SECURITIES		199,996	200,000	.0	1FE
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						39,886,075	39,026,853	282,326	XXX
8399997. Total - Bonds - Part 3						79,083,727	78,578,565	416,807	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						79,083,727	78,578,565	416,807	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		.03/24/2017	VANGUARD GROUP	311,277.173	3,861,254		.0	L
922908-88-4	VANGUARD EXTENDED MKT INDEX INSTL		.03/24/2017	VANGUARD GROUP	479,517	35,628		.0	L
922031-74-5	VANGUARD FIXED INCOME SECS FD		.03/29/2017	VANGUARD GROUP	3,397,866	35,644		.0	L
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		.03/29/2017	VANGUARD GROUP	54,262.089	11,160,975		.0	L
9299999. Subtotal - Common Stocks - Mutual Funds						15,093,501	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						15,093,501	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						15,093,501	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						15,093,501	XXX	0	XXX
9999999 - Totals						94,177,228	XXX	416,807	XXX

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

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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-ign	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 Recogn-ized	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)
3622A2-TA-0	GNMA PASS-THRU C PLATINUM 30YR		03/20/2017	PRINCIPAL RECEIPT		7,378	7,378	7,823	7,839	.0	(461)	.0	(461)	.0	7,378	.0	.0	.0	32	02/20/2046	1
3617A9-KW-6	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		408	408	431	431	.0	(23)	.0	(23)	.0	408	.0	.0	.0	2	10/20/2045	1
36183E-ZE-5	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		108	108	115	115	.0	(7)	.0	(7)	.0	108	.0	.0	.0	.1	10/20/2044	1
36189M-BR-8	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		687	687	726	726	.0	(39)	.0	(39)	.0	687	.0	.0	.0	.4	10/20/2045	1
36193E-PR-5	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		3,397	3,397	3,619	3,617	.0	(220)	.0	(220)	.0	3,397	.0	.0	.0	.16	02/20/2046	1
36193U-CX-0	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		111	111	119	118	.0	(7)	.0	(7)	.0	111	.0	.0	.0	.1	05/20/2046	1
36193V-FR-8	GNMA PASS-THRU C SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		221	221	236	236	.0	(15)	.0	(15)	.0	221	.0	.0	.0	.1	05/20/2046	1
3622A2-D7-4	GNMA PASS-THRU M PLATINUM 30YR		03/20/2017	PRINCIPAL RECEIPT		4,400	4,400	4,534	4,531	.0	(131)	.0	(131)	.0	4,400	.0	.0	.0	.21	03/20/2043	1
36179M-2N-9	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		11,804	11,804	10,924	10,965	.0	840	.0	840	.0	11,804	.0	.0	.0	.38	02/20/2043	1
36179M-CZ-1	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		5,605	5,605	5,918	5,928	.0	(322)	.0	(322)	.0	5,605	.0	.0	.0	.25	05/20/2042	1
36179M-E3-0	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		6,853	6,853	7,218	7,233	.0	(380)	.0	(380)	.0	6,853	.0	.0	.0	.29	06/20/2042	1
36179M-K7-4	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		4,151	4,151	4,296	4,292	.0	(141)	.0	(141)	.0	4,151	.0	.0	.0	.19	08/20/2042	1
36179M-NH-9	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		5,020	5,020	5,474	5,453	.0	(433)	.0	(433)	.0	5,020	.0	.0	.0	.22	09/20/2042	1
36179M-S2-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		15,323	15,323	16,664	16,655	.0	(1,332)	.0	(1,332)	.0	15,323	.0	.0	.0	.131	11/20/2042	1
36179M-VS-6	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		1,879	1,879	1,985	1,984	.0	(105)	.0	(105)	.0	1,879	.0	.0	.0	.8	12/20/2042	1
36179M-X2-1	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		12,188	12,188	11,458	11,489	.0	699	.0	699	.0	12,188	.0	.0	.0	.40	01/20/2043	1
36179M-X4-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		2,330	2,330	2,459	2,457	.0	(127)	.0	(127)	.0	2,330	.0	.0	.0	.10	01/20/2043	1
36179N-DQ-8	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		20,614	20,614	20,749	20,743	.0	(129)	.0	(129)	.0	20,614	.0	.0	.0	.78	05/20/2043	1
36179N-JA-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		6,014	6,014	6,336	6,333	.0	(319)	.0	(319)	.0	6,014	.0	.0	.0	.27	07/20/2043	1
36179N-NA-2	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		13,093	13,093	13,767	13,794	.0	(701)	.0	(701)	.0	13,093	.0	.0	.0	.59	09/20/2043	1
36179R-JE-0	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		18,987	18,987	19,839	19,875	.0	(887)	.0	(887)	.0	18,987	.0	.0	.0	.85	07/20/2045	1
36179R-Q3-6	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		13,305	13,305	14,204	14,201	.0	(896)	.0	(896)	.0	13,305	.0	.0	.0	.72	10/20/2045	1
36179R-VC-0	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		34,135	34,135	36,495	36,510	.0	(2,375)	.0	(2,375)	.0	34,135	.0	.0	.0	.172	12/20/2045	1
36179S-B9-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		21,247	21,247	22,728	22,787	.0	(1,540)	.0	(1,540)	.0	21,247	.0	.0	.0	.112	05/20/2046	1
36179S-EH-6	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		325	325	340	340	.0	(14)	.0	(14)	.0	325	.0	.0	.0	.2	06/20/2046	1
36179S-JS-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		14,501	14,501	15,241	15,237	.0	(737)	.0	(737)	.0	14,501	.0	.0	.0	.57	07/20/2046	1
36179S-LS-4	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		9,604	9,604	10,021	10,021	.0	(417)	.0	(417)	.0	9,604	.0	.0	.0	.44	09/20/2046	1
36179S-NV-5	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		1,779	1,779	1,857	1,857	.0	(78)	.0	(78)	.0	1,779	.0	.0	.0	.8	10/20/2046	1
36202F-CP-9	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		4,109	4,109	4,515	4,519	.0	(410)	.0	(410)	.0	4,109	.0	.0	.0	.28	11/20/2039	1
36202F-EH-5	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		12,617	12,617	13,756	13,768	.0	(1,151)	.0	(1,151)	.0	12,617	.0	.0	.0	.76	02/20/2040	1
36202F-GE-0	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		2,521	2,521	2,770	2,772	.0	(251)	.0	(251)	.0	2,521	.0	.0	.0	.17	05/20/2040	1
36202F-GY-6	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		3,716	3,716	4,082	4,087	.0	(371)	.0	(371)	.0	3,716	.0	.0	.0	.24	06/20/2040	1
36202F-LQ-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		3,881	3,881	4,264	4,267	.0	(387)	.0	(387)	.0	3,881	.0	.0	.0	.23	10/20/2041	1
36202F-TK-2	GNMA PASS-THRU M SINGLE FAMILY		03/20/2017	PRINCIPAL RECEIPT		5,943	5,943	6,338	6,332	.0	(389)	.0	(389)	.0	5,943	.0	.0	.0	.32	05/20/2041	1
36225A-4V-9	GNMA PASS-THRU X PLATINUM 30YR		03/15/2017	PRINCIPAL RECEIPT		1,680	1,680	1,784	1,703	.0	(23)	.0	(23)	.0	1,680	.0	.0	.0	.21	04/15/2020	1
3622A2-QJ-4	GNMA PASS-THRU X PLATINUM 30YR		03/15/2017	PRINCIPAL RECEIPT		17,472	17,472	19,224	19,227	.0	(1,755)	.0	(1,755)	.0	17,472	.0	.0	.0	.118	09/15/2045	1
36241L-UE-4	GNMA PASS-THRU X PLATINUM 30YR		03/15/2017	PRINCIPAL RECEIPT		3,398	3,398	3,684	3,679	.0	(281)	.0	(281)	.0	3,398	.0	.0	.0	.18	07/15/2040	1
36176X-KP-3	GNMA PASS-THRU X SINGLE FAMILY		03/15/2017	PRINCIPAL RECEIPT		21,020	21,020	22,180	22,122	.0	(1,102)	.0	(1,102)	.0	21,020	.0	.0	.0	.84	04/15/2042	1
36181B-V5-6	GNMA PASS-THRU X SINGLE FAMILY		03/15/2017	PRINCIPAL RECEIPT		105	105	111	111	.0	(6)	.0	(6)	.0	105	.0	.0	.0	.1	10/15/2043	1
3620AA-TP-3	GNMA PASS-THRU X SINGLE FAMILY		03/15/2017	PRINCIPAL RECEIPT		7,972	7,972	8,647	8,647	.0	(675)	.0	(675)	.0	7,972	.0	.0	.0	.36	09/15/2039	1
3620AM-EI-5	GNMA PASS-THRU X SINGLE FAMILY		03/15/2017	PRINCIPAL RECEIPT		5,364	5,364	5,820	5,819	.0	(455)	.0	(455)	.0	5,364	.0	.0	.0	.38	06/15/2040	1
36297F-YY-2	GNMA PASS-THRU X SINGLE FAMILY		03/15/2017	PRINCIPAL RECEIPT		21,144	21,144	23,628	23,616	.0	(2,472)	.0	(2,472)	.0	21,144	.0	.0	.0	.84	10/15/2039	1
38378K-ZD-4	GNMA REMIC TRUST 2013-101		03/16/2017	PRINCIPAL RECEIPT		64,582	64,582	64,123	64,147	.0	436	.0	436	.0	64,582	.0	.0	.0	.21	12/16/2053	1
38378K-J6-7	GNMA REMIC TRUST 2013-126		03/16/2017	PRINCIPAL RECEIPT		8,889	8,889	9,183	9,150	.0	(261)	.0	(261)	.0	8,889	.0	.0	.0	.21	10/16/2047	1
38378K-4S-5	GNMA REMIC TRUST 2013-141		03/16/2017	PRINCIPAL RECEIPT		12,314	12,314	12,859	12,825	.0	(512)	.0	(512)	.0	12,314	.0	.0	.0	.40	02/16/2052	1
38378N-CE-1	GNMA REMIC TRUST 2013-155		03/16/2017	PRINCIPAL RECEIPT		135,465	135,465	137,582	137,498	.0	(2,033)	.0	(2,033)	.0	135,465	.0	.0	.0	.328	09/16/2053	1
38378K-SZ-3	GNMA REMIC TRUST 2013-94		03/16/2017	PRINCIPAL RECEIPT		10,805	10,805	10,627	10,637	.0	168	.0	168	.0	10,805	.0	.0	.0	.20	03/16/2054	1
38378X-GF-2	GNMA REMIC TRUST 2014-109		03/16/2017	PRINCIPAL RECEIPT		25,250	25,250	25,724	25,689	.0	(438)	.0	(438)	.0	25,250	.0	.0	.0	.49	01/16/2046	1
38378N-PP-2	GNMA REMIC TRUST 2014-16		03/29/2017	CORP		1,016,172	1,000,000	983,906	985,316	.0	142	.0	142	.0	985,458	.0	30,714	30,714	.10,667	07/16/2041	1
38378X-P4-7	GNMA REMIC TRUST 2014-166		03/16/2017	PRINCIPAL RECEIPT		120,219	120,219	123,562	123,283	.0	(3,065)	.0	(3,065)	.0	120,219	.0	.0	.0	.230	07/16/2051	1
B3162C-LT-8	SMALL BUS ADMIN GTD DEV PTC		03/01/2017	MERRILL LYNCH		15,917	15,917	16,992	15,917	.0	.0	.0	.0	.0	15,917	.0	.0	.0	.487	09/01/2021	1
B3162C-KM-4	SMALL BUSINESS ADMIN GTD 00-20A		01/01/2017	PRINCIPAL RECEIPT		972	972	972	972	.0	.0	.0	.0	.0	972	.0	.0	.0	.0	01/01/2020	1
912810-FT-0	UNITED STATES TREAS BDS		03/03/2017	GOLDMAN, SACHS & CO.		106,678	85,000	122,808	122,116	.0	(272)	.0	(272)	.0	121,844	.0	(15,166)	(15,166)	2,113	02/15/2036	1
912810-PX-0	UNITED STATES TREAS BDS		03/03/2017	GOLDMAN, SACHS & CO.		125,305	100,000	137,941	137,089	.0	(227)	.0	(227)	.0	136,862	.0	(11,557)	(11,557)	1,380	05/15/2038	1
912810-RU-4	UNITED STATES TREAS BDS		01/18/2017	CFG CAPITAL MARKETS LLC		1,946,250	2,000,000	1,977,344	.0	.0	1	.0	1	.0	1,977,345	.0	(31,095)	(31,095)	.11,119	11/15/2046	1
912828-2F-6	UNITED STATES TREAS NTS		02/01/2017	VARIOUS		704,865	730,000	729,116	729,160	.0	12	.0	12	.0	729,172	.0	(24,307)	(24,307)	3,380	08/31/2021	1

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For- eign	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 Recogn- ized	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 Desig- nation or Market In- dicator (a)
912828-H5-2	UNITED STATES TREAS NTS		01/05/2017	CFG CAPITAL MARKETS LLC		2,482,129	2,500,000	2,452,148	2,469,492	.0	105	.0	105	.0	2,469,598	.0	12,531	12,531	13,502	01/31/2020	1
912828-J9-2	UNITED STATES TREAS NTS		03/31/2017	MATURITY		1,000,000	1,000,000	999,219	999,902	.0	98	.0	98	.0	1,000,000	.0	.0	.0	2,500	03/31/2017	1
912828-N4-8	UNITED STATES TREAS NTS		03/09/2017	NOMURA SECURITIES/FIX		472,124	475,000	475,557	475,545	.0	(24)	.0	(24)	.0	475,521	.0	(3,397)	(3,397)	5,741	12/31/2020	1
912828-U2-4	UNITED STATES TREAS NTS		03/01/2017	VARIOUS		580,359	600,000	570,328	570,458	.0	244	.0	244	.0	570,702	.0	9,657	9,657	2,735	11/15/2026	1
912828-V9-8	UNITED STATES TREAS NTS		03/23/2017	CFG CAPITAL MARKETS LLC		19,199,863	19,500,000	19,133,223	.0	.0	880	.0	880	.0	19,134,102	.0	65,761	65,761	27,752	02/15/2027	1
912828-WD-8	UNITED STATES TREAS NTS		03/10/2017	VARIOUS		1,631,325	1,630,000	1,637,236	770,169	.0	(248)	.0	(248)	.0	1,636,508	.0	(5,183)	(5,183)	6,282	10/31/2018	1
912828-WE-6	UNITED STATES TREAS NTS		01/05/2017	NATIONAL FINL SERVICES		1,556,895	1,500,000	1,485,820	1,489,765	.0	15	.0	15	.0	1,489,779	.0	67,115	67,115	5,925	11/15/2023	1
912828-WL-0	UNITED STATES TREAS NTS		02/10/2017	CORP		80,369	80,000	81,131	80,912	.0	(41)	.0	(41)	.0	80,871	.0	(503)	(503)	247	05/31/2019	1
911760-RP-3	US VA VENDEE MTG TR 2002-1		03/15/2017	CHASE/GREENWICH CAP		62,472	62,472	74,341	72,948	.0	(10,476)	.0	(10,476)	.0	62,472	.0	.0	.0	371	08/15/2031	1
05999999	Subtotal - Bonds - U.S. Governments					31,705,628	32,003,290	31,628,121	9,669,426	0	(35,521)	0	(35,521)	0	31,611,056	0	94,570	94,570	96,626	XXX	XXX
71656L-BM-2	PETROLEOS MEXICANOS MTN 144A	C	01/24/2017	EXCHANGE		437,428	462,000	437,360	437,413	0	14	0	14	0	437,428	0	.0	.0	.0	09/21/2047	2FE
10999999	Subtotal - Bonds - All Other Governments					437,428	462,000	437,360	437,413	0	14	0	14	0	437,428	0	0	0	0	XXX	XXX
452152-HS-3	ILLINOIS ST		03/01/2017	MATURITY		250,000	250,000	263,753	250,461	.0	(461)	.0	(461)	.0	250,000	.0	.0	.0	6,706	03/01/2017	2FE
17999999	Subtotal - Bonds - U.S. States, Territories and Possessions					250,000	250,000	263,753	250,461	0	(461)	0	(461)	0	250,000	0	0	0	6,706	XXX	XXX
167725-AC-4	CHICAGO ILL TRAN AUTH SALES & REV		03/24/2017	CITIGROUP GLOBAL MARKETS		250,856	200,000	246,848	243,149	.0	(405)	.0	(405)	.0	242,743	.0	8,113	8,113	4,523	12/01/2040	1FE
313560-Z6-1	FEDERAL NATL MTG ASSN		01/05/2017	INC		7,061,880	7,000,000	7,161,140	7,129,870	.0	(528)	.0	(528)	.0	7,129,342	.0	(67,462)	(67,462)	38,792	09/12/2019	1
3128MT-6K-9	FHLNC PC GOLD 10/20 11		03/15/2017	KEYBANC CAPITAL MARKETS		.3	.3	.3	.3	.0	.0	.0	.0	.0	.3	.0	.0	.0	.0	09/01/2037	1
3128UN-CE-0	FHLNC PC GOLD 10/20 11		03/15/2017	PRINCIPAL RECEIPT		7,331	7,331	7,438	7,432	.0	(101)	.0	(101)	.0	7,331	.0	.0	.0	66	09/01/2037	1
31288B-6V-0	FHLNC PC GOLD CASH 30		03/29/2017	VARIOUS		533,876	471,846	478,481	477,638	.0	(236)	.0	(236)	.0	477,401	.0	56,475	56,475	9,381	11/01/2032	1
31292S-AG-5	FHLNC PC GOLD CASH 30		03/15/2017	PRINCIPAL RECEIPT		5,307	5,307	5,672	5,653	.0	(346)	.0	(346)	.0	5,307	.0	.0	.0	.0	08/01/2042	1
3132L5-A2-9	FHLNC PC GOLD C1 30YR		03/15/2017	PRINCIPAL RECEIPT		3,197	3,197	3,321	3,314	.0	(117)	.0	(117)	.0	3,197	.0	.0	.0	12	04/01/2043	1
3128MC-AJ-1	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		14,904	14,904	15,859	15,675	.0	(771)	.0	(771)	.0	14,904	.0	.0	.0	89	08/01/2026	1
3128MC-GV-1	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		4,650	4,650	5,061	4,947	.0	(296)	.0	(296)	.0	4,650	.0	.0	.0	34	02/01/2024	1
3128MC-GG-3	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		9,758	9,758	10,481	10,315	.0	(557)	.0	(557)	.0	9,758	.0	.0	.0	61	06/01/2025	1
3128MD-4E-0	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		11,210	11,210	11,373	11,349	.0	(139)	.0	(139)	.0	11,210	.0	.0	.0	36	07/01/2029	1
3128MD-W3-4	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		19,310	19,310	20,462	20,230	.0	(920)	.0	(920)	.0	19,310	.0	.0	.0	106	12/01/2026	1
3128MD-MX-8	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		59,616	59,616	63,770	62,193	.0	(2,578)	.0	(2,578)	.0	59,616	.0	.0	.0	474	12/01/2024	1
3128MM-AG-8	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		14,706	14,706	15,816	15,110	.0	(404)	.0	(404)	.0	14,706	.0	.0	.0	115	08/01/2019	1
3128MM-QT-3	FHLNC PC GOLD COMB 15		03/15/2017	PRINCIPAL RECEIPT		4,770	4,770	4,877	4,866	.0	(96)	.0	(96)	.0	4,770	.0	.0	.0	15	05/01/2028	1
31283H-6C-4	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		24,037	24,037	24,499	24,439	.0	(402)	.0	(402)	.0	24,037	.0	.0	.0	243	12/01/2032	1
31283H-6D-2	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		9,751	9,751	9,968	9,933	.0	(182)	.0	(182)	.0	9,751	.0	.0	.0	82	12/01/2031	1
3128LX-S7-6	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		18,196	18,196	19,786	19,712	.0	(1,516)	.0	(1,516)	.0	18,196	.0	.0	.0	121	10/01/2036	1
3128M5-K5-8	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		9,993	9,993	11,086	11,051	.0	(1,057)	.0	(1,057)	.0	9,993	.0	.0	.0	70	12/01/2037	1
3128M5-QY-9	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		15,533	15,533	17,190	17,181	.0	(1,648)	.0	(1,648)	.0	15,533	.0	.0	.0	181	01/01/2038	1
3128M8-6L-3	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		31,505	31,505	34,655	34,515	.0	(3,010)	.0	(3,010)	.0	31,505	.0	.0	.0	218	12/01/2038	1
3128M8-CW-2	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		2,818	2,818	3,171	3,163	.0	(344)	.0	(344)	.0	2,818	.0	.0	.0	33	09/01/2038	1
3128M8-H5-6	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		1,488	1,488	1,547	1,545	.0	(57)	.0	(57)	.0	1,488	.0	.0	.0	8	02/01/2041	1
3128M8-H6-2	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		1,539	1,539	1,621	1,618	.0	(79)	.0	(79)	.0	1,539	.0	.0	.0	6	12/01/2040	1
3128M8-R3-0	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		2,917	2,917	3,140	3,130	.0	(213)	.0	(213)	.0	2,917	.0	.0	.0	10	12/01/2040	1
3128M8-27-2	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		17,892	17,892	19,512	19,486	.0	(1,595)	.0	(1,595)	.0	17,892	.0	.0	.0	109	09/01/2041	1
3128MJ-04-5	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		10,375	10,375	10,971	10,950	.0	(576)	.0	(576)	.0	10,375	.0	.0	.0	53	01/01/2042	1
3128MJ-SY-7	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		7,050	7,050	6,825	6,834	.0	216	.0	216	.0	7,050	.0	.0	.0	24	06/01/2043	1
3128MJ-ZM-5	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		1,731	1,731	1,720	.0	.0	11	.0	11	.0	1,731	.0	.0	.0	4	02/01/2047	1
312931-C3-0	FHLNC PC GOLD COMB 30		01/09/2017	Write Off		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	02/01/2039	1
312936-NA-1	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		24,383	24,383	26,018	25,979	.0	(1,596)	.0	(1,596)	.0	24,383	.0	.0	.0	116	10/01/2039	1
312941-SV-0	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		1,456	1,456	1,555	1,551	.0	(95)	.0	(95)	.0	1,456	.0	.0	.0	9	08/01/2040	1
312943-DQ-3	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		23,671	23,671	25,617	25,564	.0	(1,893)	.0	(1,893)	.0	23,671	.0	.0	.0	157	10/01/2040	1
312943-UJ-0	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		4,404	4,404	4,705	4,691	.0	(287)	.0	(287)	.0	4,404	.0	.0	.0	17	11/01/2040	1
312944-FE-6	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		2,360	2,360	2,498	2,493	.0	(133)	.0	(133)	.0	2,360	.0	.0	.0	4	12/01/2040	1
312945-DS-4	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		774	774	816	814	.0	(40)	.0	(40)	.0	774	.0	.0	.0	3	01/01/2041	1
312945-XY-9	FHLNC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		4,208	4,208	4,442	4,434	.0	(226)	.0	(226)	.0	4,208	.0	.0	.0	21	02/01/2041	1

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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-ign	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 Recogn-ized	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)	
31335A-BF-4	FHLMC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		27,866	27,866	29,116	29,093	.0	(1,227)	.0	(1,227)	.0	27,866	.0	.0	.0	.0	101	01/01/2044	1
31335A-PZ-5	FHLMC PC GOLD COMB 30		03/15/2017	PRINCIPAL RECEIPT		12,387	12,387	13,101	13,098	.0	(711)	.0	(711)	.0	12,387	.0	.0	.0	.0	58	03/01/2046	1
31320K-2F-2	FHLMC PC GOLD PC 30YR		03/15/2017	PRINCIPAL RECEIPT		3,559	3,559	3,806	3,797	.0	(238)	.0	(238)	.0	3,559	.0	.0	.0	.0	11	12/01/2041	1
31320M-K9-1	FHLMC PC GOLD PC 30YR		03/15/2017	PRINCIPAL RECEIPT		24,951	24,951	26,571	26,494	.0	(1,544)	.0	(1,544)	.0	24,951	.0	.0	.0	.0	100	09/01/2042	1
31320H-4K-5	FHLMC PC GOLD PC 30YR		03/15/2017	PRINCIPAL RECEIPT		19,120	19,120	20,012	19,972	.0	(852)	.0	(852)	.0	19,120	.0	.0	.0	.0	85	01/01/2043	1
31290K-VZ-9	FHLMC PC GUAR 30 YEAR		03/15/2017	PRINCIPAL RECEIPT		357	357	364	356	.0	.0	.0	.0	.0	357	.0	.0	.0	.0	4	07/01/2020	1
31300M-VS-9	FHLMC PC GUAR ADJ 30YR		03/15/2017	PRINCIPAL RECEIPT		76,073	76,073	79,033	79,010	.0	(2,937)	.0	(2,937)	.0	76,073	.0	.0	.0	.0	265	01/01/2045	1
31326H-CQ-5	FHLMC PC HYBRID ARM		03/15/2017	PRINCIPAL RECEIPT		39,924	39,924	41,247	41,188	.0	(1,263)	.0	(1,263)	.0	39,924	.0	.0	.0	.0	123	06/01/2044	1
31397C-K5-7	FHLMC REMIC SERIES 3243		03/15/2017	PRINCIPAL RECEIPT		65,306	65,306	69,960	69,209	.0	(3,902)	.0	(3,902)	.0	65,306	.0	.0	.0	.0	529	11/15/2036	1
313786-GQ-8	FHLMC REMIC SERIES 4283		03/15/2017	PRINCIPAL RECEIPT		49,281	49,281	54,794	53,190	.0	(3,909)	.0	(3,909)	.0	49,281	.0	.0	.0	.0	140	12/15/2043	1
313789-ST-3	FHLMC REMIC SERIES 4327		03/15/2017	PRINCIPAL RECEIPT		188,629	188,629	200,477	198,412	.0	(9,783)	.0	(9,783)	.0	188,629	.0	.0	.0	.0	631	02/15/2040	1
3137BR-U6-0	FHLMC REMIC SERIES 4614		03/15/2017	PRINCIPAL RECEIPT		390	390	390	390	.0	.0	.0	.0	.0	390	.0	.0	.0	.0	0	09/15/2046	1
31378S-G8-0	FHLMC REMIC SERIES 4621		03/15/2017	PRINCIPAL RECEIPT		3,014	3,014	3,010	3,011	.0	.4	.0	.4	.0	3,014	.0	.0	.0	.0	4	10/15/2046	1
31378S-JQ-7	FHLMC REMIC SERIES 4623		03/15/2017	PRINCIPAL RECEIPT		1,022	1,022	1,019	1,019	.0	.3	.0	.3	.0	1,022	.0	.0	.0	.0	2	10/15/2046	1
31378S-L8-4	FHLMC REMIC SERIES 4623		03/15/2017	PRINCIPAL RECEIPT		732	732	732	732	.0	.0	.0	.0	.0	732	.0	.0	.0	.0	1	10/15/2046	1
3137BU-RQ-3	FHLMC REMIC SERIES 4650		03/15/2017	PRINCIPAL RECEIPT		1,832	1,832	1,834	.0	.0	(2)	.0	(2)	.0	1,832	.0	.0	.0	.0	2	01/15/2047	1
3137BV-TC-0	FHLMC REMIC SERIES 4654		03/15/2017	PRINCIPAL RECEIPT		278	278	279	.0	.0	(1)	.0	(1)	.0	278	.0	.0	.0	.0	0	02/15/2047	1
3137AY-CD-1	FHLMC REMIC SERIES K-025		03/25/2017	PRINCIPAL RECEIPT		3,869	3,869	3,946	3,913	.0	(44)	.0	(44)	.0	3,869	.0	.0	.0	.0	7	04/25/2022	1
313780-3W-2	FHLMC REMIC SERIES K-502		03/25/2017	PRINCIPAL RECEIPT		3,703	3,703	3,777	3,710	.0	(8)	.0	(8)	.0	3,703	.0	.0	.0	.0	8	08/25/2017	1
31392M-EM-0	FHLMC REMIC SERIES T0041		03/25/2017	PRINCIPAL RECEIPT		3,326	3,326	3,455	3,322	.0	.4	.0	.4	.0	3,326	.0	.0	.0	.0	18	07/25/2032	1
31359S-R6-9	FNMA GRANTOR TRUST 2001-T4		03/25/2017	PRINCIPAL RECEIPT		9,771	9,771	10,079	9,800	.0	(29)	.0	(29)	.0	9,771	.0	.0	.0	.0	59	07/25/2028	1
31392F-DC-8	FNMA GRANTOR TRUST 2002-T16		03/25/2017	PRINCIPAL RECEIPT		22,439	22,439	23,000	22,819	.0	(381)	.0	(381)	.0	22,439	.0	.0	.0	.0	137	07/25/2042	1
3138ET-4D-5	FNMA PASS-THRU ADJ LIBOR		03/25/2017	PRINCIPAL RECEIPT		24,087	24,087	24,717	24,716	.0	(629)	.0	(629)	.0	24,087	.0	.0	.0	.0	68	07/01/2046	1
3138YD-VH-9	FNMA PASS-THRU ADJ LIBOR		03/25/2017	PRINCIPAL RECEIPT		31,671	31,671	32,420	32,403	.0	(732)	.0	(732)	.0	31,671	.0	.0	.0	.0	71	04/01/2045	1
31381D-YY-5	FNMA PASS-THRU GNM-BK MGA 30		03/25/2017	PRINCIPAL RECEIPT		628	628	637	632	.0	(3)	.0	(3)	.0	628	.0	.0	.0	.0	5	05/20/2023	1
31405F-D5-8	FNMA PASS-THRU GOV SINGLE FAM		03/25/2017	PRINCIPAL RECEIPT		586	586	617	613	.0	(27)	.0	(27)	.0	586	.0	.0	.0	.0	5	10/01/2032	1
313847-G6-9	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,397	4,397	4,606	4,558	.0	(161)	.0	(161)	.0	4,397	.0	.0	.0	.0	20	02/01/2026	1
31384F-KH-2	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,704	2,704	2,890	2,853	.0	(149)	.0	(149)	.0	2,704	.0	.0	.0	.0	12	05/01/2026	1
3138EG-RS-5	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,247	1,247	1,334	1,315	.0	(68)	.0	(68)	.0	1,247	.0	.0	.0	.0	6	08/01/2024	1
3138EJ-E3-8	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,445	1,445	1,549	1,532	.0	(87)	.0	(87)	.0	1,445	.0	.0	.0	.0	7	01/01/2027	1
3138EJ-KA-5	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		9,735	9,735	10,403	10,285	.0	(550)	.0	(550)	.0	9,735	.0	.0	.0	.0	42	09/01/2026	1
3138EJ-WY-0	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		16,553	16,553	16,602	16,617	.0	(64)	.0	(64)	.0	16,553	.0	.0	.0	.0	45	10/01/2027	1
3138EP-QL-1	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		103,455	103,455	111,312	110,392	.0	(6,937)	.0	(6,937)	.0	103,455	.0	.0	.0	.0	466	02/01/2029	1
3138ER-QN-3	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		314	314	316	.0	.0	(2)	.0	(2)	.0	314	.0	.0	.0	.0	.0	11/01/2031	1
3138ET-SR-8	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		12,171	12,171	12,618	12,608	.0	(437)	.0	(437)	.0	12,171	.0	.0	.0	.0	33	06/01/2028	1
3138LY-2K-2	FNMA PASS-THRU INT 15 YEAR		03/25/2017	VARIOUS		123,530	120,165	126,774	125,565	.0	(572)	.0	(572)	.0	124,993	.0	(1,462)	(1,462)	.0	447	06/01/2027	1
3139MD-2T-8	FNMA PASS-THRU INT 15 YEAR		03/25/2017	VARIOUS		178,000	176,117	184,001	182,503	.0	(521)	.0	(521)	.0	181,982	.0	(3,982)	(3,982)	.0	544	10/01/2027	1
3138WG-P8-1	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		93,888	93,888	98,539	98,408	.0	(4,520)	.0	(4,520)	.0	93,888	.0	.0	.0	.0	282	03/01/2031	1
3138WJ-C8-9	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		13,719	13,719	14,141	14,165	.0	(446)	.0	(446)	.0	13,719	.0	.0	.0	.0	38	10/01/2031	1
3138WJ-VA-3	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,222	4,222	4,248	.0	.0	(26)	.0	(26)	.0	4,222	.0	.0	.0	.0	5	02/01/2032	1
3138WP-JE-5	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		3,014	3,014	3,160	3,137	.0	(123)	.0	(123)	.0	3,014	.0	.0	.0	.0	8	04/01/2028	1
31402D-FV-7	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,814	4,814	5,061	4,816	.0	(1)	.0	(1)	.0	4,814	.0	.0	.0	.0	50	07/01/2017	1
31403D-QK-2	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		23,589	23,589	24,017	23,715	.0	(126)	.0	(126)	.0	23,589	.0	.0	.0	.0	157	03/01/2021	1
3140F1-2H-4	FNMA PASS-THRU INT 15 YEAR		03/25/2017	PRINCIPAL RECEIPT		7,305	7,305	7,569	7,564	.0	(260)	.0	(260)	.0	7,305	.0	.0	.0	.0	19	07/01/2031	1
31410L-EC-2	<																					

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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-ign	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	Other Than Temporary Impairment Recogn-ized	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	NAIC Design-ation or Market In-dicator (a)
3138AF-W6-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		61,549	61,549	66,434	66,341	.0	(4,792)	.0	(4,792)	.0	61,549	.0	.0	.0	240	05/01/2041	1
3138E2-LR-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		13,337	13,337	14,143	14,161	.0	(825)	.0	(825)	.0	13,337	.0	.0	.0	55	01/01/2042	1
3138EH-BD-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		11,868	11,868	12,571	12,548	.0	(680)	.0	(680)	.0	11,868	.0	.0	.0	49	05/01/2041	1
3138EH-JW-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		9,547	9,547	10,776	10,759	.0	(1,212)	.0	(1,212)	.0	9,547	.0	.0	.0	67	10/01/2039	1
3138EH-XF-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		5,565	5,565	6,137	6,140	.0	(575)	.0	(575)	.0	5,565	.0	.0	.0	29	01/01/2042	1
3138EK-2D-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		18,702	18,702	19,891	19,938	.0	(1,236)	.0	(1,236)	.0	18,702	.0	.0	.0	68	12/01/2042	1
3138EK-F5-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		5,785	5,785	6,243	6,227	.0	(441)	.0	(441)	.0	5,785	.0	.0	.0	27	12/01/2041	1
3138EL-B3-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,403	1,403	1,494	1,498	.0	(95)	.0	(95)	.0	1,403	.0	.0	.0	5	06/01/2043	1
3138EL-N4-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,478	2,478	2,633	2,633	.0	(155)	.0	(155)	.0	2,478	.0	.0	.0	11	07/01/2043	1
3138EL-X7-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,495	4,495	4,825	4,829	.0	(334)	.0	(334)	.0	4,495	.0	.0	.0	21	04/01/2042	1
3138EN-BJ-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		15,922	15,922	17,318	17,282	.0	(1,360)	.0	(1,360)	.0	15,922	.0	.0	.0	68	02/01/2041	1
3138EP-V3-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		61,733	61,733	67,453	67,446	.0	(5,713)	.0	(5,713)	.0	61,733	.0	.0	.0	268	05/01/2043	1
3138ER-MV-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		26,869	26,869	26,869	26,869	.0	.0	.0	.0	.0	26,869	.0	.0	.0	96	10/01/2046	1
3138ER-NP-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		374	374	369	.0	.5	.0	.0	.5	.0	374	.0	.0	.0	.0	10/01/2046	1
3138ER-NV-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,649	4,649	4,624	4,636	.0	.13	.0	.13	.0	4,649	.0	.0	.0	13	11/01/2046	1
3138ET-GU-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		843	843	900	902	.0	(59)	.0	(59)	.0	843	.0	.0	.0	3	03/01/2044	1
3138ET-T9-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		88,682	88,682	97,882	97,862	.0	(9,180)	.0	(9,180)	.0	88,682	.0	.0	.0	430	10/01/2042	1
3138MA-KX-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	VARIOUS		98,819	96,627	98,559	98,758	.0	(78)	.0	(78)	.0	98,680	.0	139	139	944	09/01/2042	1
3138NY-4L-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,453	1,453	1,348	1,353	.0	100	.0	100	.0	1,453	.0	.0	.0	4	02/01/2043	1
3138WA-HC-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		143,292	143,292	156,524	156,444	.0	(13,153)	.0	(13,153)	.0	143,292	.0	.0	.0	690	11/01/2043	1
3138WD-H9-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		552	552	574	575	.0	(23)	.0	(23)	.0	552	.0	.0	.0	.2	11/01/2044	1
3138WE-KJ-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		3,347	3,347	3,507	3,514	.0	(167)	.0	(167)	.0	3,347	.0	.0	.0	12	04/01/2045	1
3138WF-3A-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,014	2,014	2,108	2,112	.0	(98)	.0	(98)	.0	2,014	.0	.0	.0	7	11/01/2045	1
3138WF-5X-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		10,416	10,416	10,917	10,941	.0	(525)	.0	(525)	.0	10,416	.0	.0	.0	34	11/01/2045	1
3138WF-PR-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		11,979	11,979	12,822	12,818	.0	(839)	.0	(839)	.0	11,979	.0	.0	.0	49	09/01/2045	1
3138WG-A6-1	FNMA PASS-THRU LNG 30 YEAR		01/03/2017	PRINCIPAL RECEIPT		19,514	19,514	20,488	20,486	.0	(972)	.0	(972)	.0	19,514	.0	.0	.0	3,280	12/01/2045	1
3138WG-C9-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		9,424	9,424	9,743	9,740	.0	(316)	.0	(316)	.0	9,424	.0	.0	.0	35	12/01/2045	1
3138WH-ER-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	VARIOUS		540,042	543,024	560,333	560,379	.0	(452)	.0	(452)	.0	559,926	.0	(19,885)	(19,885)	1,899	06/01/2046	1
3138WH-N5-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		731	731	732	734	.0	(3)	.0	(3)	.0	731	.0	.0	.0	.2	07/01/2046	1
3138WH-X8-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		341	341	340	.0	.1	.0	.1	.0	341	.0	.0	.0	.0	.09/01/2046	1	
3138WJ-G4-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		809	809	807	.0	.2	.0	.2	.0	809	.0	.0	.0	.1	11/01/2046	1	
3138WJ-GK-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		359	359	355	.0	.4	.0	.4	.0	359	.0	.0	.0	.0	11/01/2046	1	
3138WJ-GP-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		276	276	272	.0	.3	.0	.3	.0	276	.0	.0	.0	.0	11/01/2046	1	
3138WQ-AT-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		605	605	562	564	.0	.42	.0	.42	.0	605	.0	.0	.0	.2	05/01/2043	1
3138XO-Y3-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		76,681	76,681	78,419	78,393	.0	(1,711)	.0	(1,711)	.0	76,681	.0	.0	.0	239	07/01/2043	1
3138YT-6D-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		51,462	51,462	53,794	53,900	.0	(2,438)	.0	(2,438)	.0	51,462	.0	.0	.0	179	10/01/2045	1
31402C-Y3-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		27,998	27,998	29,962	29,816	.0	(1,817)	.0	(1,817)	.0	27,998	.0	.0	.0	185	03/01/2034	1
31402R-AQ-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		9,617	9,617	9,876	9,840	.0	(222)	.0	(222)	.0	9,617	.0	.0	.0	68	12/01/2032	1
31402R-AS-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		14,228	14,228	14,634	14,588	.0	(360)	.0	(360)	.0	14,228	.0	.0	.0	102	03/01/2035	1
31402R-H2-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,289	2,289	2,310	2,307	.0	(18)	.0	(18)	.0	2,289	.0	.0	.0	14	12/01/2032	1
31402R-LZ-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,998	1,998	2,226	2,217	.0	(219)	.0	(219)	.0	1,998	.0	.0	.0	12	08/01/2035	1
3140EU-4G-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		8,391	8,391	8,846	8,846	.0	(455)	.0	(455)	.0	8,391	.0	.0	.0	30	04/01/2046	1
3140F5-C3-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		248	248	245	.0	.3	.0	.3	.0	248	.0	.0	.0	.0	.12/01/2046	1	
3140F9-WP-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		137	137	136	.0	.2	.0	.2	.0	137	.0	.0	.0	.0	01/01/2047	1	
31410G-AQ-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		6,618	6,618	7,356	7,331	.0	(713)	.0	(713)	.0	6,618	.0	.0	.0	34	12/01/2036	1
31410K-T8-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		19,703	19,703	21,735	21,749	.0	(2,046)	.0	(2,046)	.0	19,703	.0	.0	.0	131	05/01/2037	1
31410K-UK-8	FNMA PASS-THRU LNG 3																				

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, 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 Recogn-ized	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 Desig-nation or Market In-dicator (a)
31417D-LP-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	VARIOUS		509,304	498,028	523,805	522,632	.0	(943)	.0	(943)	.0	521,689	.0	(12,385)	(12,385)	4,858	10/01/2042	1FE
31417D-MU-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,074	1,074	1,131	1,128	.0	(53)	.0	(53)	.0	1,074	.0	.0	.0	.3	10/01/2042	1FE
31417D-MV-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		1,619	1,619	1,706	1,700	.0	(81)	.0	(81)	.0	1,619	.0	.0	.0	.5	10/01/2042	1FE
31417D-QW-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		3,491	3,491	3,673	3,663	.0	(171)	.0	(171)	.0	3,491	.0	.0	.0	.13	10/01/2042	1FE
31417E-CK-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		4,121	4,121	4,260	4,261	.0	(140)	.0	(140)	.0	4,121	.0	.0	.0	.14	12/01/2042	1FE
31417F-30-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		66,488	66,488	67,995	67,972	.0	(1,483)	.0	(1,483)	.0	66,488	.0	.0	.0	.214	04/01/2043	1FE
31417G-6A-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		7,082	7,082	7,276	7,270	.0	(188)	.0	(188)	.0	7,082	.0	.0	.0	.27	07/01/2043	1FE
31418B-U7-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		47,485	47,485	50,795	50,900	.0	(3,414)	.0	(3,414)	.0	47,485	.0	.0	.0	.203	09/01/2045	1FE
31418B-YJ-9	FNMA PASS-THRU LNG 30 YEAR		01/25/2017	PRINCIPAL RECEIPT		1,725	1,725	1,845	1,848	.0	(123)	.0	(123)	.0	1,725	.0	.0	.0	.433	01/01/2046	1FE
31418C-AY-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		7,116	7,116	7,502	.0	.0	(386)	.0	(386)	.0	7,116	.0	.0	.0	.12	08/01/2046	1FE
31418C-BF-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	VARIOUS		370,621	375,657	389,568	390,298	.0	(212)	.0	(212)	.0	390,086	.0	(19,465)	(19,465)	1,315	09/01/2046	1FE
31418M-2T-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,262	2,262	2,505	2,495	.0	(233)	.0	(233)	.0	2,262	.0	.0	.0	.14	10/01/2039	1FE
31418M-SR-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		7,680	7,680	8,544	8,547	.0	(867)	.0	(867)	.0	7,680	.0	.0	.0	.43	06/01/2039	1FE
31418T-JF-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		71,254	71,254	79,092	78,983	.0	(7,729)	.0	(7,729)	.0	71,254	.0	.0	.0	.376	05/01/2040	1FE
31418U-W-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		6,455	6,455	7,093	7,078	.0	(624)	.0	(624)	.0	6,455	.0	.0	.0	.33	07/01/2040	1FE
31419A-NJ-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		7,182	7,182	7,880	7,859	.0	(677)	.0	(677)	.0	7,182	.0	.0	.0	.43	12/01/2039	1FE
31419A-P5-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		3,939	3,939	4,452	4,443	.0	(504)	.0	(504)	.0	3,939	.0	.0	.0	.29	10/01/2039	1FE
31419A-VS-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		466	466	491	492	.0	(26)	.0	(26)	.0	466	.0	.0	.0	.2	11/01/2040	1FE
31419F-FV-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		8,960	8,960	9,607	9,593	.0	(633)	.0	(633)	.0	8,960	.0	.0	.0	.42	11/01/2040	1FE
31419J-SV-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2017	PRINCIPAL RECEIPT		2,380	2,380	2,525	2,522	.0	(142)	.0	(142)	.0	2,380	.0	.0	.0	.12	11/01/2040	1FE
31418M-2Z-4	FNMA PASS-THRU MEGA MULTI 7		03/25/2017	PRINCIPAL RECEIPT		954,394	954,394	1,071,308	1,027,760	.0	(73,365)	.0	(73,365)	.0	954,394	.0	.0	.0	4,062	02/01/2020	1FE
3138EN-Z9-3	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		1,648	1,648	1,710	1,713	.0	(66)	.0	(66)	.0	1,648	.0	.0	.0	.6	01/01/2044	1FE
3138LU-TV-7	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		984	984	1,022	1,023	.0	(39)	.0	(39)	.0	984	.0	.0	.0	.4	06/01/2042	1FE
3138LX-QH-5	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		969	969	1,006	1,007	.0	(38)	.0	(38)	.0	969	.0	.0	.0	.3	06/01/2042	1FE
3138MQ-X9-9	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		3,102	3,102	3,221	3,226	.0	(124)	.0	(124)	.0	3,102	.0	.0	.0	.12	01/01/2043	1FE
31417C-GZ-2	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		1,926	1,926	1,999	2,002	.0	(76)	.0	(76)	.0	1,926	.0	.0	.0	.7	07/01/2042	1FE
31417C-NZ-4	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		3,736	3,736	3,877	3,884	.0	(148)	.0	(148)	.0	3,736	.0	.0	.0	.13	08/01/2042	1FE
31418A-Q3-5	FNMA PASS-THRU SF30 LTV125+		03/25/2017	PRINCIPAL RECEIPT		6,952	6,952	7,070	7,070	.0	(118)	.0	(118)	.0	6,952	.0	.0	.0	.26	03/01/2043	1FE
3139ZE-S8-4	FNMA REMIC TRUST 2002-W10		03/25/2017	PRINCIPAL RECEIPT		108,504	108,504	108,369	108,355	.0	149	.0	149	.0	108,504	.0	.0	.0	.997	08/25/2042	1FE
3139ZD-H7-0	FNMA REMIC TRUST 2002-W6		03/25/2017	PRINCIPAL RECEIPT		9,829	9,829	10,781	9,985	.0	(156)	.0	(156)	.0	9,829	.0	.0	.0	.51	06/25/2042	1FE
3139ZD-P9-7	FNMA REMIC TRUST 2002-W8		03/25/2017	PRINCIPAL RECEIPT		5,929	5,929	6,220	5,964	.0	(35)	.0	(35)	.0	5,929	.0	.0	.0	.28	06/25/2042	1FE
31394A-LP-9	FNMA REMIC TRUST 2004-W8		03/25/2017	PRINCIPAL RECEIPT		96,025	96,025	99,746	99,635	.0	(3,610)	.0	(3,610)	.0	96,025	.0	.0	.0	.125	06/25/2044	1FE
31394A-CS-3	FNMA REMIC TRUST 2004-W9		03/25/2017	PRINCIPAL RECEIPT		55,151	55,151	58,598	58,559	.0	(3,408)	.0	(3,408)	.0	55,151	.0	.0	.0	.202	12/25/2043	1FE
31398G-4P-1	FNMA REMIC TRUST 2010-2		03/25/2017	PRINCIPAL RECEIPT		88,707	88,707	93,502	92,509	.0	(3,802)	.0	(3,802)	.0	88,707	.0	.0	.0	.324	12/25/2049	1FE
3136A3-7D-7	FNMA REMIC TRUST 2012-39		03/25/2017	PRINCIPAL RECEIPT		27,768	27,768	29,435	28,992	.0	(1,224)	.0	(1,224)	.0	27,768	.0	.0	.0	.51	03/25/2042	1FE
3136AM-D7-1	FNMA REMIC TRUST 2015-12		03/25/2017	PRINCIPAL RECEIPT		116,186	116,186	117,577	117,472	.0	(1,286)	.0	(1,286)	.0	116,186	.0	.0	.0	.154	07/25/2044	1FE
3136AU-V9-9	FNMA REMIC TRUST 2016-103		03/25/2017	PRINCIPAL RECEIPT		720	720	719	719	.0	.1	.0	.1	.0	720	.0	.0	.0	.1	01/25/2047	1FE
3136AT-XX-7	FNMA REMIC TRUST 2016-63		03/25/2017	PRINCIPAL RECEIPT		4,397	4,397	4,390	4,390	.0	.6	.0	.6	.0	4,397	.0	.0	.0	.6	09/25/2046	1FE
3136AT-TV-6	FNMA REMIC TRUST 2016-64		03/25/2017	PRINCIPAL RECEIPT		4,981	4,981	4,979	4,980	.0	.1	.0	.1	.0	4,981	.0	.0	.0	.5	09/25/2046	1FE
3136AT-ZC-1	FNMA REMIC TRUST 2016-70		03/25/2017	PRINCIPAL RECEIPT		3,702	3,702	3,692	3,692	.0	.10	.0	.10	.0	3,702	.0	.0	.0	.4	10/25/2046	1FE
3136AU-JS-1	FNMA REMIC TRUST 2016-79		03/25/2017	PRINCIPAL RECEIPT		4,986	4,986	4,972	4,973	.0	.13	.0	.13	.0	4,986	.0	.0	.0	.5	11/25/2046	1FE
3136AU-KP-5	FNMA REMIC TRUST 2016-84		03/25/2017	PRINCIPAL RECEIPT		2,544	2,544	2,544	2,525	.0	(1)	.0	(1)	.0	2,544	.0	.0	.0	.2	11/25/2046	1FE
3136AV-ZT-9	FNMA REMIC TRUST 2017-16		03/25/2017	PRINCIPAL RECEIPT		898	898	899	.0	.0	(1)	.0	(1)	.0	898	.0	.0	.0	.0	03/25/2047	1FE
3199999	Subtotal - Bonds - U.S. Special Revenues					14,663,939	14,467,358	15,104,886	14,980,050	.0	(267,058)	.0	(267,058)	.0	14,733,391	.0	(69,451)	(69,451)	89,201	XXX	XXX
00432C-AV-3	ACCESS PRIVATE ST LN 2003-A		03/13/2017	PRINCIPAL RECEIPT		106,844	106,844	107,044	107,037	.0	(193)	.0	(193)	.0	106,844	.0	.0	.0	.299	07/01/2038	1FE
001055-AH-5	AFLAC INC		02/15/2017	MATURITY		1,000,000	1,000,000	1,021,880	1,002,050	.0	(2,050)	.0	(2,050)	.0	1,000,000	.0	.0	.0	.13,250	02/15/2017	1FE
01551D-AK-8	ALG STUDENT LN TR 2006 144A		01/30/2017	PRINCIPAL RECEIPT		192,000	192,000	189,360	189,579	.0	2,421	.0	2,421	.0	192,000	.0	.0	.0	.0	10/28/2023	1FE
02005A-DV-7	ALLY MSTR OIWR TR 2014-1		01/15/2017	PRINCIPAL RECEIPT		170,000	170,000	169,954	169,999	.0	.1	.0	.1	.0	170,000	.0	.0	.0	.183	01/15/2019	1FE
023772-AB-2	AMER AIRLINES PT TR 2013-1		01/15/2017	Sink PMT @ 100.0000000		7,086	7,086	7,086	7,086	.0	.0	.0	.0	.0	7,086	.0	.0	.0	.0	01/15/2027	1FE
02377U-AB-0	AMER AIRLINES PT TR 2013-2		01/15/2017	Sink PMT @ 100.0000000		7,587	7,587	7,587	7,587	.0	.0	.0	.0	.0	7,587	.0	.0	.0	.0	07/15/2024	2FE
035242-AN-6	ANHEUSER BUSCH INBEV FIN INC		02/01/2017	NATIONAL FINL SERVICES CORP		744,891	700,000	749,616	749,594	.0	(73)	.0	(73)	.0	749,521	.0	(4,630)	(4,630)	17,626	02/01/2046	2FE
04621W-AC-4	ASSURED GTY US HLDGS INC		03/29/2017	NATIONAL FINL SERVICES CORP		1,234,640	1,150,000	1,167,193	1,163,591	.0	(369)	.0	(369)	.0	1,163,222	.0	71,418	71,418	43,125	07/01/2024	2FE
059513-AE-1	BANC AMER CMBS 2007-4		03/10/2017	PRINCIPAL RECEIPT		211,891	211,891	242,896	214,817	.0	(2,927)	.0	(2,927)	.0	211,891	.0	.0	.0	.497	02/10/2051	1FM
05952C-AE-0	BANC AMER CMBS 2007-5		03/10/2017	PRINCIPAL RECEIPT		48,686	48,686	55,578	49,596	.0	(910)	.0	(910)	.0	48,686	.0	.0	.0	.351	02/10/2051	1FM
07388Q-AE-9	BEAR STEARNS CMBS 2007-PWR17		03/13/2017	PRINCIPAL RECEIPT		31,884	31,884	36,657	32,321	.0	(437)	.0	(437)	.0	31,884	.0	.0	.0	.247	06/13/2050	1FM

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For- eign	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 Recogn- ized	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 Desig- nation or Market In- dicator (a)
12189P-AG-7	BURLINGTON NORTH SF RY PSTH CTF		01/15/2017	Sink PMT @ 100.0000000		86,353	86,353	91,192	87,785	.0	(1,432)	.0	(1,432)	.0	86,353	.0	.0	.0	.0	01/15/2021	1FE
13975H-AD-8	CAPITAL AUTO RECV ABN 2014-2		03/20/2017	PRINCIPAL RECEIPT		88,334	88,334	88,311	88,341	.0	(7)	.0	(7)	.0	88,334	.0	.0	.0	208	10/22/2018	1FE
14313V-AH-7	CARMAX AUTO OWNER TR 2015-3		03/15/2017	PRINCIPAL RECEIPT		686,742	686,742	687,681	687,960	.0	(1,218)	.0	(1,218)	.0	686,742	.0	.0	.0	836	11/15/2018	1FE
12505N-AB-0	CCG RECV TR 2014-1 144A		03/14/2017	PRINCIPAL RECEIPT		5,686	5,686	5,686	5,687	.0	(1)	.0	(1)	.0	5,686	.0	.0	.0	.6	11/15/2021	1FE
12618S-AC-1	CNH EQUIPMENT TR 2013-D		03/15/2017	PRINCIPAL RECEIPT		10,956	10,956	10,956	10,957	.0	(1)	.0	(1)	.0	10,956	.0	.0	.0	.8	10/15/2018	1FE
12624N-AA-8	COMM MTG TR 2012-LTRT 144A		03/07/2017	PRINCIPAL RECEIPT		37,258	37,258	38,488	38,000	.0	(742)	.0	(742)	.0	37,258	.0	.0	.0	73	10/07/2030	1FM
22546N-AD-6	CSFB COML MTG PTC 2008-C1		03/15/2017	PRINCIPAL RECEIPT		263,339	263,339	294,611	266,766	.0	(3,427)	.0	(3,427)	.0	263,339	.0	.0	.0	2,660	02/15/2041	1FM
126408-HC-0	CSX CORP		01/04/2017	NATIONAL FINL SERVICES CORP		1,618,488	1,750,000	1,498,840	1,501,928	.0	30	.0	30	.0	1,501,958	.0	116,530	116,530	13,057	05/01/2050	2FE
231021-AQ-9	CUMMINS INC		02/08/2017	CORP		1,235,825	1,097,000	1,201,281	1,199,657	.0	(220)	.0	(220)	.0	1,199,437	.0	36,388	36,388	19,609	10/01/2043	1FE
25272U-AA-9	DIAMOND RESORTS TR 2013-2 144A		03/20/2017	PRINCIPAL RECEIPT		3,672	3,672	3,671	3,682	.0	(10)	.0	(10)	.0	3,672	.0	.0	.0	.7	05/20/2026	1FE
25755T-AC-4	DOMINOS PIZZA MSTR 2012-1 144A		01/25/2017	PRINCIPAL RECEIPT		2,316	2,316	2,413	2,362	30	(77)	.0	(47)	.0	2,316	.0	.0	.0	.0	01/25/2042	4AM
260543-CC-5	DOW CHEM CO		01/26/2017	SVCS		115,315	109,000	117,611	113,241	.0	(71)	.0	(71)	.0	113,170	.0	2,145	2,145	978	11/15/2020	2FE
31331F-AX-9	FEDERAL EXPRESS PASS 1998-1		01/15/2017	Sink PMT @ 100.0000000		85,521	85,521	96,094	88,189	.0	(2,668)	.0	(2,668)	.0	85,521	.0	.0	.0	.0	01/15/2022	4AM
316773-CP-3	FIFTH THIRD BANCORP		03/30/2017	INC		313,356	300,000	312,621	312,480	.0	(391)	.0	(391)	.0	312,089	.0	1,267	1,267	9,138	01/16/2024	2FE
34531A-AB-0	FORD CREDIT AUTO LEASE 2016-A		03/15/2017	PRINCIPAL RECEIPT		528,476	528,476	529,611	529,404	.0	(928)	.0	(928)	.0	528,476	.0	.0	.0	.710	11/15/2018	1FE
34530G-AE-2	FORD CREDIT AUTO OWIN TR 2013-D		03/15/2017	PRINCIPAL RECEIPT		16,217	16,217	16,216	16,217	.0	.0	.0	.0	.0	16,217	.0	.0	.0	23	02/15/2019	1FE
34530A-AG-0	FORD CREDIT AUTO TR 2012-D		02/15/2017	BANC AMERICA SECURITIES LLC		100,000	100,000	99,962	100,025	.0	(2)	.0	(2)	.0	100,023	.0	(23)	(23)	328	05/15/2019	1FE
38141G-VS-0	GOLDMAN SACHS GROUP INC		02/01/2017	NATIONAL FINL SERVICES CORP		1,035,420	1,000,000	1,016,000	1,015,687	.0	(23)	.0	(23)	.0	1,015,664	.0	19,756	19,756	13,854	10/21/2045	1FE
36253B-AQ-6	GS MTG SECS TR 2014-GC22		03/10/2017	PRINCIPAL RECEIPT		3,936	3,936	3,936	3,935	.0	1	.0	1	.0	3,936	.0	.0	.0	.6	06/12/2047	1FM
411707-AA-0	HARDEES FUND LLC 144A		03/20/2017	PRINCIPAL RECEIPT		4,076	4,076	4,034	4,025	28	22	.0	50	.0	4,076	.0	.0	.0	.0	03/20/2043	1AM
41283Y-AD-9	HARLEY-DAVIDSON MTR TR 2013-1		03/15/2017	PRINCIPAL RECEIPT		158,475	158,475	158,525	158,529	.0	(54)	.0	(54)	.0	158,475	.0	.0	.0	127	07/15/2019	1FE
43284A-AA-2	HILTON GRAND VACA TR 2014-A 144A		03/25/2017	PRINCIPAL RECEIPT		7,662	7,662	7,661	7,673	.0	(11)	.0	(11)	.0	7,662	.0	.0	.0	.11	11/25/2026	1FE
459200-BB-6	INTERNATIONAL BUSINESS MACHS		01/23/2017	CORP		1,785,159	1,407,000	1,748,507	1,715,023	.0	(846)	.0	(846)	.0	1,714,178	.0	70,982	70,982	13,088	11/29/2032	1FE
46630V-AD-4	JP MORGAN CHASE 2007-C1BC19		03/12/2017	PRINCIPAL RECEIPT		209,657	209,657	236,986	211,594	.0	(1,937)	.0	(1,937)	.0	209,657	.0	.0	.0	.1	02/12/2049	1FM
524901-AV-7	LEGG MASON INC		02/01/2017	CFG CAPITAL MARKETS LLC		2,082,360	2,000,000	2,015,640	2,014,667	.0	(107)	.0	(107)	.0	2,014,560	.0	67,800	67,800	36,417	03/15/2026	2FE
548661-CJ-4	LOWES COS INC		01/09/2017	NATIONAL FINL SERVICES CORP		2,366,670	2,000,000	2,318,120	2,306,458	.0	(236)	.0	(236)	.0	2,306,222	.0	60,448	60,448	26,583	10/15/2035	1FE
59156R-BG-2	METLIFE INC		01/11/2017	JEFFERIES & CO BONDS DIR		520,923	475,000	512,535	510,867	.0	(19)	.0	(19)	.0	510,847	.0	10,076	10,076	4,117	11/13/2043	1FE
59217G-CB-3	METROPOLITAN LIFE GLOBAL 144A		03/22/2017	NATIONAL FINL SERVICES CORP		190,295	190,000	190,604	190,597	.0	(44)	.0	(44)	.0	190,553	.0	(258)	(258)	742	12/19/2018	1FE
594918-AU-8	MICROSOFT CORP		02/08/2017	CORP		1,421,565	1,500,000	1,508,715	1,508,611	.0	(21)	.0	(21)	.0	1,508,591	.0	(87,026)	(87,026)	15,938	05/01/2043	1FE
59025W-AE-6	ML MTG TRUST 2008-C1		03/14/2017	PRINCIPAL RECEIPT		21,166	21,166	24,105	21,496	.0	(330)	.0	(330)	.0	21,166	.0	.0	.0	.86	02/12/2051	1FM
61746B-DM-5	MORGAN STANLEY		03/07/2017	NATIONAL FINL SERVICES CORP		795,846	790,000	806,187	804,381	.0	(1,257)	.0	(1,257)	.0	803,124	.0	(7,278)	(7,278)	12,399	01/24/2019	1FE
61746B-EC-6	MORGAN STANLEY		03/28/2017	NATIONAL FINL SERVICES CORP		509,000	500,000	513,160	.0	.0	(119)	.0	(119)	.0	513,041	.0	(4,041)	(4,041)	2,240	10/24/2023	1FE
61763M-AA-8	MS BOFAML TRUST 2014-C16		03/17/2017	PRINCIPAL RECEIPT		4,901	4,901	4,901	4,900	.0	2	.0	2	.0	4,901	.0	.0	.0	.6	06/17/2047	1FM
553893-AA-6	MVW OWNER TRUST 2013-144A		03/20/2017	PRINCIPAL RECEIPT		2,744	2,744	2,744	2,751	.0	(6)	.0	(6)	.0	2,744	.0	.0	.0	.5	04/22/2030	1FE
55388P-AA-8	MVW OWNER TRUST 2015-1 144A		03/20/2017	PRINCIPAL RECEIPT		6,541	6,541	6,540	6,557	.0	(16)	.0	(16)	.0	6,541	.0	.0	.0	.15	12/20/2032	1FE
63858S-BC-2	NATIONSBANK CORP MTN SUB NT BE		01/12/2017	CFG CAPITAL MARKETS LLC		698,174	585,000	689,600	680,885	.0	(79)	.0	(79)	.0	680,806	.0	17,368	17,368	14,848	03/07/2037	2FE
638671-AE-7	NATIONWIDE MUT INS CO 144A		01/03/2017	RAYMOND JAMES & ASSOCIATES, INC		3,016,485	2,250,000	2,997,008	2,977,304	.0	(163)	.0	(163)	.0	2,977,142	.0	39,343	39,343	46,758	04/01/2033	1FE
64828A-AF-0	NEW RESI MTG LN TR 2014-1 144A		03/25/2017	PRINCIPAL RECEIPT		11,032	11,032	11,777	11,687	.0	(655)	.0	(655)	.0	11,032	.0	.0	.0	.48	01/25/2054	1FE
651229-AS-5	NEWELL RUBBERMAID INC		01/03/2017	BARCLAYS CAPITAL INC		75,927	75,000	74,765	74,788	.0	.0	.0	.0	.0	74,788	.0	1,139	1,139	528	11/01/2025	2FE
651229-AX-4	NEWELL RUBBERMAID INC		01/03/2017	GOLDMAN, SACHS & CO.		124,263	110,000	110,000	110,000	.0	.0	.0	.0	.0	110,000	.0	14,263	14,263	1,560	04/01/2036	2FE
74256L-AN-9	PRINCIPAL LIFE GLOBAL FDG II 144A		02/01/2017	NATIONAL FINL SERVICES CORP		1,005,120	1,000,000	1,015,620	1,010,956	.0	(331)	.0	(331)	.0	1,010,625	.0	(5,505)	(5,505)	9,302	09/11/2019	1FE

STATEMENT AS OF MARCH 31, 2017 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	For- eign	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 Recogn- ized	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 Desig- nation or Market In- dicator (a)	
747525-AK-9	QUALCOMM INC		02/01/2017	CFG CAPITAL MARKETS LLC		2,030,720	2,000,000	2,162,440	.0	.0	(236)	.0	(236)	.0	2,162,204	.0	(131,484)	(131,484)	20,267	05/20/2045	1FE	
758940-AB-6	REGIONS FINL CORP		02/01/2017	NATIONAL FINL SERVICES		600,000	500,000	627,360	608,701	.0	(995)	.0	(995)	.0	607,706	.0	(7,706)	(7,706)	14,854	09/15/2024	2FE	
82652J-AA-5	SIERRA TIMSHR REC'V FDG 2015-3 144A		03/20/2017	CORP		8,321	8,321	8,320	8,346	.0	(25)	.0	(25)	.0	8,321	.0	.0	.0	18	09/20/2032	1FE	
78446X-AB-1	SLM PRIV ED LN TR 2012-B 144A		03/15/2017	PRINCIPAL RECEIPT		109,704	109,704	109,693	109,713	.0	(9)	.0	(9)	.0	109,704	.0	.0	.0	331	10/15/2030	1FE	
881561-XJ-8	TERWIN MTG TR 2005-14HE		03/25/2017	PRINCIPAL RECEIPT		2,651	2,651	2,623	2,642	.0	10	.0	10	.0	2,651	.0	.0	.0	12	08/25/2036	1FMI	
89172H-AK-3	TOWD POINT MTG TR 2015-3 144A		03/25/2017	PRINCIPAL RECEIPT		11,998	11,998	12,002	11,992	.0	7	.0	7	.0	11,998	.0	.0	.0	27	03/25/2054	1FMI	
89171V-AK-3	TOWD POINT MTG TR 2015-5 144A		03/25/2017	PRINCIPAL RECEIPT		68,884	68,884	69,336	69,187	.0	(303)	.0	(303)	.0	68,884	.0	.0	.0	135	05/25/2055	1FMI	
907833-AH-0	UNION PACIFIC RR		01/01/2017	Write Off		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	01/02/2020	1FE	
907833-AJ-6	UNION PACIFIC RR CO 2000-1		01/10/2017	PRINCIPAL RECEIPT		35,445	35,445	43,285	37,473	.0	(2,028)	.0	(2,028)	.0	35,445	.0	.0	.0	.0	01/10/2021	1FE	
90783X-AA-9	UNION PACIFIC RR CO 2007-3		01/19/2017	PRINCIPAL RECEIPT		20,887	20,887	20,887	20,887	.0	.0	.0	.0	.0	20,887	.0	.0	.0	645	01/02/2031	1FE	
911312-AN-6	UNITED PARCEL SERVICE INC		02/01/2017	NATIONAL FINL SERVICES		1,122,050	1,000,000	1,111,000	1,104,776	.0	(214)	.0	(214)	.0	1,104,561	.0	17,489	17,489	10,969	11/15/2040	1FE	
920355-AK-0	VALSPAR CORP		03/20/2017	MORGAN STANLEY		176,367	175,000	174,230	174,318	.0	14	.0	14	.0	174,332	.0	2,035	2,035	4,762	01/15/2026	2FE	
92343V-OP-6	VERIZON COMM INC 5.012% 144A		02/15/2017	SUNTRUST CAPITAL		948	965	919	.0	.0	.0	.0	.0	.0	919	.0	29	29	.0	04/15/2049	1FE	
92343V-BT-0	VERIZON COMMUNICATIONS INC		03/21/2017	VARIOUS		924,178	755,000	966,039	958,400	.0	(647)	.0	(647)	.0	957,753	.0	(33,575)	(33,575)	22,206	09/15/2043	2FE	
94974B-GE-4	WELLS FARGO CO MTN BE		02/01/2017	KEYBANC CAPITAL MARKETS		1,495,725	1,500,000	1,472,340	1,472,953	.0	39	.0	39	.0	1,472,992	.0	22,733	22,733	17,825	11/04/2044	1FE	
046353-AM-0	ASTRAZENECA PLC	C	02/01/2017	NATIONAL FINL SERVICES		2,000,220	2,000,000	1,983,920	1,984,218	.0	23	.0	23	.0	1,984,240	.0	15,980	15,980	19,444	11/16/2045	1FE	
056752-AD-0	BAIDU INC	C	02/23/2017	INC		202,172	200,000	198,640	199,314	.0	39	.0	39	.0	199,353	.0	2,819	2,819	1,207	06/09/2019	1FE	
34988W-AQ-7	FOSSE MASTER 2012-1	C	01/18/2017	PRINCIPAL RECEIPT		11,350	11,350	11,350	11,350	.0	.0	.0	.0	.0	11,350	.0	.0	.0	.0	10/18/2054	1FE	
393647-AC-6	GREENBRIAR CLO LTD 2007 144A	D	03/01/2017	NATIONAL FINL SERVICES		980,000	1,000,000	957,500	966,993	.0	244	.0	244	.0	967,237	.0	12,763	12,763	8,902	11/01/2021	1FE	
71656L-BJ-9	PETROLEOS MEXICANOS MTN 144A	C	01/24/2017	CORP		100,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	.0	.0	.0	02/04/2021	2FE	
822582-BF-8	SHELL INTERNATIONAL FIN BV	C	01/09/2017	NATIONAL FINL SERVICES		1,542,165	1,500,000	1,477,575	1,478,083	.0	9	.0	9	.0	1,478,091	.0	64,074	64,074	11,120	05/11/2045	1FE	
822582-BQ-4	SHELL INTERNATIONAL FIN BV	C	02/01/2017	CFG CAPITAL MARKETS LLC		1,435,515	1,500,000	1,483,575	.0	.0	18	.0	18	.0	1,483,593	.0	(48,078)	(48,078)	13,833	05/10/2046	1FE	
78447U-AF-7	SMART ABS US TRUST 2013-2US	C	03/14/2017	PRINCIPAL RECEIPT		20,383	20,383	20,382	20,383	.0	.0	.0	.0	.0	20,383	.0	.0	.0	20	02/14/2019	1FE	
90211B-BT-4	TYCO INTL GROUP S A	C	03/28/2017	NATIONAL FINL SERVICES		1,993,920	2,000,000	2,433,040	2,430,380	.0	(2,065)	.0	(2,065)	.0	2,428,316	.0	(434,396)	(434,396)	56,090	09/14/2045	2FE	
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						39,904,363	37,629,627	40,274,222	35,869,418	58	(28,050)	0	(27,992)	0	40,001,519	0	(97,155)	(97,155)	525,978	XXX	XXX	
8399997. Total - Bonds - Part 4						86,961,358	84,812,275	87,708,342	61,206,768	58	(331,076)	0	(331,018)	0	87,033,394	0	(72,036)	(72,036)	718,511	XXX	XXX	
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8399999. Total - Bonds						86,961,358	84,812,275	87,708,342	61,206,768	58	(331,076)	0	(331,018)	0	87,033,394	0	(72,036)	(72,036)	718,511	XXX	XXX	
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
922908-8B-4	VANGUARD EXTENDED MKT INDEX INSTL		01/03/2017	VANGUARD GROUP	150,191,152	11,000,000		9,362,137	10,921,901	(1,559,763)	.0	.0	(1,559,763)	.0	9,362,137	.0	1,637,863	1,637,863	.0			
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		02/17/2017	VANGUARD GROUP	59,396,255	12,750,000		10,626,215	12,106,739	(1,480,523)	.0	.0	(1,480,523)	.0	10,626,215	.0	2,123,785	2,123,785	.0			
9299999. Subtotal - Common Stocks - Mutual Funds						23,750,000	XXX	19,988,352	23,028,640	(3,040,286)	0	0	(3,040,286)	0	19,988,352	0	3,761,648	3,761,648	0	XXX	XXX	
9799997. Total - Common Stocks - Part 4						23,750,000	XXX	19,988,352	23,028,640	(3,040,286)	0	0	(3,040,286)	0	19,988,352	0	3,761,648	3,761,648	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						23,750,000	XXX	19,988,352	23,028,640	(3,040,286)	0	0	(3,040,286)	0	19,988,352	0	3,761,648	3,761,648	0	XXX	XXX	
9899999. Total - Preferred and Common Stocks						23,750,000	XXX	19,988,352	23,028,640	(3,040,286)	0	0	(3,040,286)	0	19,988,352	0	3,761,648	3,761,648	0	XXX	XXX	
9999999 - Totals						110,711,358	XXX	107,696,694	84,235,408	(3,040,228)	(331,076)	0	(3,371,304)	0	107,021,746	0	3,689,612	3,689,612	718,511	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 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
					First Month	Second Month	Third Month	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date				*
SunTrust Bank Nashville, TN		0.000	0	0	(32,401,023)	(26,400,855)	(35,378,603)	XXX
Wells Fargo Bank Roanoke, VA		0.000	0	0	(50,436,550)	(50,943,469)	(53,442,491)	XXX
Bank of New York Mellon Pittsburgh, PA		0.000	0	0	0	(13,444)	3,185	XXX
0199998. Deposits in ... 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX	0	0	0	0	0	XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	(82,837,573)	(77,357,768)	(88,817,909)	XXX
0299998. Deposits in ... 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	(82,837,573)	(77,357,768)	(88,817,909)	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	0	0	0	XXX
.....								
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.....								
.....								
0599999. Total - Cash	XXX	XXX	0	0	(82,837,573)	(77,357,768)	(88,817,909)	XXX

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

N O N E