



# HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2012  
OF THE CONDITION AND AFFAIRS OF THE  
**CareFirst BlueChoice, Inc.**

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

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

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

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

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

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

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

Internet Web Site Address www.carefirst.com

Statutory Statement Contact William Vincent Stack, 410-998-7011-  
(Name) (Area Code) (Telephone Number)  
bill.stack@carefirst.com 410-998-6850-  
(E-mail Address) (FAX Number)

### OFFICERS

President and Chief Executive Officer Chester Emerson Burrell Treasurer Jeanne Ann Kennedy  
Secretary John Anthony Picciotto

### OTHER

<u>Gregory Mark Chaney EVP, CFO</u>	<u>Gwendolyn Denise Skillern SVP, General Auditor</u>	<u>Michael John Felber SVP, Sales</u>
<u>Maria Harris Tildon SVP, Public Policy</u>	<u>Rita Ann Costello SVP, Strategic Marketing</u>	<u>Fred Adrian Walton Plumb SVP, ASU-FEP</u>
<u>Kenny Waitem Kan SVP, Chief Actuary</u>	<u>Michael Bruce Edwards SVP, Networks Mgmt</u>	<u>Kevin Charles O'Neill SVP, Strategic Managed Care Initiatives</u>
<u>Harry Dietz Fox SVP, Technical &amp; Ops Support</u>	<u>Steven Jon Margolis SVP, ASU-Small &amp; Medium Groups</u>	<u>Michael Thomas Avotins SVP, ASU-Large Groups</u>
<u>Jon Paul Shematek SVP, Chief Medical Officer</u>	<u>Michelle Judith Wright SVP, Human Resource</u>	<u>Wanda Kay Oneferu-Bey SVP, ASU-Consumer Direct</u>

### DIRECTORS OR TRUSTEES

Joseph Gerard Hall Elizabeth St. John Loker James Wallace  
Robert Marcellus Willis

State of Maryland SS:  
County of Baltimore

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

Chester Emerson Burrell John Anthony Picciotto Jeanne Ann Kennedy  
President & Chief Executive Officer Secretary Treasurer

Subscribed and sworn to before me this 10TH day of AUGUST 2012  
Cynthia J. Kipp

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



## STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	586,472,875	0	586,472,875	594,475,354
2. Stocks:				
2.1 Preferred stocks .....	0	0	0	712,800
2.2 Common stocks .....	155,436,718	312,929	155,123,789	156,687,248
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 (\$ .....9,142,433 ), cash equivalents (\$ .....1,528,109 ) and short-term investments (\$ .....25,757,785 ) .....	36,428,327	0	36,428,327	31,450,686
6. Contract loans (including \$ .....0 premium notes) .....	0	0	0	0
7. Derivatives .....	0	0	0	0
8. Other invested assets .....	0	0	0	0
9. Receivables for securities .....	0	0	0	0
10. Securities lending reinvested collateral assets .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	778,337,920	312,929	778,024,991	783,326,088
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	4,367,254	0	4,367,254	3,897,496
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	55,730,393	5,519,157	50,211,236	47,730,246
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	0	0	0	0
15.3 Accrued retrospective premiums .....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	0	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	686,266	0	686,266	682,452
17. Amounts receivable relating to uninsured plans .....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	10,273,542	0	10,273,542	19,562,495
18.2 Net deferred tax asset .....	16,864,184	0	16,864,184	15,834,212
19. Guaranty funds receivable or on deposit .....	0	0	0	0
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	25,452,018	0	25,452,018	46,041,892
24. Health care (\$ .....70,230,380 ) and other amounts receivable .....	98,789,329	3,724,229	95,065,100	96,530,521
25. Aggregate write-ins for other than invested assets .....	140,684	140,684	0	291,714
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	990,641,590	9,696,999	980,944,591	1,013,897,116
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	990,641,590	9,696,999	980,944,591	1,013,897,116
<b>DETAILS OF WRITE-INS</b>				
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. State Tax Recoverable .....	0	0	0	291,714
2502. Other Assets-Prepaid Expenses .....	140,684	140,684	0	0
2503. ....	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	140,684	140,684	0	291,714

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....0 reinsurance ceded) .....	145,475,826	438,232	145,914,058	169,890,254
2. Accrued medical incentive pool and bonus amounts .....	0	0	0	0
3. Unpaid claims adjustment expenses .....	6,469,511	19,489	6,489,000	6,239,000
4. Aggregate health policy reserves, including the liability of \$ .....11,977,554 for medical loss ratio rebate per the Public Health Service Act .....	45,472,273	0	45,472,273	71,530,725
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 .....	52,990,796	0	52,990,796	47,634,437
9. General expenses due or accrued .....	69,263,935	0	69,263,935	35,599,802
10.1 Current federal and foreign income tax payable and interest thereon (including \$ .....0 on realized gains (losses)) .....	0	0	0	0
10.2 Net deferred tax liability .....	0	0	0	0
11. Ceded reinsurance premiums payable .....	0	0	0	0
12. Amounts withheld or retained for the account of others.....	3,634,859	0	3,634,859	3,462,085
13. Remittances and items not allocated .....	0	0	0	0
14. Borrowed money (including \$ .....0 current) and interest thereon \$ .....0 (including \$ .....0 current) .....	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates .....	1,324,558	0	1,324,558	3,790,949
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 and \$ .....0 unauthorized reinsurers) .....	0	0	0	0
20. Reinsurance in unauthorized 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 .....	0	0	0	0
23. Aggregate write-ins for other liabilities (including \$ .....771,749 current) .....	2,223,782	0	2,223,782	2,677,772
24. Total liabilities (Lines 1 to 23) .....	326,855,540	457,721	327,313,261	340,825,024
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX	10,000	10,000
27. Preferred capital stock .....	XXX	XXX	0	0
28. Gross paid in and contributed surplus .....	XXX	XXX	50,615,750	50,615,750
29. Surplus notes .....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	603,005,581	622,446,342
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$ .....0 ) .....	XXX	XXX	0	0
32.2 .....0 shares preferred (value included in Line 27 \$ .....0 ) .....	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	653,631,331	673,072,092
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	980,944,592	1,013,897,116
<b>DETAILS OF WRITE-INS</b>				
2301. Reinsurance Payable .....	771,749	0	771,749	1,055,946
2302. Amounts held for escheatment to state .....	1,452,033	0	1,452,033	1,621,826
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) .....	2,223,782	0	2,223,782	2,677,772
2501. ....	XXX	XXX	0	0
2502. ....	XXX	XXX	0	0
2503. ....	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	XXX	XXX	0	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	3,257,596	3,132,124	6,305,950
2. Net premium income ( including \$ .....0 non-health premium income).....	XXX	1,059,344,280	1,013,976,800	2,053,415,111
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	26,058,452	(28,302,411)	(46,805,835)
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	35,787	42,904	98,188
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	1,085,438,519	985,717,293	2,006,707,464
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....	1,700,648	676,937,249	618,345,394	1,230,111,922
10. Other professional services .....	0	26,378,749	5,526,760	45,735,282
11. Outside referrals .....	803,204	803,204	1,663,345	2,325,794
12. Emergency room and out-of-area .....	186,583	25,548,297	13,871,576	30,967,239
13. Prescription drugs .....	0	166,141,372	133,731,123	282,084,131
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) .....	2,690,435	895,808,871	773,138,198	1,591,224,368
<b>Less:</b>				
17. Net reinsurance recoveries .....	0	(2,619,521)	(2,896,471)	(5,792,736)
18. Total hospital and medical (Lines 16 minus 17) .....	2,690,435	898,428,392	776,034,669	1,597,017,104
19. Non-health claims (net) .....	0	0	0	0
20. Claims adjustment expenses, including \$ .....16,854,178 cost containment expenses .....	0	45,660,481	45,347,723	90,660,681
21. General administrative expenses .....	0	145,613,130	141,691,438	285,746,450
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) .....	2,690,435	1,089,702,003	963,073,830	1,973,424,235
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(4,263,484)	22,643,463	33,283,229
25. Net investment income earned .....	0	8,274,076	10,892,121	21,562,318
26. Net realized capital gains (losses) less capital gains tax of \$ .....5,690,791 .....	0	10,568,611	3,651,057	5,704,447
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	18,842,687	14,543,178	27,266,765
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	290,200	(25,821)	(850,553)
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	14,869,403	37,160,820	59,699,441
31. Federal and foreign income taxes incurred .....	XXX	3,361,996	12,871,656	19,295,539
32. Net income (loss) (Lines 30 minus 31) .....	XXX	11,507,407	24,289,164	40,403,902
<b>DETAILS OF WRITE-INS</b>				
0601. TDN Access fees .....	XXX	35,787	42,904	98,188
0602. ....	XXX	0	0	0
0603. ....	XXX	0	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above) .....	XXX	35,787	42,904	98,188
0701. ....	XXX	0	0	0
0702. ....	XXX	0	0	0
0703. ....	XXX	0	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above) .....	XXX	0	0	0
1401. ....	0	0	0	0
1402. ....	0	0	0	0
1403. ....	0	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) .....	0	0	0	0
2901. Miscellaneous Income/Expense .....	0	304,057	(15,178)	(712,430)
2902. Fines and penalties .....	0	(13,857)	(10,643)	(138,123)
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	290,200	(25,821)	(850,553)

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

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	673,072,090	641,099,509	641,099,509
34. Net income or (loss) from Line 32.....	11,507,407	24,289,164	40,403,902
35. Change in valuation basis of aggregate policy and claim reserves.....	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....1,219,197	2,260,959	2,126,355	(7,568,074)
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0	0
38. Change in net deferred income tax.....	(41,607)	885,468	1,836,897
39. Change in nonadmitted assets.....	6,836,924	808,566	(2,983,121)
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....	0	0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....	(40,004,386)	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.....	(56)	0	282,977
48. Net change in capital & surplus (Lines 34 to 47).....	(19,440,759)	28,109,553	31,972,581
49. Capital and surplus end of reporting period (Line 33 plus 48)	653,631,331	669,209,062	673,072,090
<b>DETAILS OF WRITE-INS</b>			
4701. Tax adjustments.....	(56)	0	282,977
4702. ....	0	0	0
4703. ....	0	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	(56)	0	282,977

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	1,063,176,427	1,030,123,722	2,018,719,000
2. Net investment income .....	11,332,219	13,149,508	29,228,000
3. Miscellaneous income .....	35,787	42,904	98,188
4. Total (Lines 1 to 3) .....	1,074,544,433	1,043,316,134	2,048,045,188
5. Benefit and loss related payments .....	933,406,472	763,584,520	1,544,620,000
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 .....	157,069,278	196,120,077	373,840,000
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 5,690,791 tax on capital gains (losses) .....	40,371,022	42,615,979	50,103,000
10. Total (Lines 5 through 9) .....	1,130,846,772	1,002,320,576	1,968,563,000
11. Net cash from operations (Line 4 minus Line 10) .....	(56,302,339)	40,995,558	79,482,188
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	795,737,411	460,825,529	1,170,163,321
12.2 Stocks .....	48,947,417	9,655,826	17,843,749
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 .....	(817)	(759)	0
12.7 Miscellaneous proceeds .....	0	4,615	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	844,684,011	470,485,211	1,188,007,070
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	785,367,130	468,798,750	1,177,495,973
13.2 Stocks .....	32,826,181	87,313,612	103,683,892
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	3,068,000
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	818,193,311	556,112,362	1,284,247,865
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) .....	26,490,700	(85,627,151)	(96,240,795)
<b>Cash from Financing and Miscellaneous Sources</b>			
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) .....	34,789,281	9,920,352	(3,344,039)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	34,789,281	9,920,352	(3,344,039)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	4,977,642	(34,711,241)	(20,102,646)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	31,450,686	51,553,332	51,553,332
19.2 End of period (Line 18 plus Line 19.1) .....	36,428,328	16,842,091	31,450,686

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							
<b>Total Members at end of:</b>										
1. Prior Year .....	535,143	29,053	468,607	0	123	382	36,978	0	0	0
2. First Quarter .....	542,562	30,115	466,366	0	132	364	45,585	0	0	0
3. Second Quarter .....	544,724	31,702	466,314	0	114	335	46,259	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	3,257,596	182,763	2,797,691	0	783	2,167	274,192	0	0	0
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician .....	1,511,179	81,255	1,256,294	0	0	0	173,630	0	0	0
8. Non-Physician .....	716,884	37,053	606,824	0	0	0	73,007	0	0	0
9. Total	2,228,063	118,308	1,863,118	0	0	0	246,637	0	0	0
10. Hospital Patient Days Incurred	48,600	2,462	39,739	0	0	0	6,399	0	0	0
11. Number of Inpatient Admissions	13,465	747	11,178	0	0	0	1,540	0	0	0
12. Health Premiums Written (a) .....	1,055,877,394	34,972,825	913,152,763	0	210,623	4,059,042	103,482,141	0	0	0
13. Life Premiums Direct .....	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written .....	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned .....	1,081,935,847	31,472,825	928,995,210	0	210,623	4,059,042	117,198,147	0	0	0
16. Property/Casualty Premiums Earned .....	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services.....	919,798,842	36,112,894	775,221,121	0	832,048	2,938,418	104,694,361	0	0	0
18. Amount Incurred for Provision of Health Care Services	895,808,871	34,337,429	748,207,702	0	832,048	3,007,331	109,424,361	0	0	0

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



## UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	132,135,360	689,638,070	10,657,626	118,270,204	142,792,986	157,716,714
2. Medicare Supplement .....	0	0	0	0	0	0
3. Dental Only .....	590,774	4,953,388	23,972	752,257	614,746	693,539
4. Vision Only .....	0	832,048	0	0	0	0
5. Federal Employees Health Benefits Plan .....	13,742,743	90,951,618	681,750	15,528,250	14,424,493	11,480,000
6. Title XVIII - Medicare .....	0	0	0	0	0	0
7. Title XIX - Medicaid .....	0	0	0	0	0	0
8. Other health .....	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8) .....	146,468,877	786,375,124	11,363,348	134,550,711	157,832,225	169,890,253
10. Healthcare receivables (a) .....	0	10,439,415	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)	146,468,877	775,935,709	11,363,348	134,550,711	157,832,225	169,890,253

(a) Excludes \$ 63,358,300 loans or advances to providers not yet expensed.

## NOTES TO FINANCIAL STATEMENTS

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

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

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

For the six months ending June 30, 2012 and 2011, there were no differences in net income and surplus between NAIC SAP and practices prescribed by the District of Columbia.

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

No change.

**C. Accounting Policy**

No change.

**2. Accounting Changes and Corrections of Errors****Changes in Accounting Principles**

In November 2011, the NAIC adopted SSAP No. 101 *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10* (SSAP 101). SSAP 101 contains many of the same provisions as the Financial Accounting Standards Board Accounting Standards Codification 740, *Accounting for Income Taxes*, with modifications for state income taxes, the realization criteria for deferred tax assets, and the recording of changes in deferred tax balances. The guidance requires companies to determine whether it is "more likely than not" that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the tax benefit can be recorded in the financial statements. It also provides guidance on the recognition, measurement, and classification of income tax uncertainties, along with any related interest and penalties. The Company adopted SSAP 101 effective January 1, 2012, and recorded a decrease to surplus of \$40,004,000.

**3. Business Combinations and Goodwill**

Not applicable.

**4. Discontinued Operations**

Not applicable.

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

None.

**B. Debt Restructuring**

None.

**C. Reverse Mortgages**

None.

**D. Loan-backed Securities**

- (1) The Company records its investment in loan-backed securities using the prospective adjustment method. Prepayment assumptions for single and multi-class mortgage-backed/other asset-backed securities are obtained from broker survey values. The Company uses IDC to determine the market 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 June 30, 2012, the Company did not recognize other than temporary impairment (OTTI) 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 June 30, 2012, 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

## NOTES TO FINANCIAL STATEMENTS

impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at June 30, 2012 (*in thousands*).

	Fair Value < 1 Year	Unrealized Losses < 1 Year	Fair Value > 1 Year	Unrealized Losses > 1 Year	Total Unrealized Losses
<b>June 30, 2012</b>					
Government sponsored enterprise					
mortgage-backed securities	\$ 83,201	\$ 359	\$ –	\$ –	\$ 359
Residential mortgage-backed securities	503	1	–	–	1
Commercial mortgage-backed/Other asset-backed securities	4,230	32	2,687	299	331
Total	<u>\$ 87,934</u>	<u>\$ 392</u>	<u>\$ 2,687</u>	<u>\$ 299</u>	<u>\$ 691</u>

(5) No change.

**E. Repurchase Agreements and/or Securities Lending Transactions**

None.

**F. Real Estate**

None.

**G. Low-Income Housing Tax Credits (LIHTC)**

None.

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

A. - B. Not applicable.

**7. Investment Income**

A. – B. No change.

**8. Derivative Instruments**

No change.

**9. Income Taxes**

Effective December 31, 2010, as a result of the formation of CFH (refer to Note 10 *Information Concerning Parent, Subsidiaries and Affiliates*), CFBC files a consolidated income tax return and is subject to the applicable tax rate of 35%.

Effective January 1, 2011, the Company is part of a federal tax sharing agreement that exists among CFBC (and its related subsidiaries). Through this agreement and the tax allocation methodology, federal taxes have been allocated to the Company. The tax sharing agreement calls for allocation of current federal income tax liability to the Company on the basis of the percentage of the consolidated federal income tax liability attributable to the Company computed on a separate company basis to the total consolidated federal income tax liability. The agreement also provides that to the extent the Company's subsidiaries tax attributes (e.g., NOLs) reduce the consolidated federal income tax liability, CFBC shall pay the subsidiaries for use of such attributes in the year utilized. Amounts due from the subsidiaries for federal income taxes are settled monthly.

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

On January 1, 2012, as a result of applying paragraph 11.b. requirements of SSAP 101 to use current period statutory capital and surplus rather than prior quarter statutory capital and surplus as required by previous guidance, the Company computed the following balances related to deferred taxes (*in thousands*):

## NOTES TO FINANCIAL STATEMENTS

	January 1, 2012			December 31, 2011		
	Capital	Ordinary	TOTAL	Capital	Ordinary	TOTAL
Gross deferred tax assets	\$ 2,998	\$ 15,053	\$ 18,051	\$ 2,998	\$ 15,053	\$ 18,051
Statutory valuation allowance adjustment	0	0	0	0	0	0
Adjusted gross deferred tax assets	2,998	15,053	18,051	2,998	15,053	18,051
Deferred tax asset nonadmitted	0	(1,085)	(1,085)	0	(1,688)	(1,688)
Subtotal net admitted deferred tax asset	2,998	13,968	16,966	2,998	13,365	16,363
Deferred tax liabilities	(521)	(8)	(529)	(521)	(8)	(529)
Net admitted deferred tax asset	\$ 2,477	\$ 13,960	\$ 16,437	\$ 2,477	\$ 13,357	\$ 15,834

As a result of the adoption of SSAP 101, the Company increased the amount of current tax liability recorded and an increase in the amount of net admitted deferred tax assets.

The Cumulative Effect of Changes in Accounting Principles line shown in the surplus section of the quarterly statements shows a decrease of \$40,004,000.

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

		June 30, 2012			December 31, 2011		
		Capital	Ordinary	Total	Capital	Ordinary	Total
Federal Income Taxes Recoverable through loss carry back	10.a	\$ -	\$ -	\$ -	\$ -	\$ 12,836	\$ 12,836
Adjusted Gross DTA expected to be realized in one year	10.b.i	-	-	-	2,998	-	2,998
10% adjusted capital and surplus limit	10.b.ii	-	-	-	-	-	64,087
Admitted pursuant to Paragraph 10.b (lesser of i. or ii.)		-	-	-	2,998	-	2,998
Additional admitted pursuant to Paragraph 10.c	10.c	-	-	-	-	529	529
Risk-based capital:	10.d	-	-	-	-	-	-
Total adjusted capital		-	-	-	-	-	-
Authorized control level		-	-	-	-	-	-
Additional admitted pursuant to 11.a.	11.a.	-	13,927	13,927	-	-	-
Adjusted gross DTA expected to be realized in three years	11.b.i.	2,998	-	2,998	-	-	-
15% adjusted statutory capital and surplus limit	11.b.ii.	-	-	95,515	-	-	-
Additional permitted pursuant to 11.b. (lesser of b.i. or b.ii.)		2,998	-	2,998	-	-	-
Additional admitted pursuant to 11.c.	11.c.	-	1,685	1,685	-	-	-
Total admitted DTA		2,998	15,612	18,610	2,998	13,365	16,363
Total DTL		(1,740)	(6)	(1,746)	(521)	(7)	(528)
Net admitted DTA		\$ 1,258	\$ 15,606	\$ 16,864	\$ 2,477	\$ 13,358	\$ 15,835
Nonadmitted DTA		\$ -	\$ -	\$ -	\$ -	\$ (1,688)	\$ (1,688)

## NOTES TO FINANCIAL STATEMENTS

The provision for income taxes on earnings for the quarters ended June 30, 2012 and 2011 and year ended December 31, 2011 are as follows (*in thousands*):

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>December 31, 2011</u>	<u>Change</u>
Federal provision	\$ 3,362	\$ 12,872	\$ 19,295	\$ (9,510)
Federal income tax on net capital gains	<u>5,691</u>	<u>1,966</u>	<u>3,072</u>	<u>3,725</u>
Federal income taxes incurred	<u>\$ 9,053</u>	<u>\$ 14,838</u>	<u>\$ 22,367</u>	<u>\$ (5,785)</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*):

	<u>June 30, 2012</u>	<u>December 31, 2011</u>	<u>Change</u>	<u>Character</u>
Deferred tax assets:				
Investments	\$ 2,998	\$ 2,998	\$ -	Capital
Unearned revenues	3,709	3,334	375	Ordinary
Unpaid claims	5,185	1,039	4,146	Ordinary
Accrued expenses	3,424	3,088	336	Ordinary
Nonadmitted assets and other	3,294	7,592	(4,298)	Ordinary
Total deferred tax assets	<u>18,610</u>	<u>18,051</u>	<u>559</u>	
Nonadmitted deferred tax assets	<u>-</u>	<u>(1,688)</u>	<u>1,688</u>	
Admitted deferred tax assets	18,610	16,363	2,247	
Deferred tax liabilities:				
Investments	(1,740)	(521)	(1,219)	Capital
Other	<u>(6)</u>	<u>(8)</u>	<u>2</u>	Ordinary
Total deferred tax liabilities	<u>(1,746)</u>	<u>(529)</u>	<u>(1,217)</u>	
Net Admitted deferred tax assets	<u>\$ 16,864</u>	<u>\$ 15,834</u>	<u>\$ 1,030</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*):

	<u>June 30, 2012</u>	<u>December 31, 2011</u>	<u>Change</u>
Gross deferred tax assets	\$ 18,611	\$ 18,051	\$ 560
Deferred tax liabilities	<u>(1,746)</u>	<u>(529)</u>	<u>(1,217)</u>
Net deferred tax asset	<u>\$ 16,865</u>	<u>\$ 17,522</u>	<u>(657)</u>
Tax effect of unrealized gains (losses)			<u>1,219</u>
Change in net deferred income tax			<u>\$ 562</u>

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 are as follows (*in thousands*):

	<u>June 30, 2012</u>			<u>December 31, 2011</u>		
	<u>Capital</u>	<u>Ordinary</u>	<u>Total</u>	<u>Capital</u>	<u>Ordinary</u>	<u>Total</u>
Total of gross deferred tax assets	\$ 2,998	\$ 15,612	\$ 18,610	\$ 2,998	\$ 15,053	\$ 18,051
Statutory valuation allowance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted gross deferred assets	2,998	15,612	18,610	2,998	15,053	18,051
Gross deferred tax liabilities	<u>(1,740)</u>	<u>(6)</u>	<u>(1,746)</u>	<u>(521)</u>	<u>(8)</u>	<u>(529)</u>
Net deferred tax asset	1,258	15,606	16,864	2,477	15,045	17,522
Deferred tax asset nonadmitted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,688)</u>	<u>(1,688)</u>
Net admitted deferred tax asset	<u>\$ 1,258</u>	<u>\$ 15,606</u>	<u>\$ 16,864</u>	<u>\$ 2,477</u>	<u>\$ 13,357</u>	<u>\$ 15,834</u>

## NOTES TO FINANCIAL STATEMENTS

The Company has deferred tax assets related to capital investments. If necessary, the Company may implement tax planning strategies including the sale of investments at a gain to utilize these capital deferred tax assets. The impact of tax planning strategies is as follows:

	June 30, 2012			December 31, 2011			Change
	Capital Percent	Ordinary Percent	TOTAL Percent	Capital Percent	Ordinary Percent	TOTAL Percent	
% of adjusted gross deferred tax assets	16%	0%	16%	17%	0%	17%	-1%
% of net admitted adjusted gross deferred tax assets	18%	0%	18%	19%	0%	19%	-1%

For the quarter ending June 30, 2012, the provision for federal income taxes incurred differs from the statutory federal income tax rate principally as a result of permanent items and timing differences. For the year ending December 31, 2011, the provision for federal income taxes incurred approximates the statutory federal income tax rate.

The Company is subject to examination by the Internal Revenue Service and state taxing authorities. In general, the Company's tax years 2008 and forward remain open under the statutes of limitation and subject to examination.

The Company no longer files state income tax returns with any jurisdictions. For the year ended December 31, 2011, the provision for federal income taxes was calculated by applying the statutory income tax rate, to income before provision for income taxes, excluding state income tax benefit of \$6,100,000.

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

CareFirst BlueChoice, Inc. (CFBC or the Company) is a state-licensed health maintenance organization (HMO) that provides managed health care products and services to individuals and to employees of business and governmental agencies in the Washington, D.C. metropolitan area, Northern Virginia and the state of Maryland. Benefits are provided to members through fee-for-service and capitation agreements with local area physicians, hospitals and other health care providers. CapitalCare, Inc. (CapCare) and The Dental Network, Inc. (TDN) are wholly-owned subsidiaries of the Company. In 2010, CapCare terminated all of its insurance coverage obligations in its state of domicile, the Commonwealth of Virginia. Effective December 13, 2011, CapCare withdrew its HMO license and became a non-insurance entity. CapCare is no longer subject to statutory or regulatory reserve requirements.

Until December 31, 2010, the Company was 60% owned by CareFirst of Maryland, Inc. (CFMI) and 40% owned by Group Hospitalization and Medical Services, Inc. (GHMSI). Effective December 31, 2010, the Company is a wholly-owned subsidiary of CareFirst Holdings, LLC (CFH). CFH, a Maryland limited liability company, was formed on December 31, 2010 to facilitate the reorganization of the holding company system of CareFirst, Inc. (CFI), its upstream not-for-profit parent company. CFH was formed by contributed assets from CFMI and GHMSI. GHMSI and CFMI are both affiliates of CFI. These affiliates do business as CareFirst BlueCross BlueShield.

#### 11. Debt

Not applicable.

#### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

Not applicable.

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

(1) No change.

(2) – (9) Not applicable

(10) Change in net unrealized capital gains (losses) for the six months ended June 30, 2012:

Change in the unrealized gains (losses) from:

Affiliated common stocks

CapCare \$ (304)

TDN (2,960)

Unaffiliated common stocks 3,232,165

Bonds & preferred stocks 251,255

Total unrealized gains (losses) 3,480,156

Capital gains deferred taxes (1,219,197)

**Change in net unrealized capital gains (losses)**

**less capital gains taxes (page 5 line 36) \$ 2,260,959**

(11) – (13) Not applicable.

## NOTES TO FINANCIAL STATEMENTS

**14. Contingencies****A. Contingent Commitments**

None.

**B. Assessments**

None.

**C. Gain Contingencies**

None.

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

None.

**E. All Other Contingencies**

The Company insures individuals who are qualified Medicare beneficiaries. Medicare law identifies the primary payer and secondary payer of claims when individuals are insured by both the Company and Medicare. Principally as a result of information systems programming errors, the Company incorrectly paid certain claims in years prior to 2009 as the secondary payer rather than as the primary payer. The issues were communicated to the Centers for Medicare and Medicaid Services (CMS) in May 2009. The Company has implemented corrective measures to (1) correctly identify Medicare beneficiaries that should be paid primary and (2) modify information systems to correctly adjudicate claims on behalf of Medicare beneficiaries.

Based on its interpretation of Medicare law, the Company believes it is liable for improperly processed claims for the period from January 1, 2006 to December 31, 2008. In 2009, CFI provided CMS with the data of the incorrectly paid claims and offered to settle its obligations to CMS for approximately \$19,000,000. Accordingly, CFI has recorded a liability of \$19,000,000 at December 31, 2009 for this proposed settlement, of which \$6,888,000 has been recorded by the Company, which is included in general expenses due or accrued. The settlement remains subject to government approval. While there can be no assurances that the settlement will be accepted, or that CMS will accept the Company's legal interpretation that Medicare law limits its liability in this matter to the Company's proposed settlement amount, the Company's management, after consultation with legal counsel, does not believe the final resolution of this matter will result in additional material liabilities to the Company. The Company has received demand letters from CMS regarding certain of these individual claims. The Company processed and paid these claims in accordance with the demand letters and accordingly released the reserve associated with these claims in the amount of \$1,093,000. Therefore the Company's remaining liability was \$5,795,000 as of June 30, 2012.

CFI entered into an agreement with a third party vendor to provide local care coordinator services to members who participate in the Primary Care Medical Home program. The agreement contains certain financial and operational requirements obligating both parties. In 2011, CFI did not meet the minimum volume requirements in the agreement for rendering care plans. As a result, CFI recorded a liability of \$8,000,000 at December 31, 2011, of which \$1,301,000 was recorded by the Company. For the six months ending June 30, 2012, CFI recorded an additional liability of \$6,000,000, of which \$2,685,000 was recorded by the Company. The balance of the Company's liability was \$3,986,000 as of June 30, 2012. The liability is included in the general expenses due and accrued. The agreement was amended to modified certain terms and conditions in July of 2012. The amended agreement will expire on June 30, 2016.

**15. Leases**

Not applicable.

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

Not applicable.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities****A. Transfers of Receivables Reported as Sales**

Not Applicable.

**B. Transfer and Servicing of Financial Assets**

Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

**C. Wash Sales**

None.

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

Not applicable.

**B. ASC Plans**

Not applicable.

**C. Medicare or Similarly Structured Cost Based Reimbursement Contract**

Not applicable.

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

Not applicable.

**20. Fair Value Measurements**

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

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

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset. Management is responsible for the determination of fair value, and performs monthly analysis 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 Level 1 and Level 2 during the six months ending June 30, 2012.

The following methods and assumptions were used to estimate the fair value of such financial instruments:

**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 government 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. The 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. The 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 the inputs such as quoted prices for identical or similar assets, benchmark yields, prepayment speeds, collateral performance, credit spreads and default rates that are observable at commonly quoted intervals.

**Stocks.** Fair value of publicly traded index funds and preferred stocks where market quotes are available but are not considered actively traded are classified as Level 2.

The following table presents information about the Company's financial assets measured and reported at fair value as of June 30, 2012 (*in thousands*):

## NOTES TO FINANCIAL STATEMENTS

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Fair Value as of June 30, 2012
<b>Assets</b>				
Common stocks				
Inflation-protected U.S. Treasury securities (a)	\$ —	\$ 19,928	\$ —	\$ 19,928
Large capital equity securities (b)	—	68,047	—	68,047
Small capital equity securities (b)	—	32,054	—	32,054
International equity securities (b)	—	34,619	—	34,619
Total common stocks	—	154,648	—	154,648
Total assets measured and reported at fair value	\$ —	\$ 154,648	\$ —	\$ 154,648

(a) Represent bond investments in publicly traded index funds.

(b) Represent equity investments in publicly traded index funds.

As of June 30, 2012, the Company has no financial assets measured at fair value using Level 3 inputs.

The following table presents information about the aggregate fair value of the Company's financial assets as of June 30, 2012 (*in thousands*):

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Aggregate Fair Value as of June 30, 2012	Admitted Assets
Bonds	\$ 96,736	\$ 504,238	\$ —	\$ 600,974	\$ 586,473
Common stocks	—	154,648	—	154,648	154,648
Total assets at fair value	\$ 96,736	\$ 658,886	\$ —	\$ 755,622	\$ 741,121

As of June 30, 2012, the Company has no financial assets for which it is not practicable to estimate fair value.

## 21. Other Items

### A. Extraordinary Items

Not applicable.

### B. Troubled Debt Restructuring: Debtors

Not applicable.

### C. Other Disclosures

Not applicable.

### D. Uncollectible Balances

Not applicable.

### E. Business Interruption Insurance Recoveries

Not applicable.

### F. State Transferable Tax Credits

Not applicable.

### G. Subprime 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 June 30, 2012.
- (2) The Company does not engage in mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.

## NOTES TO FINANCIAL STATEMENTS

- (3) The Company has no exposure in subprime mortgage lending through its fixed maturity and equity investments.

**H. Retained Assets**

Not applicable.

**22. Events Subsequent**

Not Applicable.

**23. Reinsurance**

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

The Company also maintains a quota-share reinsurance contract with TDN. Under the terms of the agreement, the Company assumes all the underwriting risk on the business written by TDN. The Company assumed revenue from TDN in the amount of \$3,515,000 and \$3,783,000 and incurred an underwriting loss in the amount of \$2,303,000 and \$1,060,000 for the six months ended June 30, 2012 and 2011, respectively.

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. – C. Not applicable.

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

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ –	\$ 13,470	\$ 13,250	\$ –	\$ 26,720
(2) Medical loss ratio rebates paid	–	–	–	–	–
(3) Medical loss ratio rebates unpaid	–	13,470	13,250	–	26,720
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	–
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	–
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 26,720
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ –	\$ (9,656)	\$ (5,086)	\$ –	\$ (14,742)
(8) Medical loss ratio rebates paid	–	–	–	–	–
(9) Medical loss ratio rebates unpaid	–	3,814	8,164	–	11,978
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	–
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	–
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 11,978

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

As of June 30, 2012, \$146,469,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$11,363,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$12,058,000 favorable prior year development since December 31, 2011 to June 30, 2012, which includes a \$2,944,000 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. No change.  
B. Not applicable.

**29. Participating Policies**

## NOTES TO FINANCIAL STATEMENTS

Not applicable.

### **30. Premium Deficiency Reserve**

The Company had a premium deficiency reserve in the amount of \$8,660,000 and \$0 within the aggregate health policy reserves as of June 30, 2012 and 2011, respectively. June 30, 2012 is the most recent evaluation date of this reserve. The Company did not consider anticipated investment income when calculating this reserve.

### **31. Salvage and Subrogation**

No change.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2008
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2008
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 09/25/2009
- 6.4 By what department or departments?  
District of Columbia Department of Insurance, Securities and Banking
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ X ] No [ ] N/A [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

**GENERAL INTERROGATORIES**

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

**FINANCIAL**

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

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes  No
- 14.2 If yes, please complete the following:
- |   | 1<br>Prior Year-End<br>Book/Adjusted<br>Carrying Value | 2<br>Current Quarter<br>Book/Adjusted<br>Carrying Value |
|---|--|---|
| 14.21 Bonds .....   | \$ .....0  | \$ .....0   |
| 14.22 Preferred Stock .....   | \$ .....0  | \$ .....0   |
| 14.23 Common Stock .....  | \$ .....791,452  | \$ .....788,188   |
| 14.24 Short-Term Investments .....  | \$ .....0  | \$ .....0   |
| 14.25 Mortgage Loans on Real Estate .....   | \$ .....0  | \$ .....0   |
| 14.26 All Other .....   | \$ .....0  | \$ .....0   |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$ .....791,452  | \$ .....788,188   |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$ .....0  | \$ .....0   |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No
- If no, attach a description with this statement.

**GENERAL INTERROGATORIES**

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [  ] No [  ]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SunTrust Bank .....	1445 New York Ave, Washington DC 20005 .....
Bank of New York Mellon .....	1 Wall St., New York, NY 10286 .....

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

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

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [  ] No [  ]
- 16.4 If yes, give full information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
15958 .....	Vanguard .....	P.O. Box 2900, Valley Forge, PA 19482 .....
104596 .....	Dodge & Cox .....	55 California St., San Francisco, CA 94104 .....
105496 .....	T. Rowe Price .....	100 E. Pratt St., Baltimore, MD 21202 .....
107105 .....	BlackRock Investment Advisors .....	55 East 52nd Street, New York, NY 10055 .....
10578 .....	Calamos .....	2020 Calamos Ct., Naperville, IL 60563-2787 .....

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? ..... Yes [  ] No [  ]
- 17.2 If no, list exceptions:

# GENERAL INTERROGATORIES

## PART 2 - HEALTH

- 1. Operating Percentages:
  - 1.1 A&H loss percent ..... 84.3 %
  - 1.2 A&H cost containment percent ..... 1.6 %
  - 1.3 A&H expense percent excluding cost containment expenses ..... 16.1 %
  
- 2.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]
  
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$ ..... 0
  
- 2.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]
  
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date ..... \$ ..... 0

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
<b>NONE</b>						

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

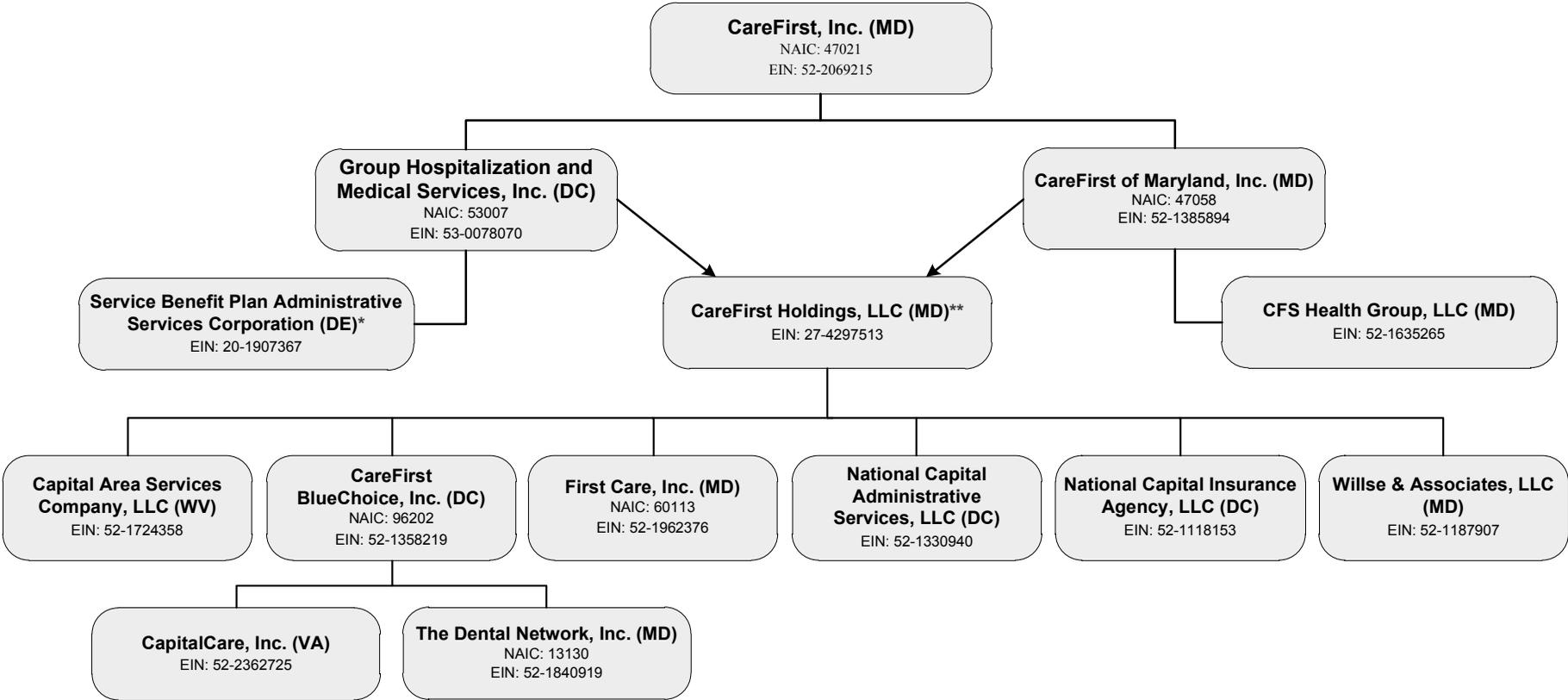
States, etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	N	0	0	0	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0	0	0	0
5. California	CA	N	0	0	0	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0	0	0	0
9. District of Columbia	DC	L	117,087,472	0	0	0	0	0	117,087,472	0
10. Florida	FL	N	0	0	0	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0	0	0
21. Maryland	MD	L	710,420,010	0	0	103,482,141	0	0	813,902,151	0
22. Massachusetts	MA	N	0	0	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0	0
47. Virginia	VA	L	124,887,771	0	0	0	0	0	124,887,771	0
48. Washington	WA	N	0	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	3	952,395,253	0	0	103,482,141	0	0	1,055,877,394	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX		0	0	0	0	0	0	0	0
61. Totals (Direct Business)	(a)	3	952,395,253	0	0	103,482,141	0	0	1,055,877,394	0
5801. DETAILS OF WRITE-INS	XXX									
5802.	XXX									
5803.	XXX									
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX		0	0	0	0	0	0	0	0

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

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

Enrollment and billing systems capture and report premiums by group situs.

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



15

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

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

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
.0380	Carefirst Inc Group	.47021	52-2069215				CareFirst, Inc.	MD	JA			0.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.47058	52-1385894				CareFirst of Maryland, Inc.	MD	JA	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.53007	53-0078070				Group Hospitalization and Medical Services, Inc.	DC	JA	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
		.00000	52-1635265				CFS Health Group, LLC	MD	NIA	CareFirst of Maryland, Inc.	Ownership	100.000	CareFirst, Inc.	
		.00000	20-1907367				Service Benefit Plan Administrative Services Corporation	DE	NIA	Group Hospitalization and Medical Services, Inc.	Ownership	90.000	CareFirst, Inc.	
		.00000	27-4297513				CareFirst Holdings, LLC	MD	UDP	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	
		.00000	52-1118153				National Capital Insurance Agency, LLC	DC	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.60113	52-1962376				First Care, Inc.	MD	JA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		.00000	52-1724358				Capital Area Services Company, LLC	WV	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		.00000	52-1187907				Willse & Associates, LLC	MD	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		.00000	52-1330940				National Capital Administrative Services, LLC	DC	NIA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.96202	52-1358219				CareFirst BlueChoice, Inc.	DC		CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		.00000	52-2362725				CapitalCare, Inc.	VA	DS	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.13130	52-1840919				The Dental Network, Inc.	MD	DS	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	

Asterisk	Explanation
N/A	

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

Explanation:

1.

Bar Code:

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



**OVERFLOW PAGE FOR WRITE-INS**

**SCHEDULE A - VERIFICATION**

Real Estate

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

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	752,188,571	666,223,575
2. Cost of bonds and stocks acquired .....	818,193,311	1,281,179,865
3. Accrual of discount .....	230,753	576,751
4. Unrealized valuation increase (decrease) .....	3,480,156	(11,711,718)
5. Total gain (loss) on disposals .....	16,260,220	8,777,204
6. Deduct consideration for bonds and stocks disposed of .....	844,684,828	1,188,007,070
7. Deduct amortization of premium .....	3,758,654	4,850,036
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) .....	741,909,529	752,188,571
11. Deduct total nonadmitted amounts .....	312,929	313,233
12. Statement value at end of current period (Line 10 minus Line 11)	741,596,600	751,875,338

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 1B**

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	577,516,627	319,089,458	365,859,872	(2,345,732)	577,516,627	528,400,481	0	569,559,317
2. Class 2 (a) .....	84,105,952	28,073,715	27,231,666	410,279	84,105,952	85,358,280	0	85,978,495
3. Class 3 (a) .....	0	0	0	0	0	0	0	0
4. Class 4 (a) .....	20,323	0	32,334	12,011	20,323	0	0	1,505,715
5. Class 5 (a) .....	0	0	0	0	0	0	0	0
6. Class 6 (a) .....	10	0	0	0	10	10	0	10
7. Total Bonds	661,642,912	347,163,173	393,123,872	(1,923,442)	661,642,912	613,758,771	0	657,043,537
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0	0	0	0	0	0	0	0
9. Class 2 .....	753,773	471,200	1,173,216	(51,757)	753,773	0	0	712,800
10. Class 3 .....	0	0	0	0	0	0	0	0
11. Class 4 .....	0	0	0	0	0	0	0	0
12. Class 5 .....	0	0	0	0	0	0	0	0
13. Class 6 .....	0	0	0	0	0	0	0	0
14. Total Preferred Stock .....	753,773	471,200	1,173,216	(51,757)	753,773	0	0	712,800
15. Total Bonds and Preferred Stock	662,396,685	347,634,373	394,297,088	(1,975,199)	662,396,685	613,758,771	0	657,756,337

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ .....0 ; NAIC 2 \$ .....0 ; NAIC 3 \$ .....0 ; NAIC 4 \$ .....0 ; NAIC 5 \$ .....0 ; NAIC 6 \$ .....0

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**SCHEDULE DA - PART 1**

## Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	25,757,785	XXX	25,793,397	22,000	10,177

**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 .....	62,568,181	72,883,673
2. Cost of short-term investments acquired .....	114,535,656	321,489,172
3. Accrual of discount .....	0	1,087
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	(817)	(1,162)
6. Deduct consideration received on disposals .....	151,302,374	331,734,803
7. Deduct amortization of premium .....	42,861	69,786
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) .....	25,757,785	62,568,181
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	25,757,785	62,568,181

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)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of cash equivalents acquired .....	1,529,141	4,599,615
3. Accrual of discount .....	0	59
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	(59)
6. Deduct consideration received on disposals .....	0	4,599,615
7. Deduct amortization of premium .....	1,032	0
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) .....	1,528,109	0
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	1,528,109	0

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

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired

**N O N E**

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

**N O N E**

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

**N O N E**

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

**N O N E**

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
36202F-4Q-6	GNMA PASS-THRU M SINGLE FAMILY		05/10/2012	VARIOUS		1,809,774	1,713,760	3,231	1
36202F-MA-1	GNMA PASS-THRU M SINGLE FAMILY		04/16/2012	SALOMON SMITH BARNEY INC/		902,515	830,764	1,662	1
36176X-KP-3	GNMA PASS-THRU X SINGLE FAMILY		04/16/2012	BARCLAYS CAPITAL		770,264	730,000	1,278	1
362000-2Y-3	GNMA PASS-THRU X SINGLE FAMILY		04/16/2012	JP Morgan Securities, Inc		1,302,199	1,184,827	2,666	1
362000-ZB-7	GNMA PASS-THRU X SINGLE FAMILY		04/16/2012	CHASE SECURITIES, INC.		1,872,437	1,703,667	3,833	1
36296T-SS-3	GNMA PASS-THRU X SINGLE FAMILY		06/19/2012	UBS FINANCIAL SERVICES IN		1,249,534	1,120,344	4,279	1
36296X-JP-0	GNMA PASS-THRU X SINGLE FAMILY		06/19/2012	UBS FINANCIAL SERVICES IN		1,695,434	1,520,143	5,806	1
911759-LN-6	HOUSING URBAN DEVELOPMENT		06/26/2012	U.S. BANCORP PIPER JAFFRA		3,168,000	3,000,000	36,507	1
912810-EX-2	UNITED STATES TREAS BDS		04/16/2012	BARCLAYS CAPITAL INC		3,821,430	2,525,000	29,031	1
912810-FP-8	UNITED STATES TREAS BDS		06/06/2012	BARCLAYS CAPITAL		667,855	455,000	7,592	1
912810-QE-1	UNITED STATES TREAS BDS		06/28/2012	VARIOUS		3,534,937	2,690,000	24,512	1
912810-QU-5	UNITED STATES TREAS BDS		05/15/2012	VARIOUS		73,005,469	72,000,000	505,323	1
912810-QW-1	UNITED STATES TREAS BDS		05/23/2012	VARIOUS		18,721,875	18,000,000	11,739	1
912828-NU-0	UNITED STATES TREAS NTS		06/15/2012	CREDIT SUISSE FIRST BOSTO		4,812,866	4,785,000	12,423	1
912828-QI-3	UNITED STATES TREAS NTS		06/25/2012	CHASE SECURITIES, INC.		4,005,312	4,000,000	6,140	1
912828-RC-6	UNITED STATES TREAS NTS		04/16/2012	BARCLAYS CAPITAL INC		1,167,900	1,145,000	4,144	1
912828-BD-1	UNITED STATES TREAS NTS TIPS		04/16/2012	DEUTSCHE BANK SECURITIES		1,005,876	775,000	4,593	1
<b>0599999. Subtotal - Bonds - U.S. Governments</b>						<b>123,513,677</b>	<b>118,178,505</b>	<b>664,759</b>	<b>XXX</b>
105756-AP-5	BRAZIL FEDERATIVE REP	R	04/16/2012	EXANE INC.		152,134	115,000	2,179	2FE
715638-AW-2	PERU REP	R	04/16/2012	NOMURA SECURITIES INTL		204,768	160,000	802	2FE
71656L-AL-5	PETROLEOS MEXICANOS 4.875%	R	04/16/2012	JPMORGAN CHASE BK/RBS SEC		254,496	240,000	2,763	2FE
731011-AS-1	POLAND REP	R	04/17/2012	BANCA SPA		211,458	200,000	2,024	1FE
836205-AN-4	SOUTH AFRICA REP	R	04/17/2012	STANDARD BANK OF SOUTH AF		313,363	275,000	1,723	2FE
910860-AU-2	UNITED MEXICAN STS MTN BE	R	04/16/2012	HSBC Securities		245,574	210,000	3,084	2FE
00254E-BZ-4	AB SVENSK EXPORTKREDIT	R	04/17/2012	UBS AG		207,239	180,000	1,256	1FE
168863-AV-0	CHILE REP	R	04/16/2012	GOLDMAN, SACHS & CO.		157,760	145,000	1,155	1FE
38377H-AA-5	GOVERNMENT OF BERMUDA	R	04/16/2012	JPMORGAN CHASE BK/RBS SEC		149,175	130,000	1,801	1FE
563469-TU-9	MANITOBA PROV CDA	I	04/16/2012	Scotia Capital Markets(US		206,041	205,000	296	1FE
683234-DP-0	ONTARIO PROV CDA	I	04/16/2012	Merrill Lynch		248,354	245,000	283	1FE
<b>Canada Total</b>						<b>968,569</b>	<b>905,000</b>	<b>4,791</b>	<b>XXX</b>
<b>1099999. Subtotal - Bonds - All Other Governments</b>						<b>2,350,362</b>	<b>2,105,000</b>	<b>17,166</b>	<b>XXX</b>
341150-MG-4	FLORIDA ST		05/15/2012	M LYNCH,PIERCE,FENNER, & S		49,208	40,000	6	1FE
<b>Florida Total</b>						<b>49,208</b>	<b>40,000</b>	<b>6</b>	<b>XXX</b>
419791-DS-4	HAWAII ST		05/15/2012	M LYNCH,PIERCE,FENNER, & S		154,716	125,000	2,795	1FE
<b>Hawaii Total</b>						<b>154,716</b>	<b>125,000</b>	<b>2,795</b>	<b>XXX</b>
57582P-AE-0	MASSACHUSETTS ST		05/14/2012	MORGAN STANLEY & CO. INC		124,253	95,000	1,053	1FE
57582P-F7-0	MASSACHUSETTS ST		06/07/2012	FUND-FUND II		94,623	80,000	122	1FE
<b>Massachusetts Total</b>						<b>218,876</b>	<b>175,000</b>	<b>1,175</b>	<b>XXX</b>
70914P-SK-9	PENNSYLVANIA ST		04/18/2012	GOLDMAN, SACHS & CO.		220,833	180,000	0	1FE
<b>Pennsylvania Total</b>						<b>220,833</b>	<b>180,000</b>	<b>0</b>	<b>XXX</b>
93974C-J3-5	WASHINGTON ST		05/15/2012	MORGAN STANLEY & CO. INC		197,659	160,000	1,933	1FE
93974C-J4-3	WASHINGTON ST		06/07/2012	Citigroup Global Markets		90,464	75,000	1,156	1FE
<b>Washington Total</b>						<b>288,123</b>	<b>235,000</b>	<b>3,089</b>	<b>XXX</b>
<b>United States Total</b>						<b>931,756</b>	<b>755,000</b>	<b>7,065</b>	<b>XXX</b>
<b>1799999. Subtotal - Bonds - U.S. States, Territories and Possessions</b>						<b>931,756</b>	<b>755,000</b>	<b>7,065</b>	<b>XXX</b>
167560-PL-9	CHICAGO ILL MET WTR RECLAMATIO		04/25/2012	M LYNCH,PIERCE,FENNER, & S		164,564	130,000	3,078	1FE
<b>Illinois Total</b>						<b>164,564</b>	<b>130,000</b>	<b>3,078</b>	<b>XXX</b>
64966H-VY-6	NEW YORK N Y		04/19/2012	M LYNCH,PIERCE,FENNER, & S		124,032	100,000	2,322	1FE
64966J-D9-4	NEW YORK N Y		05/15/2012	MORGAN STANLEY & CO. INC		201,521	165,000	985	1FE
<b>New York Total</b>						<b>325,553</b>	<b>265,000</b>	<b>3,307</b>	<b>XXX</b>
930863-T6-2	WAKE CNTY N C		05/16/2012	M LYNCH,PIERCE,FENNER, & S		109,897	85,000	944	1FE
<b>North Carolina Total</b>						<b>109,897</b>	<b>85,000</b>	<b>944</b>	<b>XXX</b>
442331-VT-8	HOUSTON TEX		05/14/2012	BARCLAYS CAPITAL		99,284	80,000	0	1FE
442331-VU-5	HOUSTON TEX		05/14/2012	BARCLAYS CAPITAL		92,117	75,000	0	1FE
<b>Texas Total</b>						<b>191,401</b>	<b>155,000</b>	<b>0</b>	<b>XXX</b>
<b>United States Total</b>						<b>791,415</b>	<b>635,000</b>	<b>7,329</b>	<b>XXX</b>
<b>2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						<b>791,415</b>	<b>635,000</b>	<b>7,329</b>	<b>XXX</b>
3137EA-DF-3	FEDERAL HOME LN MTG CORP		04/16/2012	MORGAN STANLEY&CO INC PRO		1,020,593	1,015,000	740	1
313590-GY-3	FEDERAL NATL MTG ASSN		04/16/2012	MORGAN STANLEY&CO INC PRO		1,025,062	1,015,000	2,714	1

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STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
3128LX-S7-6	FHLMC GOLD #G02342 5.000% 10/01/		.04/16/2012	GOLDMAN, SACHS & CO.		1,500,555	1,380,019	3,450	1
3128M5-K5-8	FHLMC GOLD #G03616 6.000% 12/01/		.04/16/2012	GOLDMAN, SACHS & CO.		899,035	810,398	2,431	1
3128MC-4J-1	FHLMC PC GOLD COMB 15		.04/16/2012	SALOMON SMITH BARNEY INC/		649,114	609,989	1,220	1
3128MC-GV-1	FHLMC PC GOLD COMB 15		.04/17/2012	Nomura		303,313	278,709	809	1
3128MC-QG-3	FHLMC PC GOLD COMB 15		.04/16/2012	WACHOVIA SECURITIES CAPIT		601,622	560,117	1,260	1
3128M5-QY-9	FHLMC PC GOLD COMB 30		.04/23/2012	Nomura		423,717	374,971	1,693	1
3128M7-ST-9	FHLMC PC GOLD COMB 30		.04/26/2012	G.X. CLARKE & COMPANY		127,092	117,542	473	1
3128M8-6L-3	FHLMC PC GOLD COMB 30		.04/16/2012	GOLDMAN, SACHS & CO.		2,304,517	2,095,016	5,761	1
3128M8-BQ-6	FHLMC PC GOLD COMB 30		.04/16/2012	BANC AMERICA SECURITIES L		1,035,844	970,772	2,184	1
3128M8-CW-2	FHLMC PC GOLD COMB 30		.04/19/2012	BANC AMERICA SECURITIES L		166,948	148,398	616	1
3128M8-HG-2	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		69,399	65,888	139	1
3128M8-Z7-2	FHLMC PC GOLD COMB 30		.04/17/2012	BARCLAYS CAPITAL		798,153	731,884	1,931	1
3128M9-B7-6	FHLMC PC GOLD COMB 30		.04/12/2012	MORGAN STANLEY		9,060,287	8,182,000	21,819	1
3128MJ-O4-5	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		399,036	377,339	797	1
3128MJ-FM-4	FHLMC PC GOLD COMB 30		.06/08/2012	UBS FINANCIAL SERVICES IN		6,345,341	6,035,996	9,976	1
312936-NA-1	FHLMC PC GOLD COMB 30		.04/16/2012	BANC AMERICA SECURITIES L		1,163,286	1,090,208	2,453	1
312941-NS-2	FHLMC PC GOLD COMB 30		.04/26/2012	G.X. CLARKE & COMPANY		169,280	156,560	631	1
312944-FE-6	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		135,563	128,117	270	1
312945-DS-4	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		37,100	35,223	74	1
312945-TE-8	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		143,001	135,436	286	1
312945-XY-9	FHLMC PC GOLD COMB 30		.04/17/2012	BANC AMERICA SECURITIES L		299,128	283,408	598	1
31326F-6L-6	FHLMC PC GOLD PC 30YR		.04/17/2012	DEUTSCHE BANK SECURITIES		564,216	534,011	1,127	1
31326L-DR-2	FHLMC PC GOLD PC 30YR		.06/19/2012	UBS FINANCIAL SERVICES IN		1,174,423	1,101,936	3,061	1
3138EH-SF-0	FNMA PASS-THRU ADJ SINGLE		.04/24/2012	BNP PARIBAS SECURITIES BO		10,204,402	9,469,069	28,603	1
3138AF-KH-2	FNMA PASS-THRU INT 15 YEAR		.04/17/2012	JP Morgan Securities, Inc		506,751	474,222	1,001	1
3138EH-UR-3	FNMA PASS-THRU INT 15 YEAR		.04/16/2012	CREDIT SUISSE FIRST BOSTO		303,109	287,009	502	1
3138LQ-3J-1	FNMA PASS-THRU INT 15 YEAR		.04/16/2012	GREENWICH CAPITAL MKTS, I		778,118	745,000	1,118	1
31410L-EC-2	FNMA PASS-THRU INT 15 YEAR		.04/16/2012	BNP PARIBAS SECURITIES BO		547,749	504,983	1,262	1
31418A-EG-9	FNMA PASS-THRU INT 15 YEAR		.04/16/2012	CREDIT SUISSE FIRST BOSTO		596,671	562,545	984	1
31418A-FY-9	FNMA PASS-THRU INT 15 YEAR		.06/28/2012	MORGAN STANLEY & CO. INC		767,015	730,219	1,704	1
31371M-3X-3	FNMA PASS-THRU LNG 30 YEAR		.04/17/2012	BANC AMERICA SECURITIES L		1,504,827	1,354,747	4,290	1
3138A2-BX-6	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	BANC AMERICA SECURITIES L		443,944	412,731	929	1
3138AV-GD-1	FNMA PASS-THRU LNG 30 YEAR		.06/19/2012	UBS FINANCIAL SERVICES IN		5,768,083	5,371,905	16,787	1
3138E0-RA-9	FNMA PASS-THRU LNG 30 YEAR		.05/31/2012	SALOMON SMITH BARNEY INC/		826,437	786,790	918	1
3138EH-OP-1	FNMA PASS-THRU LNG 30 YEAR		.04/26/2012	CHASE SECURITIES, INC.		323,511	301,686	0	1
3138EH-JW-3	FNMA PASS-THRU LNG 30 YEAR		.04/25/2012	BANC AMERICA SECURITIES L		789,015	699,017	3,660	1
31402R-JV-2	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	FIRST TENN BANK, N.A.-BOND		2,650,503	2,430,609	6,077	1
31402R-LZ-0	FNMA PASS-THRU LNG 30 YEAR		.04/17/2012	BANC AMERICA SECURITIES L		126,202	113,297	359	1
31410K-US-1	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	SALOMON SMITH BARNEY INC/		1,652,901	1,499,123	4,123	1
31410L-DU-3	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	BANC AMERICA SECURITIES L		100,119	93,270	210	1
31416C-JV-9	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	GOLDMAN, SACHS & CO.		1,600,259	1,440,053	4,320	1
31416W-H3-9	FNMA PASS-THRU LNG 30 YEAR		.04/17/2012	JP Morgan Securities, Inc		1,107,497	1,012,424	2,672	1
31416X-J7-6	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	CHASE SECURITIES, INC.		3,331,538	3,145,047	6,290	1
31417B-ZW-0	FNMA PASS-THRU LNG 30 YEAR		.05/10/2012	SALOMON SMITH BARNEY INC/		660,370	633,733	801	1
31417V-N6-6	FNMA PASS-THRU LNG 30 YEAR		.06/07/2012	CHASE SECURITIES		1,397,706	1,303,412	1,955	1
31417Y-2Y-2	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	GOLDMAN, SACHS & CO.		1,462,876	1,362,399	3,065	1
31417Y-W4-5	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	BANC AMERICA SECURITIES L		562,324	522,181	1,175	1
31418A-D9-6	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	WACHOVIA SECURITIES CAPIT		398,778	384,133	672	1
31418M-2T-8	FNMA PASS-THRU LNG 30 YEAR		.04/17/2012	BANC AMERICA SECURITIES L		181,238	163,669	518	1
31418M-GG-1	FNMA PASS-THRU LNG 30 YEAR		.05/02/2012	BANC AMERICA SECURITIES L		2,503,366	2,272,881	4,514	1
31419A-NJ-2	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	BARCLAYS CAPITAL		1,649,580	1,503,462	4,135	1
31419A-P5-0	FNMA PASS-THRU LNG 30 YEAR		.04/18/2012	BARCLAYS CAPITAL INC		395,123	349,570	1,389	1
31419B-BT-1	FNMA PASS-THRU LNG 30 YEAR		.06/13/2012	CHASE SECURITIES, INC.		229,736	215,367	407	1
31419F-FV-3	FNMA PASS-THRU LNG 30 YEAR		.04/16/2012	BANC AMERICA SECURITIES L		331,571	309,247	696	1
3136A3-7D-7	FNMA REMIC TRUST 2012-39		.06/19/2012	UBS FINANCIAL SERVICES IN		2,068,522	1,951,436	4,553	1
25477G-CY-9	DISTRICT COLUMBIA INCOME TAX R		.04/17/2012	GOLDMAN, SACHS & CO.		148,600	120,000	2,591	1FE
<b>District of Columbia Total</b>						148,600	120,000	2,591	XXX
167593-AN-2	CHICAGO ILL O HARE INTL ARPT R		.05/09/2012	MORGAN STANLEY		166,651	130,000	3,071	1FE
<b>Illinois Total</b>						166,651	130,000	3,071	XXX
59259N-ZH-9	METROPOLITAN TRANSN AUTH N Y D DED		.05/16/2012	SAMUEL A RAMIREZ & COMPAN		153,582	105,000	128	1FE
64972F-K8-8	NEW YORK N Y CITY MUN WTR FIN REV		.06/12/2012	CHASE SECURITIES		152,833	115,000	0	1FE
64971M-4P-4	NEW YORK N Y CITY TRANSITIONAL		.05/09/2012	CHASE SECURITIES, INC.		78,542	65,000	1,024	1FE
64971M-T4-4	NEW YORK N Y CITY TRANSITIONAL		.05/18/2012	SAMUEL A RAMIREZ & COMPAN		171,818	145,000	467	1FE

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
649710-HQ-9	NEW YORK N Y CITY TRANSITIONAL		.05/14/2012	CREDIT SUISSE FIRST BOSTO		54,929	45,000	.100	1FE
649710-JS-3	NEW YORK N Y CITY TRANSITIONAL		.05/14/2012	CITIGROUP GLOBAL MARKET I		59,961	50,000	.736	1FE
64990E-DE-4	NEW YORK ST DORM AUTH ST PERS		.06/14/2012	GOLDMAN, SACHS & CO.		109,584	90,000	.0	1FE
<b>New York Total</b>						781,249	615,000	2,455	XXX
796253-2K-7	SAN ANTONIO TEX ELEG & GAS REV		.06/07/2012	M LYNCH,PIERCE,FENNER, & S		249,160	200,000	.0	1FE
<b>Texas Total</b>						249,160	200,000	.0	XXX
917565-LB-7	UTAH TRAN AUTH SALES TAX REV		.06/27/2012	MITSUBISHI UFJ SECURITIES		204,888	155,000	.358	1FE
<b>Utah Total</b>						204,888	155,000	.358	XXX
927793-TC-3	VIRGINIA COMMLTH TRANSN BRD TR		.04/24/2012	GOLDMAN, SACHS & CO.		148,691	125,000	3,009	1FE
92817S-YH-5	VIRGINIA ST PUB SCH AUTH		.05/14/2012	DEPPA FIRST ALBANY SECURI		150,809	120,000	1,150	1FE
<b>Virginia Total</b>						299,500	245,000	4,159	XXX
<b>United States Total</b>						78,035,514	72,104,171	188,836	XXX
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>						78,035,514	72,104,171	188,836	XXX
02364W-AN-5	AMERICA MOVIL SAB DE CV	R.	.04/30/2012	UBS WARBURG		252,969	215,000	5,644	1FE
24668P-AB-3	DELHAIZE GROUP SA	R.	.04/16/2012	BARCLAYS CAPITAL		138,881	120,000	2,687	2FE
65504L-AK-3	NOBLE HOLD INT LTD	R.	.04/16/2012	CHASE SECURITIES, INC.		300,900	300,000	3,019	2FE
71645W-AR-2	PETROBRAS INTL FIN 5.375% 1/27/	R.	.04/13/2012	SALOMON SMITH BARNEY INC/		648,744	600,000	7,256	2FE
71645W-AM-3	PETROBRAS INTL FIN CO	R.	.04/16/2012	JEFFERIES & COMPANY		197,470	175,000	1,371	2FE
71645W-AP-6	PETROBRAS INTL FIN CO	R.	.04/16/2012	M LYNCH,PIERCE,FENNER, & S		210,805	190,000	2,701	2FE
87938W-AN-3	TELEFONICA EMISIONES S A U	R.	.04/16/2012	GOLDMAN, SACHS & CO.		200,361	205,000	1,432	2FE
893830-BA-6	TRANSOCEAN INC	R.	.04/24/2012	CHASE SECURITIES, INC.		102,547	95,000	1,892	2FE
91911T-AM-5	VALE OVERSEAS LTD	R.	.04/16/2012	MORGAN STANLEY&CO INC PRO		71,084	70,000	.834	2FE
00751Y-AA-4	ADVANCE AUTO PARTS INC		.06/21/2012	BNY/SUNTRUST CAPITAL MARK		102,311	90,000	.791	2FE
017363-AM-4	ALLEGHENY ENERGY SUPPLY CO LLC		.04/16/2012	WACHOVIA SECURITIES CAPIT		62,726	55,000	.41	2FE
01741R-AE-2	ALLEGHENY TECHNOLOGIES INC		.04/16/2012	CHASE SECURITIES, INC.		199,354	180,000	2,797	2FE
02006C-AC-7	ALLYA 2012-A -2.400% 11/15/ 144A		.06/08/2012	CHASE SECURITIES, INC.		100,244	100,000	.33	1FE
00163M-AL-8	AMB PPTY L P		.05/09/2012	BARCLAYS CAPITAL		200,463	190,000	2,114	2FE
026874-BT-3	AMERICAN INTL GROUP INC		.04/10/2012	CHASE SECURITIES		300,693	250,000	3,323	2FE
026874-BW-6	AMERICAN INTL GROUP INC		.05/23/2012	VARIOUS		28,023	25,000	.729	2FE
026870-DG-0	AMERICAN INTL GROUP INC MTN BE		.04/30/2012	JEFFERIES & CO BONDS DIR		353,504	320,000	5,564	2FE
03061U-AC-7	AMERICREDIT AUTO RECV 2012-3		.06/19/2012	CHASE SECURITIES, INC.		149,984	150,000	.0	1FE
030955-AN-8	AMERITECH CAP FUNDING CORP		.04/24/2012	STERNE, AGEE & LEACH, INC		147,456	130,000	2,413	1FE
032511-BH-9	ANADARKO PETE CORP		.04/16/2012	BARCLAYS CAPITAL		137,121	115,000	692	2FE
037411-AZ-8	APACHE CORP		.04/16/2012	SALOMON SMITH BARNEY INC/		102,604	100,000	.90	1FE
037735-CG-0	APPALACHIAN PIWR CO		.04/16/2012	DEUTSCHE BANK SECURITIES		151,865	125,000	.398	2FE
04044T-AJ-5	ARISTOTLE HLDG INC		.04/16/2012	CREDIT SUISSE FIRST BOSTO		252,911	245,000	1,858	2FE
00206R-AW-2	AT&T INC		.04/25/2012	NOMURA SECURITIES INTL		249,406	235,000	3,177	1FE
00206R-BA-9	AT&T INC		.04/16/2012	WACHOVIA SECURITIES CAPIT		251,772	220,000	2,171	1FE
05950W-AF-5	BANC AMER CMBS 2006-4		.04/17/2012	GOLDMAN, SACHS & CO.		508,605	450,000	1,338	1FE
059513-AE-1	BANC AMER CMBS 2007-4		.04/18/2012	NOMURA SECURITIES INTL		510,116	445,000	1,557	1FE
05952C-AE-0	BANC AMER CMBS 2007-5		.05/02/2012	WACHOVIA SECURITIES CAPIT		513,703	450,000	.412	1FE
060516-EK-1	BANK AMER CORP		.04/25/2012	VARIOUS		754,857	760,000	7,937	1FE
06406H-BY-4	BANK NEW YORK MTN BK ENT		.06/05/2012	US Bancorp Piper Jaffray		1,072,740	1,000,000	7,396	1FE
06849R-AG-7	BARRICK NORTH AMERICA FIN LLC		.04/16/2012	GREENWICH CAPITAL MKTS, I		197,557	180,000	3,962	1FE
073880-AE-9	BEAR STEARNS CMBS 2007-PWR17		.05/02/2012	UBS SECURITIES LLC		505,863	440,000	.418	1FE
084664-BQ-3	BERKSHIRE HATHAWAY FIN CORP		.04/16/2012	WACHOVIA SECURITIES CAPIT		300,050	275,000	3,052	1FE
05575B-AD-1	BMM VEH LEASE TR 2012-1		.04/18/2012	CHASE SECURITIES, INC.		144,974	145,000	.0	1FE
10112R-AU-8	BOSTON PPTYS LTD PARTNERSHIP		.05/31/2012	Banc/America Sec		324,282	325,000	.0	2FE
118230-AH-4	BUCKEYE PARTNERS L P		.04/16/2012	BNY/SUNTRUST CAPITAL MARK		202,760	185,000	1,809	2FE
120568-AU-4	BUNGE LTD FIN CORP		.04/16/2012	BARCLAYS CAPITAL		153,374	145,000	.561	2FE
120568-AV-2	BUNGE LTD FIN CORP		.06/12/2012	CHASE SECURITIES		79,846	80,000	.0	2FE
12189L-AD-3	BURLINGTON NORTH SANTA FE CP		.04/03/2012	DEUTSCHE-BANK SECURITIES		806,400	750,000	10,933	2FE
126802-BR-7	CABELAS CC MSTR TR 2011-11		.05/10/2012	DEUTSCHE-BANK SECURITIES		291,627	280,000	.0	1FE
126802-CE-5	CABMT 2012-2A A1-1.450% 6/15 144A		.06/20/2012	Wachovia Securites Capita		189,922	190,000	.0	1FE
14040H-AZ-8	CAPITAL ONE FINL CORP		.04/16/2012	MORGAN STANLEY&CO INC PRO		201,024	200,000	.311	2FE
14313J-AD-3	CARMAX AUTO TR 2012-2		.06/06/2012	BARCLAYS CAPITAL		339,935	340,000	.0	1FE
14912L-4X-6	CATERPILLAR FINL SVCS MTNS BE		.04/25/2012	RBC CAPITAL MARKETS CORP		253,751	245,000	1,242	1FE
17275R-AC-6	CISCO SYS INC		.04/25/2012	WACHOVIA SECURITIES CAPIT		250,542	215,000	2,234	1FE
12558B-AC-0	CIT EQUIP COLL TR 2012-VT1		.04/19/2012	BARCLAYS CAPITAL		254,978	255,000	.0	1FE
172967-EZ-0	CITIGROUP INC		.04/25/2012	VARIOUS		613,513	575,000	.721	1FE
172967-FF-3	CITIGROUP INC		.04/16/2012	VARIOUS		303,032	285,000	2,979	1FE
172967-EM-9	CITIGROUP INC SR NT 6.125%17		.04/27/2012	SALOMON SMITH BARNEY INC/		83,392	75,000	2,054	1FE

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STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
20030N-AV-3	COMCAST CORP NEW		.06/04/2012	Nomura		101,846	80,000	1,730	2FE
20030N-BB-6	COMCAST CORP NEW		.04/16/2012	WACHOVIA SECURITIES CAPIT		151,063	120,000	1,024	2FE
210371-AL-4	CONSTELLATION ENERGY GROUP INC		.04/16/2012	GOLDMAN, SACHS & CO.		150,270	135,000	2,665	2FE
210795-PZ-7	CONTINENTAL AIRLINE PT TR 2012-1		.04/16/2012	CREDIT SUISSE FIRST BOSTO		139,035	140,000	436	2FE
224044-BV-8	COX COMMUNICATIONS INC NEW		.04/16/2012	GOLDMAN, SACHS & CO.		151,144	105,000	1,173	2FE
22822R-AZ-3	CROWN CASTLE TOWERS LLC 144A		.06/08/2012	MORGAN STANLEY		264,175	240,000	911	1FE
22546N-AD-6	CSFB COML MTG PTC 2008-C1		.04/17/2012	CREDIT SUISSE FIRST BOSTO		509,031	455,000	1,539	1FE
24422E-RL-5	DEERE JOHN CAP CORP MTNS BE		.04/16/2012	RBC CAPITAL MARKETS CORP		400,620	390,000	2,968	1FE
25459H-AU-9	DIRECTV HLDGS LLC / DIRECTV		.04/16/2012	BARCLAYS CAPITAL		299,705	260,000	764	2FE
25755T-AC-4	DOMINOS PIZZA MSTR 2012-1 144A		.06/06/2012	VARIOUS		467,252	449,044	2,654	2FE
260543-CD-3	DOW CHEMICAL CO/THE 2.500% 2/15/		.04/16/2012	BANC AMERICA SECURITIES L		548,969	530,000	2,356	2FE
260543-CC-5	DOW CHEMICAL CO/THE 4.250% 11/15/		.06/11/2012	Banc/America Sec		210,138	195,000	656	2FE
278642-AC-7	EBAY INC		.05/18/2012	MCDONALD & COMPANY SECURI		2,136,262	2,035,000	6,981	1FE
278865-AK-6	ECOLAB INC		.04/16/2012	CANTOR FITZGERALD & CO		247,079	235,000	2,565	1FE
29250R-AT-3	ENBRIDGE ENERGY PARTNERS L P		.04/16/2012	MORGAN STANLEY&CO INC PRO		109,814	100,000	519	2FE
29266R-AC-2	ENERGIZER HLDGS INC		.06/08/2012	VARIOUS		203,726	200,000	198	2FE
29273R-AQ-2	ENERGY TRANSFER PRTRNS L P		.05/07/2012	VARIOUS		148,424	140,000	2,246	2FE
29348Q-AB-8	ENOGEX LLC 144A		.04/23/2012	WACHOVIA SECURITIES CAPIT		101,737	90,000	641	2FE
29379V-AT-0	ENTERPRISE PRODS OPER LLC		.04/16/2012	WACHOVIA SECURITIES CAPIT		198,489	175,000	2,256	2FE
26884L-AB-5	EQT CORP		.04/16/2012	CHASE SECURITIES, INC.		197,779	195,000	4,278	2FE
26884T-AA-0	ERAC USA FINANCE COMPANY		.04/16/2012	MORGAN STANLEY&CO INC PRO		155,460	140,000	368	2FE
30161M-AG-8	EXELON GENERATION CO LLC		.04/16/2012	MORGAN STANLEY&CO INC PRO		102,522	85,000	266	2FE
316773-CK-4	FIFTH THIRD BANCORP		.06/20/2012	DEUTSCHE BANK SECURITIES		100,285	95,000	1,435	2FE
316773-CL-2	FIFTH THIRD BANCORP		.04/16/2012	SALOMON SMITH BARNEY INC/		99,665	100,000	408	2FE
33582V-AB-4	FIRST NIAGARA FINL GP INC		.04/23/2012	MORGAN KEEGAN & COMPANY I		1,109,950	1,000,000	6,938	2FE
337358-BH-7	FIRST UN CORP		.06/26/2012	VARIOUS		1,142,418	903,000	24,435	1FE
33766J-AB-9	FIRSTENERGY SOLUTIONS CORP		.04/16/2012	GOLDMAN, SACHS & CO.		297,913	275,000	2,347	2FE
33803W-AA-7	FISHERS LANE ASSOCS LLC BD 144A		.06/21/2012	MORGAN KEEGAN & COMPANY I		1,000,000	1,000,000	0	1FE
340711-AV-2	FLORIDA GAS TRANSMISSION CO 144A		.06/12/2012	GREENWICH CAPITAL MKTS, I		69,911	70,000	0	2FE
345397-VY-6	FORD MOTOR CREDIT CO LLC 144A		.06/06/2012	EXCHANGE		1,825,000	1,825,000	0	1FE
345397-VZ-3	FORD MOTOR CREDIT CO LLC 144A		.06/06/2012	EXCHANGE		1,390,153	1,375,000	0	1FE
30277M-AB-0	FUEL TR NT 144A		.04/04/2012	DEUTSCHE-BANK SECURITIES		532,838	525,000	6,682	2FE
369622-SM-8	GENERAL ELEC CAP CORP		.04/16/2012	US BANCORP INVESTMENTS IN		506,966	465,000	4,655	1FE
36962G-3P-7	GENERAL ELEC CAP CORP MTN BE		.04/16/2012	SALOMON SMITH BARNEY INC/		394,700	355,000	5,504	1FE
36962G-4X-9	GENERAL ELEC CAP CORP MTN BE		.04/25/2012	VARIOUS		407,624	400,000	2,563	1FE
373334-JS-1	GEORGIA PWR CO		.04/16/2012	WACHOVIA SECURITIES CAPIT		304,788	280,000	1,773	1FE
38141G-GS-7	GOLDMAN SACHS GROUP INC		.04/16/2012	BANC AMERICA SECURITIES L		295,655	290,000	3,937	1FE
38143U-SC-6	GOLDMAN SACHS GROUP INC		.04/25/2012	VARIOUS		461,275	460,000	3,512	1FE
201730-AE-1	GREENWICH CAP CMBS 2007-GG9		.04/17/2012	CREDIT SUISSE FIRST BOSTO		511,791	465,000	1,336	1FE
402524-AD-4	GULF SOUTH PIPELINE CO LP 144A		.06/07/2012	BARCLAYS CAPITAL		94,659	95,000	0	2FE
421946-AG-9	HEALTHCARE RLTY TR		.04/16/2012	CHASE SECURITIES, INC.		151,328	145,000	2,177	2FE
428236-BX-0	HEWLETT PACKARD CO		.04/16/2012	BANC AMERICA SECURITIES L		301,485	300,000	1,249	1FE
448579-AC-6	HYATT HOTELS CORP		.04/24/2012	STERNE, AGEE & LEACH, INC		173,821	165,000	1,279	2FE
44890F-AD-9	HYUNDAI AUTO LEASE TR 2012-A 144A		.06/13/2012	SALOMON SMITH BARNEY INC/		99,994	100,000	0	1FE
459200-GU-9	INTERNATIONAL BUSINESS MACHS		.04/25/2012	WACHOVIA SECURITIES CAPIT		253,453	245,000	1,565	1FE
460146-CG-6	INTL PAPER CO		.04/16/2012	BANC AMERICA SECURITIES L		217,728	205,000	1,731	2FE
472319-AJ-1	JEFFERIES GROUP INC NEW		.06/22/2012	VARIOUS		255,156	260,000	685	2FE
46630V-AD-4	JP MORGAN CHASE 2007-C1BC19		.04/17/2012	GOLDMAN, SACHS & CO.		508,658	450,000	1,407	1FE
46625H-HP-8	JPMORGAN CHASE & CO		.04/25/2012	VARIOUS		311,255	295,000	2,817	1FE
46625H-HR-4	JPMORGAN CHASE & CO		.04/23/2012	CHASE SECURITIES, INC.		251,155	240,000	2,765	1FE
46625H-JC-5	JPMORGAN CHASE & CO		.05/11/2012	CHASE SECURITIES, INC.		393,833	375,000	4,123	1FE
46625H-JD-3	JPMORGAN CHASE & CO		.04/16/2012	MCDONALD & COMPANY SECURI		346,124	330,000	3,548	1FE
49326E-ED-1	KEYCORP MEDIUM TERM NTS BE		.04/26/2012	VARIOUS		1,426,942	1,270,000	6,198	2FE
494550-BL-9	KINDER MORGAN ENERGY PARTNERS		.06/05/2012	VARIOUS		251,456	250,000	1,390	2FE
50076Q-AC-0	KRAFT FOODS GROUP INC		.05/30/2012	BARCLAYS CAPITAL		39,717	40,000	0	2FE
50076Q-AF-3	KRAFT FOODS GROUP INC		.05/30/2012	Greenwich Capital Markets		173,425	175,000	0	2FE
501044-CR-0	KROGER CO		.04/16/2012	Merrill Lynch		120,613	120,000	50	2FE
502413-AZ-0	L-3 COMMUNICATIONS CORP		.04/25/2012	WACHOVIA SECURITIES CAPIT		159,470	150,000	2,078	2FE
512807-AL-2	LAM RESEARCH CORP		.05/10/2012	J.P. MORGAN SECURITIES LL		933,699	920,000	0	1FE
50179A-AE-7	LB-UBS CMBS 2007-C1		.04/17/2012	NOMURA SECURITIES INTL		508,289	450,000	610	1FE
524901-AQ-8	LEGG MASON INC 144A		.05/16/2012	SALOMON SMITH BARNEY INC/		1,088,571	1,100,000	0	2FE
534187-AZ-2	LINCOLN NATL CORP IND		.05/08/2012	STIFEL, NICOLAUS & CO., IN		64,034	60,000	1,046	2FE
55616X-AC-1	MACYS RETAIL HLDGS INC		.04/13/2012	JANNEY MONTGOMERY SCOTT I		437,554	375,000	4,594	2FE

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## STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
571903-AJ-2	MARRIOTT INTL INC NEW		04/23/2012	CHASE SECURITIES, INC.		69,728	70,000	.344	2FE
577778-CE-1	MAY DEPT STORES CO		04/03/2012	DEUTSCHE BANK SECURITIES		652,028	573,000	8,958	2FE
59025W-AE-6	ML MTG TRUST 2008-C1		05/30/2012	Wachovia Securites Capita		523,861	460,000	.218	1FE
61747Y-CT-0	MORGAN STANLEY		04/16/2012	MORGAN STANLEY&CO INC PRO		520,871	535,000	8,562	1FE
61750C-AF-4	MORGAN STANLEY CAP 2006-HQ9		04/24/2012	BARCLAYS CAPITAL		507,335	445,000	1,842	1FE
61915R-AA-4	MORTGAGE IT TR 2005-2		06/29/2012	GUGGENHEIM CAPITAL MARKET		202,787	241,234	.14	1AM
626717-AD-4	MURPHY OIL CORP		06/05/2012	VARIOUS		171,922	170,000	222	2FE
629568-AX-4	NABORS INDS INC		04/16/2012	BARCLAYS CAPITAL		375,146	355,000	1,551	2FE
637432-MQ-5	NATIONAL RURAL UTILS COOP FIN		04/30/2012	GOLDMAN, SACHS & CO.		205,016	200,000	1,542	1FE
63946B-AD-2	NBCUNIVERSAL MEDIA LLC		04/16/2012	GOLDMAN, SACHS & CO.		200,839	175,000	4,231	2FE
641423-CA-4	NEVADA POWER CO		04/16/2012	Scotia Capital Markets(US		203,305	170,000	3,963	2FE
649081-AA-4	NEW VALLEY GEN IV 2003-1		04/17/2012	R.W. PRESSPRICH & CO., IN		2,466,365	2,151,175	26,607	1FE
652482-BN-9	NEWS AMER INC		06/11/2012	BNY/SUNTRUST CAPITAL MARK		303,237	270,000	4,751	2FE
652482-BQ-2	NEWS AMER INC		06/04/2012	CHASE SECURITIES		232,446	200,000	813	2FE
652482-CB-4	NEWS AMER INC		04/16/2012	WACHOVIA SECURITIES CAPIT		503,981	465,000	3,720	1FE
65473Q-AX-1	NISOURCE FIN CORP		04/24/2012	CHASE SECURITIES, INC.		204,941	180,000	3,927	2FE
65473Q-BB-8	NISOURCE FIN CORP		06/11/2012	SALOMON SMITH BARNEY INC/		39,946	40,000	.0	2FE
65474V-AE-1	NISSAN MSTR OWNR TR 2012-A		05/15/2012	BARCLAYS CAPITAL		430,000	430,000	.0	1FE
655044-AE-5	NOBLE ENERGY INC		04/16/2012	SG COWEN SECURITIES CORP		205,441	180,000	1,440	2FE
67059T-AB-1	NUSTAR LOGISTICS L P		04/23/2012	WACHOVIA SECURITIES CAPIT		149,694	145,000	1,063	2FE
67103H-AA-5	O REILLY AUTOMOTIVE INC NEW		06/18/2012	CHASE SECURITIES, INC.		146,376	135,000	2,870	2FE
674599-CE-3	OCCIDENTAL PETE CORP DEL		06/19/2012	BANC AMERICA SECURITIES L		164,569	165,000	.0	1FE
681919-AZ-9	OMNICOM GROUP INC		04/18/2012	CHASE SECURITIES, INC.		263,853	265,000	.0	2FE
682680-AQ-6	ONEOK INC NEW		04/23/2012	GOLDMAN, SACHS & CO.		103,555	100,000	1,063	2FE
68389X-AC-9	ORACLE CORP		04/25/2012	HSBC SECURITIES, INC.		255,738	210,000	503	1FE
718546-AA-2	PHILLIPS 66		04/16/2012	UBS WARBURG		72,762	70,000	309	2FE
718546-AF-1	PHILLIPS 66		04/16/2012	MORGAN STANLEY&CO INC PRO		68,659	65,000	392	2FE
72650R-AW-2	PLAINS ALL AMERN PIPELINE L P		04/16/2012	FIRST TENN SECURITIES COR		151,011	130,000	1,952	2FE
693476-BH-5	PNC FUNDING CORP		04/23/2012	MERRILL LYNCH PROFESSIONL C		101,624	95,000	746	1FE
693476-BN-2	PNC FUNDING CORP		04/16/2012	RBC CAPITAL MARKETS CORP		251,040	250,000	940	1FE
741503-AP-1	PRICELINE COM INC SR NT CV 144A 18		04/24/2012	GOLDMAN, SACHS & CO.		62,519	59,000	.73	2FE
74251V-AD-4	PRINCIPAL FINL GROUP INC		06/19/2012	WACHOVIA SECURITIES CAPIT		157,355	120,000	1,095	1FE
74432Q-BJ-3	PRUDENTIAL FINL INC MTNS BOOK		04/24/2012	GOLDMAN, SACHS & CO.		152,345	140,000	739	1FE
74432Q-BM-6	PRUDENTIAL FINL INC MTNS BOOK		06/18/2012	VARIOUS		150,247	135,000	1,533	2FE
748356-AA-0	QUESTAR CORP		04/26/2012	RBC CAPITAL MARKETS CORP		1,041,500	1,000,000	6,875	1FE
758202-AG-0	REED ELSEVIER CAP INC		05/17/2012	MORGAN STANLEY & CO. INC		191,078	150,000	4,564	2FE
75884R-AR-4	REGENCY CTRS L P		04/16/2012	WACHOVIA SECURITIES CAPIT		79,641	70,000	1,447	2FE
759351-AJ-8	REINSURANCE GROUP AMER INC		04/16/2012	BANC AMERICA SECURITIES L		143,874	135,000	2,588	2FE
760759-AN-0	REPUBLIC SVCS INC		04/16/2012	DEUTSCHE BANK SECURITIES		200,500	170,000	4,145	2FE
760759-AP-5	REPUBLIC SVCS INC		05/14/2012	WACHOVIA SECURITIES CAPIT		119,668	120,000	.0	2FE
779382-AK-6	ROWAN COMPANIES INC 7.875% 8/01/		04/17/2012	JEFFERIES & CO BONDS DIR		150,200	125,000	2,160	2FE
828807-CH-8	SIMON PPTY GROUP LP		04/16/2012	WACHOVIA SECURITIES CAPIT		300,069	290,000	3,451	1FE
78446X-AB-1	SLM PRIV ED LN TR 2012-B		04/04/2012	BARCLAYS CAPITAL		1,599,836	1,600,000	.0	1FE
872312-AA-1	TCM SUB LLC		04/16/2012	GOLDMAN, SACHS & CO.		153,967	145,000	1,344	2FE
87875U-AK-8	TECO FIN INC		05/02/2012	VARIOUS		514,670	450,000	3,122	2FE
881561-XJ-8	TERWIN MTG TR 2005-14HE		06/19/2012	DEUTSCHE BANK SECURITIES		49,943	50,479	.143	1FE
88732J-BB-3	TIME WARNER CABLE INC		04/16/2012	GOLDMAN, SACHS & CO.		138,356	130,000	953	2FE
887315-AY-5	TIME WARNER COS INC		04/16/2012	BNY/SUNTRUST CAPITAL MARK		129,810	105,000	2,486	2FE
907818-DJ-4	UNION PAC CORP		04/16/2012	NOIMURA SECURITIES INTL		144,867	135,000	606	2FE
908906-AC-4	UNIONBANCAL CORP		06/11/2012	MORGAN STANLEY & CO. INC		14,880	15,000	.0	1FE
913017-BT-5	UNITED TECHNOLOGIES CORP		05/24/2012	HSBC Securities		153,089	155,000	.0	1FE
91324P-BP-6	UNITEDHEALTH GROUP INC		04/16/2012	JEFFERIES & CO BONDS DIR		68,762	60,000	501	1FE
91324P-BU-5	UNITEDHEALTH GROUP INC		04/16/2012	STIFEL, NICOLAUS & CO., IN		67,037	65,000	1,328	1FE
91529Y-AH-9	UNUM GROUP		04/16/2012	SALOMON SMITH BARNEY INC/		303,932	280,000	1,488	2FE
902973-AV-8	US BANCORP DEL		04/16/2012	MORGAN STANLEY&CO INC PRO		140,384	135,000	1,007	2FE
920253-AD-3	VALMONT INDS INC		04/16/2012	WACHOVIA SECURITIES CAPIT		98,925	85,000	2,800	2FE
92276M-AY-1	VENTAS RLTY LTD PARTNERSHIP		06/21/2012	VARIOUS		122,122	120,000	399	2FE
92867K-AD-6	VOLKSWAGEN AUTO LSE TR 2012-A		06/13/2012	CHASE SECURITIES, INC.		129,985	130,000	.0	1FE
92979F-AD-2	WACHOVIA CMBS 2007-C34		04/17/2012	NOIMURA SECURITIES INTL		507,578	445,000	1,334	1FE
94974B-FC-9	WELLS FARGO & CO 3.500% 3/08/		04/16/2012	FIRST TENN SECURITIES COR		1,003,724	1,005,000	4,006	1FE
98158V-AC-9	WORLD OMNI AUTO LEASE 2012-A		06/05/2012	Banc/America Sec		124,982	125,000	.0	1FE
98158V-AD-7	WORLD OMNI AUTO LEASE 2012-A		06/05/2012	Banc/America Sec		129,992	130,000	.0	1FE
984121-BW-2	XEROX CORP 6.350% 5/15/		04/23/2012	WACHOVIA SECURITIES CAPIT		248,991	210,000	5,964	2FE

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
008281-AG-2	AFRICAN DEV BK	R	.05/16/2012	MIZUHO SECURITIES USA INC		2,061,600	1,500,000	29,333	1FE
03938L-AR-5	ARCELOMITTAL SA LUXEMBOURG	R	.04/16/2012	JP MORGAN CHASE BANK/HSBC		299,130	295,000	2,274	2FE
06675E-AB-6	BANQUE PSA FIN	R	.04/16/2012	GOLDMAN, SACHS & CO.		125,801	125,000	228	2FE
06739F-FZ-9	BARCLAYS BK PLC	R	.04/16/2012	BARCLAYS CAPITAL		296,139	280,000	4,004	1FE
136385-AK-7	CANADIAN NAT RES LTD	I	.04/16/2012	CHASE SECURITIES, INC.		374,192	315,000	7,681	2FE
29358Q-AB-5	ENSCO PLC	R	.04/23/2012	CHASE SECURITIES, INC.		205,023	195,000	722	2FE
34988W-AD-6	FOSSE MASTER 2011-1	R	.05/01/2012	DEUTSCHE BANK SECURITIES		201,440	200,000	175	1FE
34988W-AC-7	FOSSE MASTER 2012-1	R	.05/16/2012	BARCLAYS CAPITAL		165,000	165,000	0	1FE
43641N-BP-8	HOLMES MASTER ISSUER 2012-1	R	.05/01/2012	DEUTSCHE BANK SECURITIES		252,750	250,000	265	1FE
404280-AK-5	HSBC HLDGS PLC	R	.04/16/2012	FIRST TENN SECURITIES COR		299,145	275,000	545	1FE
539473-AQ-1	LLOYDS TSB BANK PLC 4.200% 3/28/	R	.04/04/2012	DEUTSCHE-BANK SECURITIES		352,776	350,000	490	1FE
63254A-AB-4	NATIONAL AUSTRALIA BK LTD	R	.06/01/2012	RBC CAPITAL MARKETS CORP		2,010,360	2,000,000	13,292	1FE
65557F-AB-2	NORDEA BK AB EURO MTN	R	.04/16/2012	MORGAN STANLEY&CO INC PRO		535,963	535,000	1,347	1FE
70213B-AA-9	PARTNERRE FINANCE B LLC	R	.05/29/2012	Morgan Keegan		1,113,021	1,050,000	0	1FE
69353U-AB-7	PPL WEM HOLDINGS PLC	R	.05/08/2012	VARIOUS		449,376	425,000	2,857	2FE
749343-AB-5	RCI BANQUE S A	R	.04/16/2012	FIRST TENN SECURITIES COR		141,123	140,000	125	2FE
78447D-AF-5	SMART ABS US TRUST 2012-2 144A	R	.06/06/2012	Greenwich Capital Markets		319,927	320,000	0	1FE
83173K-AD-4	SMART US TRUST 2012-1 144A	R	.06/26/2012	GREENWICH CAPITAL MKTS, I		154,818	155,000	97	1FE
87425E-AM-5	TALISMAN ENERGY INC	I	.05/17/2012	VARIOUS		250,266	250,000	2,444	2FE
87927V-AU-2	TELECOM ITALIA CAP	R	.04/13/2012	BNP Paribas		551,250	525,000	13,677	2FE
87927V-AW-8	TELECOM ITALIA CAP	R	.04/16/2012	MORGAN STANLEY&CO INC PRO		196,371	190,000	3,943	2FE
92852T-AB-8	VIVENDI SA	R	.04/24/2012	RBC CAPITAL MARKETS CORP		147,704	150,000	216	2FE
947075-AF-4	WEATHERFORD INTL LTD	R	.04/16/2012	CHASE SECURITIES, INC.		153,317	115,000	1,476	2FE
94707V-AC-4	WEATHERFORD INTL LTD BERMUDA	R	.04/16/2012	SALOMON SMITH BARNEY INC/		122,722	120,000	225	2FE
97063P-AA-2	WILLIS GROUP HLDGS PUBLIC LTD	R	.05/03/2012	MORGAN KEEGAN & COMPANY I		1,049,390	1,000,000	6,073	2FE
92936M-AB-3	WPP FIN 2010	R	.04/19/2012	BARCLAYS CAPITAL		399,424	375,000	7,570	2FE
<b>Canada Total</b>						10,166,428	9,800,000	69,726	XXX
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						70,349,664	65,611,932	483,727	XXX
8399997. Total - Bonds - Part 3						275,972,388	259,389,607	1,368,882	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						275,972,388	259,389,607	1,368,882	XXX
854502-30-9	STANLEY BLACK & DECKER INC CORP UN		.04/17/2012	VENDOR CODE 699 NOT IN TA	3,800,000	471,200	0.00	0	P2UFE
8499999. Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)						471,200	XXX	0	XXX
8999997. Total - Preferred Stocks - Part 3						471,200	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						471,200	XXX	0	XXX
921909-82-6	VANGUARD DEVELOPED MKTS INDEX INST		.05/09/2012	VANGUARD GROUP	1,097,142.857	9,600,000	0	0	L
922031-74-5	VANGUARD FIXED INCOME SECS FD		.06/29/2012	VANGUARD GROUP	1,706,194.176	20,047,660	0	0	L
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		.06/29/2012	VANGUARD GROUP	2,818.267	342,983	0	0	L
9299999. Subtotal - Common Stocks - Mutual Funds						29,990,643	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						29,990,643	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						29,990,643	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						30,461,843	XXX	0	XXX
9999999 - Totals						306,434,231	XXX	1,368,882	XXX

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

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
36210J-CH-9	GNMA 493372 6.00% OF 12/15/28		06/15/2012	PRINCIPAL RECEIPT		15,438	15,438	15,332	15,344	.0	.94	.0	.94	.0	15,438	.0	.0	.0	.313	12/15/2028	1
36211H-QK-0	GNMA 513558 7.50% OF 12/15/29		06/15/2012	PRINCIPAL RECEIPT		.783	.783	.781	.781	.0	.2	.0	.2	.0	.783	.0	.0	.0	.23	12/15/2029	1
36241K-HV-3	GNMA I POOL #782044 6.500% 12/15/		04/01/2012	Write Off		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	12/15/2032	1
36202F-40-6	GNMA PASS-THRU M SINGLE FAMILY		06/20/2012	PRINCIPAL RECEIPT		5,964	5,964	6,297	.0	.0	(333)	.0	(333)	.0	5,964	.0	.0	.0	.18	03/20/2042	1
36202F-KS-4	GNMA PASS-THRU M SINGLE FAMILY		06/20/2012	PRINCIPAL RECEIPT		581,644	581,644	660,166	.0	.0	(78,522)	.0	(78,522)	.0	581,644	.0	.0	.0	4,014	09/20/2040	1
36202F-MA-1	GNMA PASS-THRU M SINGLE FAMILY		06/20/2012	PRINCIPAL RECEIPT		17,798	17,798	19,336	.0	.0	(1,537)	.0	(1,537)	.0	17,798	.0	.0	.0	.61	11/20/2040	1
36202F-UF-1	GNMA PASS-THRU M SINGLE FAMILY		06/20/2012	PRINCIPAL RECEIPT		158,214	158,214	172,700	172,837	.0	(14,623)	.0	(14,623)	.0	158,214	.0	.0	.0	2,710	06/20/2041	1
36230M-EP-8	GNMA PASS-THRU X MATURE LN PRG		04/15/2012	VARIOUS		498,809	479,752	479,452	479,432	.0	(6)	.0	(6)	.0	479,426	.0	19,383	19,383	6,902	07/15/2025	1
36241K-T4-0	GNMA PASS-THRU X PLATINUM 30YR		06/15/2012	PRINCIPAL RECEIPT		583,741	583,741	641,660	642,783	.0	(59,041)	.0	(59,041)	.0	583,741	.0	.0	.0	10,954	08/15/2038	1
36241L-DM-5	GNMA PASS-THRU X PLATINUM 30YR		06/15/2012	PRINCIPAL RECEIPT		106,494	106,494	115,979	116,042	.0	(9,548)	.0	(9,548)	.0	106,494	.0	.0	.0	2,251	11/15/2039	1
36241L-H2-5	GNMA PASS-THRU X PLATINUM 30YR		06/15/2012	PRINCIPAL RECEIPT		377,340	377,340	417,550	417,968	.0	(40,628)	.0	(40,628)	.0	377,340	.0	.0	.0	7,394	05/15/2040	1
36241L-TS-5	GNMA PASS-THRU X PLATINUM 30YR		06/15/2012	PRINCIPAL RECEIPT		312,191	312,191	340,971	341,260	.0	(29,070)	.0	(29,070)	.0	312,191	.0	.0	.0	5,179	03/15/2041	1
36241L-YF-7	GNMA PASS-THRU X PLATINUM 30YR		06/15/2012	PRINCIPAL RECEIPT		618,200	618,200	679,633	680,826	.0	(62,627)	.0	(62,627)	.0	618,200	.0	.0	.0	11,878	08/15/2041	1
36176X-KP-3	GNMA PASS-THRU X SINGLE FAMILY		06/15/2012	PRINCIPAL RECEIPT		3,791	3,791	4,000	.0	.0	(209)	.0	(209)	.0	3,791	.0	.0	.0	.17	04/15/2042	1
3620AS-EQ-8	GNMA PASS-THRU X SINGLE FAMILY		06/15/2012	PRINCIPAL RECEIPT		377,539	377,539	411,871	412,193	.0	(34,655)	.0	(34,655)	.0	377,539	.0	.0	.0	7,036	04/15/2041	1
3620CO-2Y-3	GNMA PASS-THRU X SINGLE FAMILY		06/15/2012	PRINCIPAL RECEIPT		33,296	33,296	36,594	.0	.0	(3,298)	.0	(3,298)	.0	33,296	.0	.0	.0	.166	07/15/2040	1
3620CO-ZB-7	GNMA PASS-THRU X SINGLE FAMILY		06/15/2012	PRINCIPAL RECEIPT		70,100	70,100	77,045	.0	.0	(6,944)	.0	(6,944)	.0	70,100	.0	.0	.0	.399	06/15/2040	1
36220F-UV-4	GNMA POOL #276996		06/15/2012	PRINCIPAL RECEIPT		.187	.187	.194	.191	.0	(4)	.0	(4)	.0	.187	.0	.0	.0	.6	08/15/2020	1
38374B-OP-1	GNMA REMIC TRUST 2003-72		06/16/2012	PRINCIPAL RECEIPT		408,503	408,503	431,992	419,737	.0	(11,234)	.0	(11,234)	.0	408,503	.0	.0	.0	9,007	02/16/2030	1
83162C-QG-1	SMALL BUS ADMIN GTD DEV PTC		06/01/2012	VARIOUS		23,498	23,498	23,498	23,498	.0	.690	.0	.690	.0	24,187	.0	(690)	(690)	727	05/01/2026	1
83162C-HN-6	SMALL BUSINESS ADMIN GTD 97-20F		06/01/2012	PAID DOWN		837	837	835	836	.0	.0	.0	.0	.0	836	.0	.0	.0	.30	06/01/2017	1
912810-EX-2	UNITED STATES TREAS BDS		06/13/2012	VARIOUS		2,188,525	1,420,000	2,149,081	.0	.0	(3,025)	.0	(3,025)	.0	2,146,056	.0	42,469	42,469	23,156	08/15/2026	1
912810-QE-1	UNITED STATES TREAS BDS		06/28/2012	VARIOUS		1,760,563	1,305,000	1,693,238	.0	.0	(767)	.0	(767)	.0	1,692,471	.0	68,092	68,092	15,449	02/15/2040	1
912810-QT-8	UNITED STATES TREAS BDS		05/15/2012	VARIOUS		250,844	245,000	239,852	.0	.0	.17	.0	.17	.0	239,868	.0	10,975	10,975	3,737	11/15/2041	1
912810-QU-5	UNITED STATES TREAS BDS		05/15/2012	VARIOUS		72,976,172	72,000,000	73,005,469	.0	.0	.0	.0	.0	.0	73,005,469	.0	(29,297)	(29,297)	505,323	02/15/2042	1
912810-QW-1	UNITED STATES TREAS BDS		05/23/2012	VARIOUS		18,376,406	18,000,000	18,721,875	.0	.0	(73)	.0	(73)	.0	18,721,802	.0	(345,396)	(345,396)	11,739	05/15/2042	1
912828-NE-6	UNITED STATES TREAS NTS		04/04/2012	VARIOUS		1,826,705	1,826,705	1,834,553	1,828,955	.0	(2,447)	.0	(2,447)	.0	1,826,508	.0	197	197	4,916	05/31/2012	1
912828-PR-5	UNITED STATES TREAS NTS		04/12/2012	BARCLAYS CAPITAL		7,525,170	7,500,000	7,536,676	753,595	.0	(7,801)	.0	(7,801)	.0	7,528,776	.0	(3,605)	(3,605)	12,260	01/31/2013	1
912828-RC-6	UNITED STATES TREAS NTS		05/07/2012	VARIOUS		1,172,040	1,145,000	1,167,900	.0	.0	(54)	.0	(54)	.0	1,167,846	.0	4,194	4,194	4,734	08/15/2021	1
912828-RY-8	UNITED STATES TREAS NTS		06/26/2012	IN		3,066,563	3,000,000	2,994,258	.0	.0	363	.0	363	.0	2,994,621	.0	71,942	71,942	20,285	12/31/2018	1
912828-SG-6	UNITED STATES TREAS NTS		04/24/2012	BARCLAYS CAPITAL		17,594,434	17,600,000	17,556,761	.0	.0	2,002	.0	2,002	.0	17,558,763	.0	35,671	35,671	6,520	02/28/2014	1
912828-SJ-0	UNITED STATES TREAS NTS		04/25/2012	VARIOUS		15,030,375	15,000,000	14,857,734	.0	.0	1,902	.0	1,902	.0	14,859,637	.0	170,738	170,738	17,313	02/28/2017	1
912828-SK-7	UNITED STATES TREAS NTS		06/20/2012	VARIOUS		56,635,340	56,670,000	56,398,791	.0	.0	6,706	.0	6,706	.0	56,405,496	.0	229,843	229,843	21,606	03/15/2015	1
0599999	Subtotal - Bonds - U.S. Governments					202,597,504	199,885,310	202,692,074	6,306,278	0	(354,670)	0	(354,670)	0	202,322,985	0	274,516	274,516	716,123	XXX	XXX
448814-DX-8	HYDRO-QUEBEC	1	04/09/2012	MORGAN KEEGAN & COMPANY		710,000	500,000	693,125	681,580	.0	(4,023)	.0	(4,023)	.0	677,557	.0	32,443	32,443	31,150	01/15/2022	1FE
Canada Total						710,000	500,000	693,125	681,580	0	(4,023)	0	(4,023)	0	677,557	0	32,443	32,443	31,150	XXX	XXX
1099999	Subtotal - Bonds - All Other Governments					710,000	500,000	693,125	681,580	0	(4,023)	0	(4,023)	0	677,557	0	32,443	32,443	31,150	XXX	XXX
313400-BV-4	FEDERAL HOME LN MTG CORP ZERO		04/09/2012	UBS FINANCIAL SERVICES		380,610	500,000	380,610	.0	.0	1,678	.0	1,678	.0	382,288	.0	(1,678)	(1,678)	1,890	11/29/2019	1
3128LX-S7-6	FHLMC GOLD #602342 5.000% 10/01/		06/15/2012	PRINCIPAL RECEIPT		109,039	109,039	118,563	.0	.0	(9,524)	.0	(9,524)	.0	109,039	.0	.0	.0	.699	10/01/2036	1
3128M5-K5-8	FHLMC GOLD #603616 6.000% 12/01/		06/15/2012	PRINCIPAL RECEIPT		51,240	51,240	56,844	.0	.0	(5,604)	.0	(5,604)	.0	51,240	.0	.0	.0	.410	12/01/2037	1
3128M5-NQ-9	FHLMC GOLD #603699 6.000% 1/01/		06/15/2012	PRINCIPAL RECEIPT		84,827	84,827	92,528	92,532	.0	(7,704)	.0	(7,704)	.0	84,827	.0	.0	.0	2,083	01/01/2038	1
31329F-FX-0	FHLMC GOLD #001982 4.500% 7/01/		04/15/2012	VARIOUS		254,472	237,290	253,455	254,197	.0	(481)	.0	(481)	.0	253,716	.0	757	757	3,881	07/01/2041	1
3128JM-GQ-4	FHLMC PC 1YR LIBOR VR		04/15/2012	PRINCIPAL RECEIPT		269	269	264	264	.0	.5	.0	.5	.0	269	.0	.0	.0	.193	02/01/2035	1
3128JM-XM-4	FHLMC PC 1YR LIBOR VR		04/30/2012	PRINCIPAL RECEIPT		2,079	2,079	2,046	2,046	.0	.33	.0	.33	.0	2,079	.0	.0	.0	.188	10/01/2034	1
3128MT-GK-9	FHLMC PC GOLD 10/20 II		06/15/2012	PRINCIPAL RECEIPT		16,631	16,631	16,847	16,841	.0	(210)	.0	(210)	.0	16,631	.0	.0	.0	.481	09/01/2037	1
3128MT-XG-8	FHLMC PC GOLD 10/20 II		06/15/2012	PRINCIPAL RECEIPT		1,639	1,639	1,656	1,656	.0	(17)	.0	(17)	.0	1,639	.0	.0	.0	.38	08/01/2036	1
3128UN-DB-5	FHLMC PC GOLD 10/20 II		06/15/2012	PRINCIPAL RECEIPT		35,203	35,203	35,709	35,695	.0	(492)	.0	(492)	.0	35,203	.0	.0	.0	.710	10/01/2037	1
3128UN-GE-6	FHLMC PC GOLD 10/20 II		06/15/2012	PRINCIPAL RECEIPT		60,679	60,679	64,414	64,367	.0	(3,688)	.0	(3,688)	.0	60,679	.0	.0	.0	1,607	10/01/2038	1
3128PR-PB-6	FHLMC PC GOLD 15 YR		06/15/2012	PRINCIPAL RECEIPT		149,003	149,003	156,826	156,580	.0	(7,577)	.0	(7,577)	.0	149,003	.0	.0	.0	2,642	05/01/2025	1
3128PT-DM-2	FHLMC PC GOLD CASH 20		06/15/2012	PRINCIPAL RECEIPT																	

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31283G-2C-0	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		4,634	4,634	5,191	.0	.0	(556)	.0	(556)	.0	4,634	.0	.0	.0	45	10/01/2027	1
31283H-6C-4	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		5,409	5,409	5,513	5,508	.0	(100)	.0	(100)	.0	5,409	.0	.0	.0	139	12/01/2032	1
31283H-6D-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		12,261	12,261	12,534	12,519	.0	(258)	.0	(258)	.0	12,261	.0	.0	.0	313	12/01/2031	1
31283H-WY-7	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		13,819	13,819	15,022	.0	.0	(1,203)	.0	(1,203)	.0	13,819	.0	.0	.0	108	06/01/2033	1
3128KU-MB-0	FHLMC PC GOLD COMB 30		04/01/2012	Write Off		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	08/01/2037	1
3128LY-AU-4	FHLMC PC GOLD COMB 30		04/01/2012	Write Off		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	06/01/2035	1
3128M4-B7-7	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		77,556	77,556	84,832	85,102	.0	(7,547)	.0	(7,547)	.0	77,556	.0	.0	.0	1,859	12/01/2036	1
3128M5-QY-9	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		226,622	226,622	250,930	210,816	.0	(24,826)	.0	(24,826)	.0	226,622	.0	.0	.0	5,496	01/01/2038	1
3128M6-FT-0	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		44,041	44,041	45,707	45,709	.0	(1,668)	.0	(1,668)	.0	44,041	.0	.0	.0	1,191	03/01/2038	1
3128M7-ST-9	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		4,436	4,436	4,796	.0	.0	(360)	.0	(360)	.0	4,436	.0	.0	.0	29	08/01/2040	1
3128M7-Z3-3	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		78,742	78,742	83,405	83,281	.0	(4,539)	.0	(4,539)	.0	78,742	.0	.0	.0	1,725	07/01/2035	1
3128M8-4R-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		176,347	176,347	192,770	192,791	.0	(16,444)	.0	(16,444)	.0	176,347	.0	.0	.0	4,248	03/01/2040	1
3128M8-6L-3	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		170,063	170,063	187,070	.0	.0	(17,006)	.0	(17,006)	.0	170,063	.0	.0	.0	1,172	12/01/2038	1
3128M8-AV-6	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		274,514	274,514	297,762	298,929	.0	(24,415)	.0	(24,415)	.0	274,514	.0	.0	.0	5,976	12/01/2039	1
3128M8-AW-4	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		180,452	180,452	195,114	195,477	.0	(15,025)	.0	(15,025)	.0	180,452	.0	.0	.0	3,915	01/01/2040	1
3128M8-B0-6	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		62,610	62,610	66,806	.0	.0	(4,197)	.0	(4,197)	.0	62,610	.0	.0	.0	342	05/01/2040	1
3128M8-CB-8	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		730,402	730,402	802,301	802,718	.0	(72,316)	.0	(72,316)	.0	730,402	.0	.0	.0	17,108	05/01/2040	1
3128M8-CW-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		11,863	11,863	13,346	.0	.0	(1,483)	.0	(1,483)	.0	11,863	.0	.0	.0	98	09/01/2038	1
3128M8-HG-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		2,121	2,121	2,234	.0	.0	(113)	.0	(113)	.0	2,121	.0	.0	.0	11	12/01/2040	1
3128M8-Z7-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		33,919	33,919	36,990	.0	.0	(3,071)	.0	(3,071)	.0	33,919	.0	.0	.0	223	09/01/2041	1
3128M9-B7-6	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		675,528	675,528	748,402	.0	.0	(72,514)	.0	(72,514)	.0	675,528	.0	.0	.0	5,221	05/01/2040	1
3128MJ-Q4-5	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		2,248	2,248	2,377	.0	.0	(129)	.0	(129)	.0	2,248	.0	.0	.0	13	01/01/2042	1
312936-NA-1	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		59,550	59,550	63,541	.0	.0	(3,992)	.0	(3,992)	.0	59,550	.0	.0	.0	326	10/01/2039	1
312941-NS-2	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		7,247	7,247	7,836	.0	.0	(589)	.0	(589)	.0	7,247	.0	.0	.0	49	07/01/2040	1
312944-FE-6	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		2,924	2,924	3,094	.0	.0	(170)	.0	(170)	.0	2,924	.0	.0	.0	15	12/01/2040	1
312945-DS-4	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		1,058	1,058	1,114	.0	.0	(56)	.0	(56)	.0	1,058	.0	.0	.0	5	01/01/2041	1
312945-TE-8	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		4,020	4,020	4,244	.0	.0	(225)	.0	(225)	.0	4,020	.0	.0	.0	22	02/01/2041	1
312945-XY-9	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		6,793	6,793	7,170	.0	.0	(377)	.0	(377)	.0	6,793	.0	.0	.0	29	02/01/2041	1
31296R-ZH-4	FHLMC PC GOLD COMB 30		06/15/2012	PRINCIPAL RECEIPT		23,961	23,961	26,039	.0	.0	(2,078)	.0	(2,078)	.0	23,961	.0	.0	.0	119	01/01/2034	1
31326F-6L-6	FHLMC PC GOLD PC 30YR		06/15/2012	PRINCIPAL RECEIPT		31,399	31,399	33,175	.0	.0	(1,776)	.0	(1,776)	.0	31,399	.0	.0	.0	142	08/01/2041	1
31349S-JK-0	FHLMC PC GUAR ADJ 30YR		04/30/2012	PRINCIPAL RECEIPT		272	272	268	268	.0	.0	.0	.0	272	.0	.0	.0	.0	85	01/01/2034	1
31326R-6V-8	FHLMC PC GOLD PC 30YR		04/15/2012	VARIOUS		387,168	375,000	386,602	.0	.0	(2)	.0	(2)	.0	386,600	.0	568	568	1,494	03/01/2042	1
3128M5-NP-1	FHLMC PC GOLD COMB 30 6.000 203712		06/15/2012	PRINCIPAL RECEIPT		123,070	123,070	135,338	.0	.0	(12,269)	.0	(12,269)	.0	123,070	.0	.0	.0	1,771	12/01/2037	1
31392P-BJ-3	FHLMC REMIC SERIES 2456		06/15/2012	PRINCIPAL RECEIPT		26,813	26,813	27,253	27,325	.0	(512)	.0	(512)	.0	26,813	.0	.0	.0	678	06/15/2032	1
31397C-K5-7	FHLMC REMIC SERIES 3243		06/15/2012	PRINCIPAL RECEIPT		280,229	280,229	300,195	298,033	.0	(17,804)	.0	(17,804)	.0	280,229	.0	.0	.0	5,810	11/15/2036	1
31397P-SM-8	FHLMC REMIC SERIES 3389		06/15/2012	PRINCIPAL RECEIPT		90,227	90,227	91,130	90,530	.0	(303)	.0	(303)	.0	90,227	.0	.0	.0	2,245	12/15/2035	1
31392M-EM-0	FHLMC REMIC SERIES T0041		06/25/2012	PRINCIPAL RECEIPT		1,544	1,544	1,604	1,547	.0	(3)	.0	(3)	.0	1,544	.0	.0	.0	44	07/25/2032	1
313371-W8-1	FHLMC SERIES 1608		06/15/2012	PRINCIPAL RECEIPT		9,011	9,011	9,622	9,130	.0	(118)	.0	(118)	.0	9,011	.0	.0	.0	231	09/15/2023	1
31395J-JF-6	FNMA PASS THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		3,574	3,574	3,717	3,710	.0	(137)	.0	(137)	.0	3,574	.0	.0	.0	96	07/01/2032	1
3138EH-SF-0	FNMA PASS-THRU ADJ SINGLE		06/25/2012	PRINCIPAL RECEIPT		209,329	209,329	225,584	.0	.0	(16,256)	.0	(16,256)	.0	209,329	.0	.0	.0	862	11/01/2038	1
31381J-J5-2	FNMA PASS-THRU BLLN MULTI 7+		06/25/2012	PRINCIPAL RECEIPT		840	840	822	828	.0	.0	.0	.0	840	.0	.0	.0	.0	82	11/01/2015	1
31405F-O5-8	FNMA PASS-THRU GOV SINGLE FAM		06/25/2012	PRINCIPAL RECEIPT		4,688	4,688	4,940	.0	.0	(235)	.0	(235)	.0	4,688	.0	.0	.0	137	10/01/2032	1
31385J-D2-1	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		8,702	8,702	9,161	8,952	.0	(250)	.0	(250)	.0	8,702	.0	.0	.0	244	05/01/2017	1
3138AF-G6-9	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		530,996	530,996	556,218	555,643	.0	(24,647)	.0	(24,647)	.0	530,996	.0	.0	.0	8,916	02/01/2026	1
3138AF-KH-2	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		14,685	14,685	15,692	.0	.0	(1,007)	.0	(1,007)	.0	14,685	.0	.0	.0	71	05/01/2026	1
3138EG-M6-8	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		462,714	462,714	492,067	491,999	.0	(29,286)	.0	(29,286)	.0	462,714	.0	.0	.0	8,555	03/01/2026	1
3138EH-U8-3	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		9,732	9,732	10,278	.0	.0	(546)	.0	(546)	.0	9,732	.0	.0	.0	43	12/01/2026	1
3138LQ-SJ-1	FNMA PASS-THRU INT 15 YEAR		05/25/2012	VARIOUS		778,171	745,000	778,118	.0	.0	(23)	.0	(23)	.0	778,094	.0	77	77	2,851	04/01/2027	1
31403D-DK-2	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		44,252	44,252	45,054	44,857	.0	(605)	.0	(605)	.0	44,252	.0	.0	.0	1,113	03/01/2021	1
31410L-EC-2	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		26,818	26,818	29,090	.0	.0	(2,271)	.0	(2,271)	.0	26,818	.0	.0	.0	166	07/01/2024	1
31412V-JV-1	FNMA PASS-THRU INT 15 YEAR		06/25/2012	PRINCIPAL RECEIPT		60,493	60,493	62,445	62,389	.0	(1,896)	.0	(1,896)	.0	60,493	.0	.0	.0	963	05/01/2025	1
31417M-KJ-1	FNMA PASS-THRU INT 15 YEAR																				

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31371N-H4-0	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		13,478	13,478	14,124	14,117	.0	(638)	.0	(638)	.0	13,478	.0	.0	.0	412	08/01/2037	1
31384W-LF-5	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		9,923	9,923	10,322	10,300	.0	(377)	.0	(377)	.0	9,923	.0	.0	.0	279	05/01/2031	1
31385J-F8-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		6,709	6,709	6,978	6,900	.0	(257)	.0	(257)	.0	6,709	.0	.0	.0	181	06/01/2032	1
31385W-V6-3	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		4,876	4,876	5,072	5,063	.0	(187)	.0	(187)	.0	4,876	.0	.0	.0	134	10/01/2032	1
31385X-F8-5	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		19,721	19,721	21,533	.0	.0	(1,812)	.0	(1,812)	.0	19,721	.0	.0	.0	182	07/01/2033	1
3138A2-BX-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		15,922	15,922	17,126	.0	.0	(1,204)	.0	(1,204)	.0	15,922	.0	.0	.0	95	12/01/2040	1
3138AII-3V-3	FNMA PASS-THRU LNG 30 YEAR		04/25/2012	VARIOUS		631,976	590,402	630,715	.0	.0	(1,188)	.0	(1,188)	.0	629,527	.0	2,449	2,449	3,009	11/01/2041	1
3138EG-NP-5	FNMA PASS-THRU LNG 30 YEAR		04/25/2012	VARIOUS		1,038,900	970,935	1,038,142	.0	.0	(2,368)	.0	(2,368)	.0	1,035,774	.0	3,126	3,126	4,941	06/01/2041	1
3138EH-GP-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		5,938	5,938	6,368	.0	.0	(430)	.0	(430)	.0	5,938	.0	.0	.0	22	12/01/2040	1
3138EH-JW-3	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		49,487	49,487	55,858	.0	.0	(6,371)	.0	(6,371)	.0	49,487	.0	.0	.0	423	10/01/2039	1
3138EH-SV-5	FNMA PASS-THRU LNG 30 YEAR		04/25/2012	VARIOUS		1,469,374	1,371,746	1,468,626	.0	.0	(1,848)	.0	(1,848)	.0	1,466,778	.0	2,596	2,596	7,012	11/01/2041	1
31391K-SX-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		7,690	7,690	7,999	7,985	.0	(294)	.0	(294)	.0	7,690	.0	.0	.0	211	05/01/2032	1
31402C-TT-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		120,021	120,021	132,510	132,529	.0	(12,508)	.0	(12,508)	.0	120,021	.0	.0	.0	3,030	02/01/2034	1
31402C-Y3-0	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		31,735	31,735	33,961	33,963	.0	(2,228)	.0	(2,228)	.0	31,735	.0	.0	.0	799	03/01/2041	1
31402Q-YV-7	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		20,891	20,891	22,811	.0	.0	(1,919)	.0	(1,919)	.0	20,891	.0	.0	.0	194	02/01/2035	1
31402R-JV-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		159,470	159,470	173,897	.0	.0	(14,427)	.0	(14,427)	.0	159,470	.0	.0	.0	1,013	07/01/2035	1
31402R-LZ-0	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		4,887	4,887	5,444	.0	.0	(557)	.0	(557)	.0	4,887	.0	.0	.0	39	08/01/2035	1
31402U-R9-5	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		33,828	33,828	36,935	.0	.0	(3,108)	.0	(3,108)	.0	33,828	.0	.0	.0	274	10/01/2033	1
31410F-6B-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		144,048	144,048	157,774	157,615	.0	(13,567)	.0	(13,567)	.0	144,048	.0	.0	.0	4,309	04/01/2037	1
31410G-RL-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		152,269	152,269	158,384	158,320	.0	(6,051)	.0	(6,051)	.0	152,269	.0	.0	.0	4,280	11/01/2037	1
31410K-DN-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		297,958	297,958	326,869	327,590	.0	(29,632)	.0	(29,632)	.0	297,958	.0	.0	.0	7,544	05/01/2038	1
31410K-RB-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		60,100	60,100	61,959	61,959	.0	(1,859)	.0	(1,859)	.0	60,100	.0	.0	.0	1,676	07/01/2038	1
31410K-US-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		91,282	91,282	100,646	.0	.0	(9,364)	.0	(9,364)	.0	91,282	.0	.0	.0	668	08/01/2037	1
31410L-DU-3	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		3,701	3,701	3,973	.0	.0	(272)	.0	(272)	.0	3,701	.0	.0	.0	22	02/01/2041	1
31412P-G4-7	FNMA PASS-THRU LNG 30 YEAR		04/25/2012	VARIOUS		79,860	74,631	75,366	75,365	.0	(28)	.0	(28)	.0	75,337	.0	4,523	4,523	4,767	04/01/2039	1
31412R-NJ-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		93,156	93,156	95,368	95,374	.0	(2,219)	.0	(2,219)	.0	93,156	.0	.0	.0	1,510	01/01/2041	1
31412S-FF-7	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	VARIOUS		1,731,009	1,595,715	1,771,742	1,771,428	.0	(23,661)	.0	(23,661)	.0	1,747,767	.0	(16,759)	(16,759)	52,093	11/01/2037	1
31414B-WE-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		360,634	360,634	386,498	386,391	.0	(25,757)	.0	(25,757)	.0	360,634	.0	.0	.0	8,842	02/01/2038	1
31414J-RL-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		162,263	162,263	177,070	177,176	.0	(14,913)	.0	(14,913)	.0	162,263	.0	.0	.0	4,284	01/01/2038	1
31414N-CC-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		110,505	110,505	120,329	120,531	.0	(10,026)	.0	(10,026)	.0	110,505	.0	.0	.0	2,761	12/01/2038	1
31416B-SM-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	VARIOUS		844,712	778,358	858,505	.0	.0	(9,921)	.0	(9,921)	.0	848,584	.0	(3,872)	(3,872)	21,452	09/01/2038	1
31416B-YG-7	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	VARIOUS		1,462,810	1,347,504	1,443,514	1,442,879	.0	(12,109)	.0	(12,109)	.0	1,430,769	.0	32,041	32,041	43,813	01/01/2039	1
31416C-J4-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		394,579	394,579	435,023	.0	.0	(40,444)	.0	(40,444)	.0	394,579	.0	.0	.0	4,092	06/01/2039	1
31416C-JV-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		89,947	89,947	99,954	.0	.0	(10,007)	.0	(10,007)	.0	89,947	.0	.0	.0	706	11/01/2038	1
31416W-H3-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		46,574	46,574	50,948	.0	.0	(4,374)	.0	(4,374)	.0	46,574	.0	.0	.0	304	06/01/2040	1
31416X-J7-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		107,179	107,179	113,534	.0	.0	(6,355)	.0	(6,355)	.0	107,179	.0	.0	.0	501	01/01/2041	1
31417B-ZW-0	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		1,148	1,148	1,196	.0	.0	(48)	.0	(48)	.0	1,148	.0	.0	.0	3	05/01/2042	1
31417Y-2Y-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	VARIOUS		1,461,236	1,362,399	1,462,876	.0	.0	(3,333)	.0	(3,333)	.0	1,459,543	.0	1,693	1,693	12,100	07/01/2041	1
31417Y-W4-5	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		13,129	13,129	14,138	.0	.0	(1,009)	.0	(1,009)	.0	13,129	.0	.0	.0	73	03/01/2041	1
31418A-D9-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		2,273	2,273	2,360	.0	.0	(87)	.0	(87)	.0	2,273	.0	.0	.0	11	04/01/2042	1
31418M-2T-8	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		9,747	9,747	10,793	.0	.0	(1,046)	.0	(1,046)	.0	9,747	.0	.0	.0	78	10/01/2039	1
31418M-AS-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		124,230	124,230	134,323	134,342	.0	(10,112)	.0	(10,112)	.0	124,230	.0	.0	.0	2,903	06/01/2039	1
31418M-EA-6	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		56,271	56,271	60,289	60,213	.0	(3,942)	.0	(3,942)	.0	56,271	.0	.0	.0	1,566	10/01/2038	1
31418M-GG-1	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		87,201	87,201	96,043	.0	.0	(8,843)	.0	(8,843)	.0	87,201	.0	.0	.0	400	09/01/2038	1
31418X-KY-3	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		643,234	643,234	674,491	674,670	.0	(31,436)	.0	(31,436)	.0	643,234	.0	.0	.0	12,347	08/01/2040	1
31419A-NJ-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		115,962	115,962	127,232	.0	.0	(11,270)	.0	(11,270)	.0	115,962	.0	.0	.0	814	12/01/2039	1
31419A-P5-0	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		23,098	23,098	26,108	.0	.0	(3,010)	.0	(3,010)	.0	23,098	.0	.0	.0	182	10/01/2039	1
31419C-BD-4	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		275,117	275,117	283,242	283,221	.0	(8,104)	.0	(8,104)	.0	275,117	.0	.0	.0	4,666	08/01/2040	1
31419F-FV-3	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		8,366	8,366	8,970	.0	.0	(604)	.0	(604)	.0	8,366	.0	.0	.0	44	11/01/2040	1
31419G-PL-2	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		132,892	132,892	138,166	138,179	.0	(5,287)	.0	(5,287)	.0	132,892	.0	.0	.0	2,206	10/01/2040	1
31419K-KG-9	FNMA PASS-THRU LNG 30 YEAR		06/25/2012	PRINCIPAL RECEIPT		111,162	111,162	113,733	113,740	.0	(2,578)	.0	(2,578)	.0	111,162	.0	.0	.0	2,316	11/01/2040	1
31371M-GM-4	FNMA PASS-THRU LNG 10 7-10YR		06/25/2012	PRINCIPAL RECEIPT		76,396	76,396	82,305	82,336	.0	(5,940)	.0	(5,940)	.0	76,396	.0	.0	.0	1,796	01/01/2037	1
31371N-LS-2	FNMA PASS-THRU LNG 10 7-10YR		06/25/2012	PRINCIPAL RECEIPT		50,769	50,769	51,697	51,712	.0	(942)	.0	(942)	.0	50,769	.0	.0	.0	1,445	10/01/2037	1
31413Q-PD-4	FNMA PASS-THRU LNG 10 7-10YR		06/25/2012	PRINCIPAL RECEIPT		109,228	109,228	112,403	112,438	.0	(3,210)	.0	(3,210)	.0	109,228	.0	.0	.0	3,333	10/01/2037	1
31418M-XZ-0	FNMA PASS-THRU LNG 10 7-10YR		06/25/2012	PRINCIPAL RECEIPT		41,496	41,496	44,210	44,193	.0	(2,697)	.0	(2,697)	.0	41,496	.0	.0	.0	1,071	05/01/2038	1
31416X-ZJ-8	FNMA PASS-THRU SHRT 1																				

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31387D-30-0	FNMA POOL #581407		06/25/2012	PRINCIPAL RECEIPT		52	52	53	53	0	(1)	0	(1)	0	52	0	0	0	2	06/01/2031	1FE
31418M-FD-9	FNMA POOL #AD0163 6.000% 9/01/		06/25/2012	PRINCIPAL RECEIPT		42,115	42,115	44,510	44,479	0	(2,364)	0	(2,364)	0	42,115	0	0	0	1,069	09/01/2039	1FE
31418M-J5-2	FNMA POOL #AD0283 5.500% 9/01/		06/25/2012	PRINCIPAL RECEIPT		107,372	107,372	117,035	116,871	0	(9,499)	0	(9,499)	0	107,372	0	0	0	2,384	09/01/2024	1FE
31418M-S0-6	FNMA POOL #AD0526 6.000% 12/01/		06/25/2012	VARIOUS		1,776,340	1,637,651	1,752,990	1,752,990	0	(15,533)	0	(15,533)	0	1,736,565	0	39,775	39,775	53,211	12/01/2039	1FE
31392A-JU-8	FNMA REMIC TRUST 1999-51		06/25/2012	PRINCIPAL RECEIPT		68,521	68,521	70,405	69,362	0	(841)	0	(841)	0	68,521	0	0	0	1,932	08/25/2028	1FE
31392B-JU-9	FNMA REMIC TRUST 2001-50		06/25/2012	PRINCIPAL RECEIPT		8,349	8,349	8,828	8,580	0	(231)	0	(231)	0	8,349	0	0	0	243	10/25/2041	1FE
31392B-MM-5	FNMA REMIC TRUST 2001-79		06/25/2012	PRINCIPAL RECEIPT		2,932	2,932	3,006	2,948	0	(16)	0	(16)	0	2,932	0	0	0	90	03/25/2045	1FE
31393A-P9-2	FNMA REMIC TRUST 2003-W4		06/25/2012	PRINCIPAL RECEIPT		3,008	3,008	3,224	3,101	0	(93)	0	(93)	0	3,008	0	0	0	79	10/25/2042	1FE
31396X-D3-5	FNMA REMIC TRUST 2007-W10		06/25/2012	PRINCIPAL RECEIPT		65,082	65,082	70,574	70,662	0	(5,580)	0	(5,580)	0	65,082	0	0	0	1,766	08/25/2047	1FE
31396Q-V3-0	FNMA REMIC TRUST 2009-66		06/25/2012	PRINCIPAL RECEIPT		209,582	209,582	230,147	230,109	0	(20,527)	0	(20,527)	0	209,582	0	0	0	5,379	05/25/2039	1FE
31398N-2E-3	FNMA REMIC TRUST 2010-123		06/25/2012	PRINCIPAL RECEIPT		235,346	235,346	261,455	258,472	0	(23,126)	0	(23,126)	0	235,346	0	0	0	6,949	11/25/2040	1FE
313644-Q4-4	FNMA REMIC TRUST 2012-39		04/25/2012	VARIOUS		796,962	740,000	804,085	804,085	0	(220)	0	(220)	0	803,865	0	(6,904)	(6,904)	3,575	11/25/2041	1FE
31358S-7A-3	FNMA SERIES 2001-T3		06/25/2012	PRINCIPAL RECEIPT		2,131	2,131	2,184	2,134	0	(2)	0	(2)	0	2,131	0	0	0	66	11/25/2040	1FE
31392J-AA-7	FNMA SERIES 2003-W2 6.50%		06/25/2012	PRINCIPAL RECEIPT		2,760	2,760	2,920	2,784	0	(24)	0	(24)	0	2,760	0	0	0	80	07/25/2042	1FE
31392D-7G-1	FNR 2002-T12 CL A3 7.5%		06/25/2012	PRINCIPAL RECEIPT		2,351	2,351	2,592	2,390	0	(40)	0	(40)	0	2,351	0	0	0	68	05/25/2042	1FE
048677-AB-4	ATLANTIC MARINE CORPS CMNTYS		06/05/2012	Sink Pmt @ 100.0000000		227	227	226	226	0	1	0	1	0	227	0	0	0	6	12/01/2050	1FE
North Carolina Total						227	227	226	226	0	1	0	1	0	227	0	0	0	6	XXX	XXX
United States Total						32,363,974	31,286,432	33,356,730	22,025,919	0	(1,030,868)	0	(1,030,868)	0	32,315,396	0	48,576	48,576	543,285	XXX	XXX
3199999. Subtotal - Bonds - U.S. Special Revenues						32,363,974	31,286,432	33,356,730	22,025,919	0	(1,030,868)	0	(1,030,868)	0	32,315,396	0	48,576	48,576	543,285	XXX	XXX
008252-AL-2	AFFILIATED MANAGERS GROUP		06/05/2012	VARIOUS		856,969	825,000	806,631	807,380	0	157	0	157	0	807,537	0	49,432	49,432	26,523	08/15/2038	2FE
00846U-AD-3	AGILENT TECHNOLOGIES INC		05/29/2012	T		1,010,500	1,000,000	1,039,480	1,012,330	0	(7,176)	0	(7,176)	0	1,005,153	0	5,347	5,347	31,768	09/14/2012	2FE
01741R-AD-4	ALLEGHENY TECHNOLOGIES INC		04/26/2012	VARIOUS		299,186	237,000	317,430	312,164	0	(10,633)	0	(10,633)	0	301,532	0	(2,346)	(2,346)	4,093	06/01/2014	2FE
02261W-AB-5	ALZA CORP ZERO COUPON 0%		06/04/2012	VARIOUS		999,844	1,125,000	1,014,960	812,876	0	4,576	0	4,576	0	1,029,796	0	(29,952)	(29,952)	0	07/28/2020	1FE
03064M-AB-4	AMERCREDIT AUTO REC 2011-1		04/18/2012	VARIOUS		0	1	1	1	0	0	0	0	0	0	0	(1)	(1)	0	06/08/2014	1FE
031162-AQ-3	AMGEN INC		06/04/2012	VARIOUS		1,022,625	1,010,000	940,084	879,311	0	7,048	0	7,048	0	998,993	0	23,632	23,632	3,219	02/01/2013	2FE
039483-AW-2	ARCHER DANIELS MIDLAND CO		06/04/2012	VARIOUS		1,005,000	1,000,000	976,703	889,338	0	1,815	0	1,815	0	992,465	0	12,535	12,535	7,097	02/15/2014	1FE
05948X-TD-3	BA MITG SECS INC 2003-H		05/25/2012	VARIOUS		25,680	36,641	32,245	30,364	0	75	0	75	0	30,438	0	(4,759)	(4,759)	356	09/25/2033	1FM
06052J-AC-6	BANK AMER AUTO TR 2010-1		04/09/2012	First Clearing Corp.		148,235	148,532	148,526	148,539	0	(2)	0	(2)	0	148,537	0	(302)	(302)	694	03/15/2014	1FE
07324S-CS-9	BAYVIEW COML TR 2005-4		04/25/2012	PRINCIPAL RECEIPT		32,333	32,333	26,513	22,318	3,703	6,312	0	10,015	0	32,333	0	0	0	1,084	01/25/2036	4FE
07384M-YT-3	BEAR STEARNS ARM TR 2003-7		05/25/2012	VARIOUS		330,096	330,096	339,277	339,008	0	(344)	0	(344)	0	338,663	0	(8,567)	(8,567)	5,907	10/25/2033	1FM
05568Y-AA-6	BNSF RAILWAY CO 2007-1		04/01/2012	PRINCIPAL RECEIPT		16,001	16,001	16,001	16,001	0	0	0	0	0	16,001	0	0	0	0	04/01/2024	1FE
10510K-AA-5	BRAMBLES USA INC		04/11/2012	MORGAN KEEGAN & COMPANY		185,938	175,000	174,946	174,931	0	2	0	2	0	174,933	0	11,004	11,004	4,993	04/01/2020	2FE
116663-AC-9	BRUCE MANSFIELD UNIT 2007-1		06/01/2012	PRINCIPAL RECEIPT		17,881	17,881	19,477	19,447	0	(1,566)	0	(1,566)	0	17,881	0	0	0	612	06/01/2034	2FE
14912L-4X-6	CATERPILLAR FINL SVCS MTNS BE		05/14/2012	BANC AMERICA SECURITIES		253,994	245,000	253,751	0	0	(106)	0	(106)	0	253,646	0	348	348	1,479	08/01/2016	1FE
17275R-AC-6	CISCO SYS INC		05/10/2012	WACHOVIA SECURITIES		250,544	215,000	250,542	0	0	(379)	0	(379)	0	250,163	0	381	381	2,726	02/22/2016	1FE
172967-EZ-0	CITIGROUP INC		06/18/2012	CAPIT		406,749	385,000	410,781	0	0	(1,697)	0	(1,697)	0	409,084	0	(2,335)	(2,335)	3,882	10/15/2014	1FE
126192-AD-5	COMM MTG TR 2012-LC4		04/09/2012	BOENNING & SCATTERGOOD		424,575	425,000	426,619	0	0	(20)	0	(20)	0	426,599	0	(2,024)	(2,024)	1,591	03/12/2022	1FE
20986N-AA-3	CONSOLIDATED RAIL CORP 1995-A		05/25/2012	IN		12,319	12,319	12,978	12,158	0	161	0	161	0	12,319	0	0	0	416	05/25/2015	1FE
210371-AK-6	CONSTELLATION ENERGY GROUP INC		04/09/2012	MORGAN KEEGAN & COMPANY		161,475	150,000	155,265	153,573	0	(264)	0	(264)	0	153,308	0	8,167	8,167	2,218	06/15/2015	2FE
126408-GH-7	CSX CORP		04/09/2012	MORGAN KEEGAN & COMPANY		188,906	195,000	193,900	193,903	0	4	0	4	0	193,907	0	(5,001)	(5,001)	4,142	05/30/2042	2FE
235851-AF-9	DANAHER CORP ZERO COUPON 0%		06/04/2012	VARIOUS		670,298	465,000	411,687	423,489	0	1,848	0	1,848	0	425,337	0	244,961	244,961	676	01/22/2021	1FE
24422E-RL-5	DEERE JOHN CAP CORP MTNS BE		06/21/2012	WACHOVIA SECURITIES		400,378	390,000	400,620	0	0	(392)	0	(392)	0	400,228	0	150	150	4,420	01/13/2017	1FE
25755T-AC-4	DOMINOS PIZZA MSTR 2012-1 144A		04/25/2012	CAPIT		731	731	759	0	0	(28)	0	(28)	0	731	0	0	0	0	01/25/2042	1FE
260543-CD-3	DOW CHEMICAL CO/THE 2.500% 2/15/		06/11/2012	VARIOUS		543,227	530,000	548,969	0	0	(683)	0	(683)	0	548,285	0	(5,058)	(5,058)	4,274	02/15/2016	2FE
264399-EM-4	DUKE ENERGY CORP		04/09/2012	MORGAN KEEGAN & COMPANY		114,000	100,000	100,507	100,288	0	(19)	0	(19)	0	100,269	0	13,731	13,731	2,812	10/01/2015	1FE
268648-AM-4	E M C CORP MASS		06/04/2012	VARIOUS		524,513	355,000	333,608	345,949	0	1,962	0	1,962	0	347,911	0	176,602	176,602	3,210	12/01/2013	1FE
278865-AK-6	ECOLAB INC		06/05/2012	Banc/America Sec		247,283	235,000	247,079	0	0	(341)	0	(341)	0	246,738	0	545	545	3,525	12/08/2016	1FE
341081-EN-3	FLORIDA PWR & LT CO		04/09/2012	MORGAN KEEGAN & COMPANY		231,750	225,000	226,145	225,298	0	(73)	0	(73)	0	225,225	0	6,525	6,525	7,608	02/01/2013	1FE

E05.3

STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP 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 Design- ation or Market In- dicator (a)
345397-VY-6	FORD MOTOR CREDIT CO LLC 144A		06/21/2012	GOLDMAN, SACHS & CO.		1,891,156	1,825,000	1,825,000	0	0	0	0	0	0	1,825,000	0	66,166	66,166	15,142	04/15/2016	1FE
345397-VZ-3	FORD MOTOR CREDIT CO LLC 144A		06/21/2012	GOLDMAN, SACHS & CO.		1,414,531	1,375,000	1,390,153	0	0	(146)	0	(146)	0	1,390,006	0	24,525	24,525	29,064	06/15/2016	1FE
302570-BJ-4	FPL GROUP CAP INC		05/18/2012	SECURI		2,058,580	2,000,000	1,995,340	1,996,416	0	356	0	356	0	1,996,772	0	61,808	61,808	37,844	09/01/2015	2FE
30277M-AA-2	FUEL TR		06/06/2012	EXCHANGE		1,825,000	1,825,000	1,825,000	1,825,000	0	0	0	0	0	1,825,000	0	0	0	38,389	04/15/2016	2FE
30277M-AB-0	FUEL TR NT 144A		06/06/2012	EXCHANGE		1,390,153	1,375,000	1,390,864	500,000	0	(711)	0	(711)	0	1,390,153	0	0	0	0	06/17/2016	2FE
36962G-4X-9	GENERAL ELEC CAP CORP MTN BE		06/07/2012	Credit Suisse First		406,080	400,000	407,624	0	0	(550)	0	(550)	0	407,073	0	(993)	(993)	3,617	01/07/2014	1FE
375558-AP-8	GILEAD SCIENCES INC SR NT CV1.625%		06/04/2012	VARIOUS		991,924	790,000	896,043	880,404	0	(9,042)	0	(9,042)	0	871,362	0	120,563	120,563	7,703	05/01/2016	1FE
361849-03-9	GMAC COML MTG SECS 2005-C1		04/09/2012	IN		147,610	145,000	137,388	139,458	0	477	0	477	0	139,935	0	7,675	7,675	2,508	05/10/2043	1FM
36228F-YY-6	GSR MTG TR 2003-13		04/25/2012	PRINCIPAL RECEIPT		8,696	8,696	8,913	8,912	0	(217)	0	(217)	0	8,696	0	0	0	1,495	10/25/2033	1FM
42217K-AR-7	HEALTH CARE REIT INC		06/04/2012	VARIOUS		1,014,750	900,000	933,996	839,175	0	(4,436)	0	(4,436)	0	928,734	0	86,016	86,016	13,950	12/01/2029	2FE
428236-BX-0	HEWLETT PACKARD CO		06/20/2012	SALOMON SMITH BARNEY		100,211	100,000	100,495	0	0	(7)	0	(7)	0	100,488	0	(277)	(277)	1,159	09/15/2022	1FE
458140-AF-7	INTEL CORP		06/04/2012	VARIOUS		1,026,500	775,000	883,891	879,316	0	(1,057)	0	(1,057)	0	878,258	0	148,242	148,242	20,873	08/01/2039	1FE
459200-GU-9	INTERNATIONAL BUSINESS MACHS		05/07/2012	BOSTO		253,773	245,000	253,453	0	0	(75)	0	(75)	0	253,378	0	396	396	1,701	01/05/2016	1FE
459902-AQ-5	INTERNATIONAL GAME TECHNOLOGY		06/04/2012	VARIOUS		999,338	945,000	1,114,987	968,832	0	(24,730)	0	(24,730)	0	1,055,101	0	(55,764)	(55,764)	18,428	05/01/2014	2FE
47102X-AG-0	JANUS CAP GROUP INC		06/04/2012	VARIOUS		1,005,000	1,000,000	1,143,256	665,825	0	(17,970)	0	(17,970)	0	1,092,479	0	(87,479)	(87,479)	22,244	07/15/2014	2FE
49326E-EC-3	KEYCORP MEDIUM TERM NTS BE		04/26/2012	SECURI		1,062,440	1,000,000	998,780	999,095	0	75	0	75	0	999,170	0	63,270	63,270	26,875	08/13/2015	2FE
50540R-AG-7	LABORATORY CORP AMER HLDGS 0%		06/04/2012	BOENNING & SCATTERGOOD		610,500	550,000	559,297	453,048	0	3,867	0	3,867	0	456,916	0	153,584	153,584	761	09/11/2021	2FE
512807-AL-2	LAM RESEARCH CORP		06/04/2012	BOENNING & SCATTERGOOD		899,300	920,000	933,699	0	0	(147)	0	(147)	0	933,552	0	(34,252)	(34,252)	703	05/15/2018	1FE
55265K-3R-8	MASTR ASSET TR 2003-12		04/25/2012	PRINCIPAL RECEIPT		3,312	3,312	3,304	3,302	0	10	0	10	0	3,312	0	0	0	517	12/25/2033	1FM
585055-AM-8	MEDTRONIC INC		06/04/2012	VARIOUS		1,052,625	1,050,000	1,086,888	975,916	0	(5,570)	0	(5,570)	0	1,061,606	0	(8,981)	(8,981)	10,996	04/15/2013	1FE
594918-AE-4	MICROSOFT CORP 6/15/ 0%		06/04/2012	VARIOUS		1,040,600	1,000,000	1,012,680	904,918	0	(2,228)	0	(2,228)	0	1,005,470	0	35,130	35,130	0	06/15/2013	1FE
60871R-AA-8	MOLSON COORS BREWING CO		06/04/2012	VARIOUS		1,035,300	1,020,000	1,126,121	834,970	0	(12,000)	0	(12,000)	0	1,054,795	0	(19,495)	(19,495)	18,996	07/30/2013	2FE
61759N-AD-6	MORGAN STANLEY CAP 2010-R6		05/31/2012	VARIOUS		320,056	336,646	326,757	327,897	0	439	0	439	0	328,337	0	(8,280)	(8,280)	3,125	06/21/2036	1FM
61980A-AC-7	MOTIVA ENTERPRISES LLC		04/10/2012	VARIOUS		49,450	43,000	44,169	43,986	0	(27)	0	(27)	0	43,959	0	5,491	5,491	1,841	01/15/2020	1FE
629568-AX-4	NABORS INDS INC		06/18/2012	IN		98,826	95,000	100,391	0	0	(82)	0	(82)	0	100,309	0	(1,484)	(1,484)	1,172	09/15/2021	1FE
637432-MQ-5	NATIONAL RURAL UTILS COOP FIN		06/05/2012	Mc Donald & Company		207,538	200,000	205,016	0	0	(45)	0	(45)	0	204,971	0	2,567	2,567	2,135	02/15/2022	1FE
651639-AH-9	NEWMONT MING CORP 1.250% 7/15/		06/04/2012	VARIOUS		632,500	500,000	547,995	532,036	0	(2,473)	0	(2,473)	0	529,562	0	102,938	102,938	5,590	07/15/2017	2FE
652482-CB-4	NEWS AMER INC		06/08/2012	Banc/America Sec		505,999	465,000	503,981	0	0	(549)	0	(549)	0	503,432	0	2,567	2,567	6,859	02/15/2021	1FE
682134-AA-9	OMNICOM GROUP INC 0%		06/04/2012	VARIOUS		983,475	930,000	980,318	934,697	0	(4,397)	0	(4,397)	0	930,300	0	53,175	53,175	0	07/01/2038	2FE
68389X-AC-9	ORACLE CORP		05/10/2012	BANC AMERICA SECURITIES		256,618	210,000	255,738	0	0	(301)	0	(301)	0	255,437	0	1,181	1,181	1,006	04/15/2018	1FE
695114-CK-2	PACIFICORP		04/09/2012	MORGAN KEEGAN & COMPANY		116,750	100,000	113,584	112,577	0	(431)	0	(431)	0	112,146	0	4,604	4,604	4,079	01/15/2019	1FE
695114-CP-1	PACIFICORP		04/09/2012	MORGAN KEEGAN & COMPANY		320,938	325,000	324,714	0	0	6	0	6	0	324,720	0	(3,783)	(3,783)	2,557	02/01/2022	1FE
714046-AE-9	PERKINELMER INC		04/09/2012	MORGAN KEEGAN & COMPANY		239,775	230,000	228,556	228,577	0	31	0	31	0	228,608	0	11,167	11,167	5,335	11/15/2021	2FE
69335P-BH-7	PFS FINANCING CORP FRN 02/2016 144		04/09/2012	BOENNING & SCATTERGOOD		498,750	500,000	500,000	0	0	0	0	0	0	500,000	0	(1,250)	(1,250)	1,291	02/15/2016	1FE
741503-AP-1	PRICELINE COM INC SR NT CV 144A 18		06/04/2012	VARIOUS		949,400	940,000	946,463	0	0	(181)	0	(181)	0	946,282	0	3,118	3,118	2,219	03/15/2018	2FE
744320-BJ-3	PRUDENTIAL FINL INC MTNS BOOK		06/18/2012	VARIOUS		151,371	140,000	152,345	0	0	(396)	0	(396)	0	151,950	0	(578)	(578)	1,519	09/17/2015	1FE
80705T-AA-4	SCHOLAR FDG TR 2011-A		04/10/2012	First Clearing Corp.		675,109	714,401	700,301	701,159	0	138	0	138	0	701,297	0	(26,188)	(26,188)	4,676	10/28/2043	1FE
78442G-LG-9	SLM STUDENT LOAN TR 2004-3		04/09/2012	First Clearing Corp.		228,440	229,588	229,050	229,374	0	78	0	78	0	229,451	0	(1,011)	(1,011)	665	04/25/2019	1FE
84265V-AD-7	SOUTHERN COPPER CORP		05/24/2012	SECURI		1,089,120	1,000,000	1,037,524	1,035,754	0	(1,409)	0	(1,409)	0	1,034,315	0	54,805	54,805	33,444	04/16/2020	2FE
790849-AG-8	ST JUDE MED INC		05/29/2012	Morgan Keegan		1,525,020	1,500,000	1,511,205	1,505,854	0	(1,393)	0	(1,393)	0	1,504,461	0	20,559	20,559	23,467	09/15/2013	1FE
863572-SM-6	STRUCTURED ASSET SECS 1998-3		06/25/2012	PRINCIPAL RECEIPT		81,415	81,415	74,902	0	0	6,513	0	6,513	0	81,415	0	0	0	259	03/25/2028	1FE
871503-AF-5	SYMANTEC CORP		06/04/2012	BOENNING & SCATTERGOOD		838,406	825,000	954,938	895,946	0	(21,219)	0	(21,219)	0	874,727	0	(36,321)	(36,321)	3,942	06/15/2013	2
872312-AA-1	TCM SUB LLC		06/04/2012	IN		26,305	25,000	26,546	0	0	(74)	0	(74)	0	26,472	0	(167)	(167)	350	01/15/2015	1FE

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STATEMENT AS OF JUNE 30, 2012 OF THE CareFirst BlueChoice, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22		
										11	12	13	14	15									
CUSIP 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 Design- ation or Market In- dicator (a)		
88163V-AE-9	TEVA PHARMACEUTICAL FIN LLC		06/04/2012	VARIOUS		989,619	955,000	993,772	879,801	0	(970)	0	(970)	0	988,393	0	1,226	1,226	1,904	02/01/2026	1FE		
903243-AA-1	URS CORP NEW		04/09/2012	MORGAN KEEGAN & COMPANY		372,188	375,000	374,483	0	0	8	0	8	0	374,490	0	(2,303)	(2,303)	1,083	04/01/2017	2FE		
96950F-AD-6	WILLIAMS PARTNERS LP 5.250% 3/15/		04/09/2012	MORGAN KEEGAN & COMPANY		110,250	100,000	99,945	99,953	0	1	0	1	0	99,954	0	10,296	10,296	3,019	03/15/2020	2FE		
983919-AF-8	XILINX INC SR NT CV2.625%17		06/04/2012	VARIOUS		957,973	775,000	785,866	783,638	0	(636)	0	(636)	0	783,003	0	174,970	174,970	9,337	06/15/2017	2FE		
21987B-AP-3	CORPORACION NACIONAL DEL COBRE	R	04/09/2012	MORGAN KEEGAN & COMPANY		648,000	640,000	630,970	631,099	0	202	0	202	0	631,302	0	16,698	16,698	10,953	11/03/2021	1FE		
56501R-AA-4	MANULIFE FINL CORP	R	04/13/2012	MORGAN KEEGAN & COMPANY		112,970	110,000	108,469	108,771	0	88	0	88	0	108,859	0	4,111	4,111	2,140	09/17/2015	1FE		
665422-AA-8	NOBLE CORPORATION	R	06/25/2012	MORGAN KEEGAN & COMPANY		2,262,000	2,175,000	2,362,681	2,290,950	0	(39,180)	0	(39,180)	0	2,251,770	0	10,230	10,230	73,474	06/01/2013	2FE		
893830-AW-9	TRANSOCEAN INC	R	05/02/2012	VARIOUS		467,744	470,000	424,388	427,428	0	425	0	425	0	427,852	0	39,892	39,892	2,781	12/15/2037	2FE		
136385-AN-1	CANADIAN NAT RES LTD	I	04/09/2012	VARIOUS		853,923	553,000	614,044	602,863	0	(1,972)	0	(1,972)	0	600,891	0	53,032	53,032	22,748	02/01/2018	2FE		
136385-AP-6	CANADIAN NAT RES LTD	I	04/09/2012	MORGAN KEEGAN & COMPANY		226,188	175,000	237,344	0	0	(246)	0	(246)	0	237,098	0	(10,910)	(10,910)	8,236	02/01/2039	2FE		
136069-DT-5	CDN IMPERIAL BK OF COMMERCE 144A	I	04/09/2012	MORGAN KEEGAN & COMPANY		525,000	500,000	530,040	0	0	(954)	0	(954)	0	529,086	0	(4,086)	(4,086)	2,865	01/27/2016	1FE		
380956-AB-8	GOLDCORP INC NEW	I	06/04/2012	VARIOUS		868,775	760,000	908,495	847,812	0	(14,828)	0	(14,828)	0	832,984	0	35,791	35,791	12,920	08/01/2014	2FE		
380881-BL-5	GOLDEN CC TRUST 2012-2	I	04/09/2012	BOENNING & SCATTERGOOD IN		648,960	650,000	649,956	0	0	216	0	216	0	650,171	0	(1,211)	(1,211)	1,822	01/15/2019	1FE		
404280-AK-5	HSBC HLDGS PLC	R	05/21/2012	HSBC SECURITIES, INC		71,045	65,000	70,707	0	0	(51)	0	(51)	0	70,656	0	389	389	451	04/05/2021	1FE		
500472-AA-3	KONINKLIJKE PHILIPS ELECTRS NV	R	04/10/2012	VARIOUS CALLED @ 103.7120000		1,218,616	1,175,000	1,234,455	1,228,082	0	(11,712)	0	(11,712)	0	1,214,370	0	4,246	4,246	31,550	03/11/2013	1FE		
500769-EY-6	KREDITANSTALT FUR WIEDERAUFBAU	R	04/09/2012	MORGAN KEEGAN & COMPANY		745,500	750,000	746,557	0	0	49	0	49	0	746,606	0	(1,106)	(1,106)	1,484	02/15/2017	1FE		
654902-AB-1	NOKIA CORP	R	06/05/2012	LIBERTAS PARTNERS LLC		1,054,625	1,300,000	1,415,154	1,402,171	0	(5,130)	0	(5,130)	0	1,397,041	0	(342,416)	(342,416)	39,402	05/15/2019	2FE		
762397-AS-6	RHODIA SR NT 144A 20	R	06/25/2012	MORGAN KEEGAN & COMPANY		551,250	500,000	558,750	0	0	(4,122)	0	(4,122)	0	554,628	0	(3,378)	(3,378)	27,023	09/15/2020	2FE		
<b>Canada Total</b>						6,563,882	6,428,000	6,965,502	4,078,928	0	(38,750)	0	(38,750)	0	6,833,531	0	(269,649)	(269,649)	148,501		XXX	XXX	
<b>3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						52,898,296	50,551,593	52,363,391	35,641,648	3,703	(178,448)	0	(174,745)	0	51,676,574	0	1,221,720	1,221,720	761,013		XXX	XXX	
<b>8399997. Total - Bonds - Part 4</b>						288,569,774	282,223,335	289,105,320	64,655,425	3,703	(1,568,009)	0	(1,564,306)	0	286,992,512	0	1,577,255	1,577,255	2,051,571		XXX	XXX	
<b>8399998. Total - Bonds - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
<b>8399999. Total - Bonds</b>						288,569,774	282,223,335	289,105,320	64,655,425	3,703	(1,568,009)	0	(1,564,306)	0	286,992,512	0	1,577,255	1,577,255	2,051,571		XXX	XXX	
854502-30-9	STANLEY BLACK & DECKER INC CORP UN		06/05/2012	BOENNING & SCATTERGOOD IN		3,800,000	434,140	471,200	0	0	0	0	0	0	471,200	0	(37,060)	(37,060)	4,513		P2UFE		
949746-80-4	WELLS FARGO & CO NEW		06/04/2012	VARIOUS		675,000	742,483	702,016	712,800	(10,784)	0	0	(10,784)	0	702,016	0	40,468	40,468	25,313		P2LFE		
<b>8499999. Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>						1,176,623	XXX	1,173,216	712,800	(10,784)	0	0	(10,784)	0	1,173,216	0	3,408	3,408	29,826		XXX	XXX	
<b>8999997. Total - Preferred Stocks - Part 4</b>						1,176,623	XXX	1,173,216	712,800	(10,784)	0	0	(10,784)	0	1,173,216	0	3,408	3,408	29,826		XXX	XXX	
<b>8999998. Total - Preferred Stocks - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
<b>8999999. Total - Preferred Stocks</b>						1,176,623	XXX	1,173,216	712,800	(10,784)	0	0	(10,784)	0	1,173,216	0	3,408	3,408	29,826		XXX	XXX	
922308-88-4	VANGUARD EXTENDED MKT INDEX INSTL		05/09/2012	VANGUARD GROUP		527,616.807	23,728,720	17,972,126	18,963,782	(2,991,656)	0	0	(2,991,656)	0	17,972,126	0	5,756,594	5,756,594	4,370				
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		05/09/2012	VANGUARD GROUP		75,761.143	9,488,955	7,047,344	8,715,562	(1,668,218)	0	0	(1,668,218)	0	7,047,344	0	2,441,612	2,441,612	43,260				
<b>9299999. Subtotal - Common Stocks - Mutual Funds</b>						33,217,675	XXX	25,019,470	27,679,344	(4,659,874)	0	0	(4,659,874)	0	25,019,470	0	8,198,206	8,198,206	47,630		XXX	XXX	
<b>9799997. Total - Common Stocks - Part 4</b>						33,217,675	XXX	25,019,470	27,679,344	(4,659,874)	0	0	(4,659,874)	0	25,019,470	0	8,198,206	8,198,206	47,630		XXX	XXX	
<b>9799998. Total - Common Stocks - Part 5</b>						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
<b>9799999. Total - Common Stocks</b>						33,217,675	XXX	25,019,470	27,679,344	(4,659,874)	0	0	(4,659,874)	0	25,019,470	0	8,198,206	8,198,206	47,630		XXX	XXX	
<b>9899999. Total - Preferred and Common Stocks</b>						34,394,298	XXX	26,192,686	28,392,144	(4,670,658)	0	0	(4,670,658)	0	26,192,686	0	8,201,614	8,201,614	77,456		XXX	XXX	
<b>9999999 - Totals</b>						322,964,072	XXX	315,298,006	93,047,569	(4,666,955)	(1,568,009)	0	(6,234,964)	0	313,185,198	0	9,778,869	9,778,869	2,129,027		XXX	XXX	

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

E05.5

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 - Counterparty Exposure for Derivative Instruments Open

**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**



