



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011  
OF THE CONDITION AND AFFAIRS OF THE

## Group Hospitalization and Medical Services, Inc.

NAIC Group Code 0380 0380 NAIC Company Code 53007 Employer's ID Number 53-0078070  
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: HMDI

Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized 08/11/1939 Commenced Business 03/15/1934

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 Website 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 Corp. Treasurer & VP Jeanne Ann Kennedy

Corp. Secretary, Exec. VP & Gen. Counsel John Anthony Picciotto

### OTHER

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

### DIRECTORS OR TRUSTEES

<u>Elizabeth Oliver-Farrow</u>	<u>James Wallace</u>	<u>Larry Donovan Bailey</u>
<u>Carlos Mario Rodriguez</u>	<u>Robert Marcellus Willis</u>	<u>Faye Ford Fields</u>
<u>Natalie Olivia Ludaway</u>	<u>Robert Lee Sloan</u>	<u>Janice Delores Anderson #</u>
<u>Bernard Keith Jarvis #</u>	<u>Wendell Lee Johns #</u>	<u>Jack Allan Meyer #</u>
<u>Elena Victoria Pios #</u>	<u>Patricia Amelia Rodriguez #</u>	

State of Maryland SS:  
County of Baltimore

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

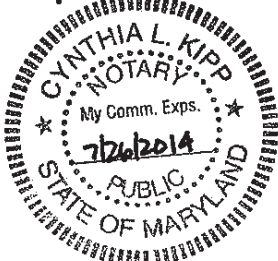
Chester Emerson Burrell  
President and Chief Executive Officer

John Anthony Picciotto  
Corp. Secretary, Exec. VP & Gen. Counsel

Jeanne Ann Kennedy  
Corp. Treasurer & VP

Subscribed and sworn to before me this 22ND day of FEBRUARY 2012  
Cynthia L. 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.....



**GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.**

**ACTUARIAL STATEMENT OF OPINION**

**DISTRICT OF COLUMBIA**

**TABLE of KEY INDICATORS:**

This Opinion is       Unqualified       Qualified       Adverse       Inconclusive

**IDENTIFICATION SECTION:**

Prescribed Wording Only       Prescribed Wording with Additional Wording       Revised Wording

**SCOPE SECTION:**

Prescribed Wording Only       Prescribed Wording with Additional Wording       Revised Wording

**RELIANCE SECTION:**

Prescribed Wording Only       Prescribed Wording with Additional Wording       Revised Wording

**OPINION SECTION:**

Prescribed Wording Only       Prescribed Wording with Additional Wording       Revised Wording

**RELEVANT COMMENTS:**

Revised Wording

The Actuarial Memorandum includes "Deviation from Standard" wording regarding conformity with an Actuarial Standard of Practice

**IDENTIFICATION SECTION**

I, Paula R. Holt, Actuary, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and an employee of CareFirst of Maryland, Inc. I meet the American Academy of Actuaries qualification standards for rendering this Actuarial Statement of Opinion and am familiar with the valuation requirements applicable to health services corporations. I was appointed by the Board of Directors of Group Hospitalization and Medical Services, Inc. on November 12, 2008 to render this Actuarial Statement of Opinion on behalf of Group Hospitalization and Medical Services, Inc, a District of Columbia corporation, whose parent company, CareFirst, Inc., is the parent company of CareFirst of Maryland, Inc. Notification of this appointment was made to state regulatory officials on February 18, 2009.

## SCOPE SECTION

Group Hospitalization and Medical Services, Inc. is exempt pursuant to the Actuarial Opinion and Memorandum Regulation of the District of Columbia from submitting an Actuarial Statement of Opinion based on an asset adequacy analysis. This Actuarial Statement of Opinion, which is not based on asset adequacy analysis, is rendered in accordance with the Actuarial Opinion and Memorandum Regulation of the District of Columbia. In particular, this opinion applies to all business in force, including individual and group health insurance plans and is based on standards adopted by the Actuarial Standards Board.

I have examined the actuarial methods and underlying actuarial assumptions as well as summaries of enrollment, paid claims by incurral month, claims paid each calendar month, and claim inventories used in determining the reserves and related actuarial items listed below. Both my staff and I have performed such tests and calculations as I consider necessary to confirm the data's accuracy and completeness that is used in determining the reserves and related actuarial items listed below, as shown in the Annual Statement of Group Hospitalization and Medical Services, Inc., as prepared for filing with state regulatory officials as of December 31, 2011:

A. Claims unpaid (Page 3, Line 1)	\$288,462,975
B. Accrued medical incentive pool and bonus payments (Page 3, Line 2)	\$0
C. Unpaid claims adjustment expenses (Page 3, Line 3)	\$11,600,000
D. Aggregate health policy reserves (Page 3, Line 4)	\$677,475,195
E. Aggregate life policy reserves (Page 3, Line 5)	\$0
F. Property/casualty unearned premium reserves (Page 3, Line 6)	\$0
G. Aggregate health claim reserves (Page 3, Line 7)	\$0
H. Any other loss reserves, actuarial liabilities, or related items as Liabilities in the annual statement	\$0
I. Specified actuarial items presented as assets in the annual statement:	
1. Accrued retrospective premiums (Page 2, line 15.3, col. 1)	\$0
2. Receivables related to risk-sharing provisions (Page 2, line 24, col. 1)	\$0
3. Pharmacy rebate receivables based on actuarial estimates (Page 2, line 24, col. 1)	\$0

Group Hospitalization and Medical Services, Inc. had \$304,360,492 of Direct Unpaid claims. Group Hospitalization and Medical Services, Inc. assumed \$6,871,446 from CareFirst of Maryland, Inc., \$114,409 from FirstCare, Inc., and ceded \$22,883,372 to CareFirst of Maryland, Inc.

Aggregate health policy reserves include Rate Stabilization Reserve of \$664,375,195 for FEHBP, Premium Deficiency Reserve of \$6,940,000, and Medical Loss Ratio Rebate Reserve of \$6,160,000.

### **Premium Deficiency Reserve (PDR):**

SSAP No. 54, paragraph 18 states: *“when the expected claims payments or incurred costs, claims adjustments expenses, and administration costs exceed the premiums to be collected for the remainder of a contract period, a premium deficiency reserve shall be recognized by recording an additional liability for the deficiency, with a corresponding charge to operations.”*

There are two key assumptions in the calculation of PDR: groupings and projection period.

We have opted to group experience consistent with federal Medical Loss Ratio regulations. After projecting deficits for each grouping, we have re-allocated overhead expenses between the groupings in order to minimize the required PDR.

For projection period, we have separated the experience by renewal cohort and have forecasted experience using claims trend, rate increases, expenses, and regulatory restrictions until the renewal date of each renewal cohort. For those individuals and employer groups whom we know will be renewing as of December 31, 2011, we have projected experience for an additional year.

Since the forecast projected a deficit of \$6,940,000, we booked a PDR of the same amount.

**Medical Loss Ratio (MLR) Rebate Reserve:**

Section 2718 of the Public Health Service Act (PHSA), added by the Patient Protection and Affordable Care Act (PPACA), requires that health insurers spend at least 85% of large employer group premiums and 80% of small employer group and individual premiums on reimbursements for clinical services and activities that will improve health care quality (i.e. have an MLR of at least 85% or 80%, respectively). The MLR calculation is done at the state and market segment (individual, small employer group, large employer group) level, in accordance with federal regulation.

If the minimum MLR is not met in a given state and market segment grouping, the insurer must pay rebates to policyholders in this grouping. The total amount of rebates paid in a given grouping represents the amount of additional claims and quality improvement expenses that the insurer would have had to incur in order to achieve the minimum MLR.

We have estimated that Group Hospitalization and Medical Services, Inc. will need to pay rebates for 2011 totaling \$6,160,000. We have therefore held an MLR reserve of \$6,160,000 as of December 31, 2011.

**RELIANCE SECTION**

In forming my opinion on:

- Direct Business (excluding The Dental Network) reserves, I relied on data prepared by Paul Maranto, Project Director, Actuarial Systems and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements. I have evaluated the data for reasonableness and consistency.

For Direct and Reinsurance Business manual reserves, I relied on data prepared by William W. Showman, Associate Vice President, Accounting Operations and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements. I have evaluated the data for reasonableness and consistency.

I also reconciled that data which is net of reinsurance to the Underwriting and Investment Exhibit – Part 2B of Group Hospitalization and Medical Services, Inc. current annual statement. In other respects, my examination included review of the actuarial assumptions and actuarial methods used and tests of the calculations I considered necessary.

- The Dental Network Direct Business reserves on Group Hospitalization and Medical Services, Inc. paper, I relied on data prepared by Robert Wilsie, Senior Programmer Analyst and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements. I have

evaluated that data for reasonableness and consistency. I also reconciled that data to the Underwriting and Investment Exhibit – Part 2B of Group Hospitalization and Medical Services, Inc. current annual statement.

- FEHBP Prescription Drug reserve, I relied on data prepared by Joseph G. Korabik, Associate Actuary, Blue Cross Blue Shield Association, as certified in the attached statements. The data was provided in the form of claims a triangle that represents the combined prescription drug paid claims for the entire Service Benefit Plan (Federal Employees Program) in the FEHBP. The data is then used to create a claims triangle for Federal Employees Program prescription drug experience. This claims triangle was used to develop outstanding claims liability factors which are applied to the FEHBP Prescription Drug claims for the company. I have evaluated that data for reasonableness and consistency. I also reconciled that data to the Underwriting and Investment Exhibit – Part 2B of Group Hospitalization and Medical Services Inc. current annual statement. In other respects, my examination included review of the actuarial assumptions and actuarial methods used and tests of the calculations I considered necessary.
- FEHBP Blue Vision reserve, I relied on the reserve provided by Joseph G. Korabik, Associate Actuary, Blue Cross Blue Shield Association, as certified in the attached statements. I have reconciled that reserve to the Underwriting and Investment Exhibit – Part 2B of Group Hospitalization and Medical Services, Inc. current annual statement.
- Long Term Care reserve, I relied on the Active Life and Incurred But Not Reported (IBNR) reserves provided by William L. Naylor, Vice President, MedAmerica, as certified in the attached statements. I have reconciled that reserve to the Underwriting and Investment Exhibit – Part 2B of Group Hospitalization and Medical Services, Inc. current annual statement.
- FEHBP Rate Stabilization Reserve, I relied on the reserve provided by Charles J. Reip, Manager, Federal Contract Reporting and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements.
- Unpaid Claims Adjustment Expenses, I relied on the expenses provided by Jean Mattingly, Manager, Budget and Expense Management and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements.
- Specified actuarial items presented as assets in the annual statement (Accrued retrospective premiums, Receivables related to risk-sharing provisions and Pharmacy rebate receivables based on actuarial estimates), I relied on the receivables provided by Alan Heath, Senior Director, Financial Reporting and an employee of CareFirst Blue Cross Blue Shield, as certified in the attached statements.

## **OPINION SECTION**

In my opinion, the amounts carried in the balance sheet on account of the items identified above:

- Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles and that specifically relate to the Actuarial Statement of Opinion required under the Actuarial Opinion and Memorandum Regulation of the District of Columbia,

- Are computed appropriately,
- Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared,
- Meet the requirements of the laws of the District of Columbia and are at least as great as the minimum aggregate amounts required by the District of Columbia in which this statement is filed,
- Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of Group Hospitalization and Medical Services, Inc. under the terms of its contracts and agreements,
- Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end,
- Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit – Part 2B was reviewed for reasonableness and was prepared under my direction consistent with section 3.6, “Follow-Up Studies”, contained in Actuarial Standard of Practice No. 5, “Incurred Health and Disability Claims” adopted by the Actuarial Standards Board of the American Academy of Actuaries in December 2000.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which form the basis of this Actuarial Statement of Opinion.

Based on my analysis, in my opinion, the reserves and related actuarial items, to the extent considered in light of the assets held by Group Hospitalization and Medical Services, Inc. with respect to such reserves and related actuarial items including, but not limited to, the investment earnings on such assets, and the considerations anticipated to be received and retained under such policies and contracts, make adequate provision, according to presently accepted actuarial standards of practice, for the anticipated cash flows required by the contractual obligations and related expenses of Group Hospitalization and Medical Services, Inc.



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Paula R. Holt, F.S.A., M.A.A.A.  
CareFirst of Maryland, Inc.  
10455 Mill Run Circle  
Owings Mills, MD. 21117  
410-998-4715  
February 23, 2012

CareFirst BlueCross BlueShield  
10455 Mill Run Circle  
Owings Mills, MD 21117-5559  
www.carefirst.com



**Certification of Direct Business Reserves Data**

**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, Paul Maranto, Project Director, Actuarial Systems, on behalf of Group Hospitalization and Medical Services, Inc., hereby confirm that the data provided to Paula R. Holt to calculate Direct Business Reserves for Group Hospitalization and Medical Services, Inc. was prepared under my direction and to the best of my knowledge and belief, are accurate, reasonable and complete. For risk business including FEHBP, Straight Paid amounted to \$2,448,428,588.

*Paul D. Maranto* 02/15/12

Paul Maranto February 15, 2012

Title: Project Director, Actuarial Systems

Company: CareFirst of Maryland, Inc.

Mailstop: OWML1 - 01-750

10455 Mill Run Circle

Owings Mills, MD 21117

Phone #: 410-998-4835

CareFirst BlueCross BlueShield  
10455 Mill Run Circle  
Owings Mills, MD 21117-5559  
www.carefirst.com



## **Certification of General Ledger to Actuarial Paid Reconciliation**

**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, William Showman, Associate Vice President (AVP), Accounting Operations, on behalf of Group Hospitalization and Medical Services, Inc., hereby confirm that the General Ledger paid to Actuarial paid schedules provided as of December 31, 2011 were prepared under my direction and to the best of my knowledge and belief, are correctly recorded in the financial statements and the breakdown between paid care, manual care entries and IBNR expense are accurately reflected in the general ledger. For risk business including FEHBP, General Ledger paid amounted to \$2,946,234,040, which includes manual care of \$494,878,244.

A handwritten signature in cursive script, appearing to read "William Showman", written over a horizontal line.

William Showman      February 7, 2012

Title:                      AVP, Accounting Operations

Company:                CareFirst of Maryland, Inc.  
                                  Mailstop: OWML1 - 01-650  
                                  10455 Mill Run Circle  
                                  Owings Mills, MD 21117

Phone #:                 410-998-7455





**BlueCross BlueShield  
Association**

An Association of Independent  
Blue Cross and Blue Shield Plans  
Federal Employee Program  
1310 G Street, N.W.  
Washington, D.C. 20005  
202-942-1000  
Fax 202-942-1125

January 19, 2012

Paula Holt, F.S.A. M.A.A.A.  
Actuary  
CareFirst BlueCross Blue Shield  
Actuarial Financial Services  
10455 Mill Run Circle  
Owings Mills, MD 21117

RE: FEP BlueVision Reserve Values

Paula,

In connection with your examination of actuarial items to be included in the statutory annual statement of Group Hospitalization and Medical Services, Inc. as of November 30, 2011, I have reviewed the FEP BlueVision reserve value of \$83,697.99 for the High Option and \$45,595.34 for the Standard Option, and I represent to the best of my knowledge and belief:

- a) The methods used are appropriate and in alignment with industry practices
- b) The models used are reasonable for the purpose;
- c) The assumptions used are supportable;
- d) The data is complete.

With respect to FEP BlueVision reserve values of Group Hospitalization and Medical Services, Inc. as of November 30, 2011, I give you my assurance the FEP BlueVision reserve values were calculated with adherence to the Actuarial Standards of Practice set forth by the Actuarial Standards Board.

If you have any questions about the processes, procedures, or data used, please contact me at (312) 297-6062.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Joseph G. Korabik", written over a horizontal line.

Joseph G. Korabik, F.S.A., M.A.A.A.  
Chief Actuary FEP  
Blue Cross Blue Shield Association  
225 North Michigan Avenue  
Chicago, Illinois 60601-7680  
312-297-6062



**BlueCross BlueShield  
Association**

An Association of Independent  
Blue Cross and Blue Shield Plans

Federal Employee Program  
1310 G Street, N.W.  
Washington, D.C. 20005  
202-942-1000  
Fax 202-942-1125

January 19, 2012

Paula Holt, F.S.A. M.A.A.A.  
Actuary  
CareFirst BlueCross Blue Shield  
Actuarial Financial Services  
10455 Mill Run Circle  
Owings Mills, MD 21117

RE: FEP Prescription Drug Benefit Triangles

Paula,

I, Joseph G. Korabik, Chief Actuary, FEP, Blue Cross Blue Shield Association, hereby affirm that the drug claims experience provided to Group Hospitalization and Medical Services, Inc. in the form of claims triangles represents the combined prescription drug benefits paid under the Retail Pharmacy Program and the Mail Service Prescription Drug Program for the entire Service Benefit Plan (FEP) in the FEHBP. The data was prepared under my direction and, to the best of my knowledge and belief, is accurate and complete. The data is used by Group Hospitalization and Medical Services, Inc. to create a claims triangle for FEP prescription drug experience.

A handwritten signature in cursive script, appearing to read "Joseph G. Korabik", written over a horizontal line.

Joseph G. Korabik, F.S.A., M.A.A.A.  
Chief Actuary FEP  
Blue Cross Blue Shield Association  
225 North Michigan Avenue  
Chicago, Illinois 60601-7680  
312-297-6062



**Certification of Direct Business Reserve Paid Claims Data**

**The Dental Network, Inc. (TDN)**

**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, Robert Wilsie, Senior Programmer/Analyst, on behalf of Group Hospitalization and Medical Services, Inc., The Dental Network hereby confirm that the paid claims data was prepared under my direction and to the best of my knowledge and belief are appropriately calculated and accurately recorded and provided to the Actuarial Systems Department. Straight Paid Claims for Calendar Year 2011 amounted to \$3,743,213.

A handwritten signature in black ink, appearing to read "R. Wilsie".

---

Robert Wilsie January 17, 2012

Title: Senior Programmer/Analyst

Company: CareFirst of Maryland, Inc.

10455 Mill Run Circle

Owings Mills, MD 21117

Phone #: 904-280-8233

The Dental Network  
1501 S. Clinton Street, Suite 600  
Baltimore, Maryland 21224-5730  
Tel: (410) 847-9060  
Fax: (410) 339-5360  
888-833-8464  
www.thedentalnet.org

The Dental Network 

## Certification of Direct Business Reserve Enrollment Data

The Dental Network, Inc. (TDN)

Group Hospitalization and Medical Services, Inc.

For The Year Ending December 31, 2011

I, Robert Wilsie, Senior Programmer/Analyst, on behalf of Group Hospitalization and Medical Services, Inc., The Dental Network hereby confirm that the enrollment data was prepared under my direction and to the best of my knowledge and belief are accurately recorded and provided to the Actuarial Systems Department. Enrollment at the end of Calendar Year 2011 is 32,455.



---

Robert Wilsie    January 17, 2012  
Title:            Senior Programmer/Analyst  
Company:        CareFirst of Maryland, Inc.  
                      10455 Mill Run Circle  
                      Owings Mills, MD 21117  
Phone #:         904-280-8233

# MEDAmerica

An Excellus Company

**MedAmerica Insurance Company**

Home Office: Pittsburgh, PA

**MedAmerica Insurance Company of New York**

Home Office: Rochester, NY

**MedAmerica Insurance Company of Florida**

Home Office: Winter Park, FL

January 19, 2012

I, William L. Naylor, Senior VP, Finance of MedAmerica Insurance Company, hereby affirm that the listings and summaries of Long Term Care policies in force (81), related statutory reserves of \$194,307, related GAAP reserves of \$223,992, and DAC asset of \$7,707 as of December 31, 2011, prepared for and submitted to CareFirst National Capital Area, were prepared under my direction and, to the best of my knowledge and belief, are accurate and complete.



William L. Naylor

Senior Vice President, Finance  
165 Court Street  
Rochester, NY 14647

585 238- 4456

CareFirst BlueCross BlueShield  
10455 Mill Run Circle  
Owings Mills, MD 21117-5559



**CERTIFICATION OF RATE STABILIZATION RESERVE**

**FEDERAL EMPLOYEE PROGRAM**

**GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.**

**FOR THE YEAR ENDING DECEMBER 31, 2011**

I, Charles J. Reip, Manager, Federal Contract Reporting at CareFirst of Maryland, Inc., on behalf of the Group Hospitalization and Medical Services, Inc. Federal Employee Program, hereby confirm that the values contained in the December 31, 2011 balance of the Federal Employee Program Rate Stabilization Reserve (account 300.214108) were prepared under my direction and to the best of my knowledge and belief, are appropriately calculated and correctly recorded in the Group Hospitalization and Medical Services, Inc. financial statements.

Balance at December 31, 2011 Account #: 300.214108 \$ 664,375,195

Charles J. Reip

Charles J. Reip January 20, 2012

Title: Manager, Federal Contract Reporting

Company: CareFirst of Maryland, Inc.

Mailstop: 01-670

10455 Mill Run Circle

Owings Mills, MD 21117

Phone #: 410-998-7207

CareFirst BlueCross BlueShield  
10455 Mill Run Circle  
Owings Mills, MD 21117-5559  
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**Certification of Specified Actuarial Items Presented as Assets  
in Annual Statement**

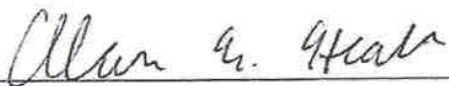
**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, Alan Heath, Senior Director Financial Reporting, on behalf of Group Hospitalization and Medical Services, Inc., hereby confirm the amounts of the following specified actuarial items presented as assets in the annual statement:

- Accrued retrospective premiums are \$0
- Receivables related to risk-sharing provisions are \$0
- Pharmacy rebate receivables based on actuarial estimates are \$0.

All of the above items contained in the December 31, 2011 annual statement were prepared under my direction, and to the best of my knowledge and belief, are correctly recorded in the Group Hospitalization and Medical Services, Inc. financial statements.

  
\_\_\_\_\_

Alan Heath      February 15, 2012  
Title:            Senior Director, Financial Reporting  
Company:        CareFirst of Maryland, Inc.  
                         Mailstop: OWML1 - 01-685  
                         10455 Mill Run Circle  
                         Owings Mills, MD 21117  
Phone #:         410-998-7608

CareFirst BlueCross BlueShield  
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Owings Mills, MD 21117-5559  
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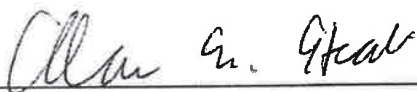


**Certification of Rate Stabilization Reserve**

**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, Alan Heath, Senior Director Financial Reporting, on behalf of Group Hospitalization and Medical Services, Inc., hereby confirm that the Rate Stabilization Reserve amount of \$0 for Risk business contained in the December 31, 2011 annual statement was prepared under my direction and to the best of my knowledge and belief, are correctly recorded in the Group Hospitalization and Medical Services, Inc. financial statements.

  
\_\_\_\_\_

Alan Heath      February 15, 2012  
Title:            Senior Director, Financial Reporting  
Company:        CareFirst of Maryland, Inc.  
                      Mailstop: OWML1 - 01-685  
                      10455 Mill Run Circle  
                      Owings Mills, MD 21117  
Phone #:        410-998-7608





**Certification of Unpaid Claims Adjustment Expenses**

**Group Hospitalization and Medical Services, Inc.**

**For The Year Ending December 31, 2011**

I, Jean Mattingly, Manager, Budget and Expense Management, on behalf of Group Hospitalization and Medical Services, Inc., hereby confirm that the Unpaid Claims Adjustment Expenses for Group Hospitalization and Medical Services, Inc. was prepared under my direction and to the best of my knowledge and belief, are accurate, reasonable, and complete. Unpaid Claims Adjustment Expenses as of December 31, 2011 amounted to \$11,600,000.00

A handwritten signature in cursive script, appearing to read "Jean Mattingly", written over a horizontal line.

Jean Mattingly

January 25, 2012

Title:

Manager, Budget and Expense Management

Company:

Group Hospitalization and Medical Services, Inc.

Mailstop: OWML1 - 01-680

10455 Mill Run Circle

Owings Mills, MD 21117

Phone #:

410-998-5522

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	106,060,500	8.774	106,060,500	0	106,060,500	8.774
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	405,938	0.034	405,938	0	405,938	0.034
1.22 Issued by U.S. government sponsored agencies	10,346,878	0.856	10,346,878	0	10,346,878	0.856
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)	2,974,782	0.246	2,974,782	0	2,974,782	0.246
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations	7,074,206	0.585	7,074,206	0	7,074,206	0.585
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	2,143,966	0.177	2,143,966	0	2,143,966	0.177
1.43 Revenue and assessment obligations	2,433,333	0.201	2,433,333	0	2,433,333	0.201
1.44 Industrial development and similar obligations	0	0.000	0	0	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	29,036,889	2.402	29,036,889	0	29,036,889	2.402
1.512 Issued or guaranteed by FNMA and FHLMC	167,948,773	13.893	167,948,773	0	167,948,773	13.893
1.513 All other	0	0.000	0	0	0	0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	14,689,596	1.215	14,689,596	0	14,689,596	1.215
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	0	0.000	0	0	0	0.000
1.523 All other	11,613,634	0.961	11,613,634	0	11,613,634	0.961
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	181,053,621	14.978	181,053,621	0	181,053,621	14.978
2.2 Unaffiliated non-U.S. securities (including Canada)	35,265,658	2.917	35,265,658	0	35,265,658	2.917
2.3 Affiliated securities	0	0.000	0	0	0	0.000
3. Equity interests:						
3.1 Investments in mutual funds	167,660,582	13.870	167,660,582	0	167,660,582	13.870
3.2 Preferred stocks:						
3.21 Affiliated	0	0.000	0	0	0	0.000
3.22 Unaffiliated	950,400	0.079	950,400	0	950,400	0.079
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated	0	0.000	0	0	0	0.000
3.32 Unaffiliated	0	0.000	0	0	0	0.000
3.4 Other equity securities:						
3.41 Affiliated	0	0.000	0	0	0	0.000
3.42 Unaffiliated	3,902,805	0.323	3,902,805	0	3,902,805	0.323
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated	0	0.000	0	0	0	0.000
3.52 Unaffiliated	0	0.000	0	0	0	0.000
4. Mortgage loans:						
4.1 Construction and land development	0	0.000	0	0	0	0.000
4.2 Agricultural	0	0.000	0	0	0	0.000
4.3 Single family residential properties	0	0.000	0	0	0	0.000
4.4 Multifamily residential properties	0	0.000	0	0	0	0.000
4.5 Commercial loans	0	0.000	0	0	0	0.000
4.6 Mezzanine real estate loans	0	0.000	0	0	0	0.000
5. Real estate investments:						
5.1 Property occupied by company	0	0.000	0	0	0	0.000
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)	0	0.000	0	0	0	0.000
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)	0	0.000	0	0	0	0.000
6. Contract loans	0	0.000	0	0	0	0.000
7. Derivatives	0	0.000	0	0	0	0.000
8. Receivables for securities	0	0.000	0	0	0	0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	65,503,618	5.419	65,503,618	0	65,503,618	5.419
11. Other invested assets	399,764,736	33.070	399,764,736	0	399,764,736	33.070
12. Total invested assets	1,208,829,915	100.000	1,208,829,915	0	1,208,829,915	100.000

Schedule A - Verification - Real Estate

**N O N E**

Schedule B - Verification - Mortgage Loans

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year .....	375,018,733
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 8) .....	0
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	17,078,712
		17,078,712
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 16 .....	0
3.2	Totals, Part 3, Column 12 .....	0
		0
4.	Accrual of discount .....	0
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 13 .....	23,687,276
5.2	Totals, Part 3, Column 9 .....	(113,050)
		23,574,226
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	919,395
7.	Deduct amounts received on disposals, Part 3, Column 16 .....	16,659,663
8.	Deduct amortization of premium and depreciation .....	0
9.	Total foreign exchange change in book/adjusted carrying value:	
9.1	Totals, Part 1, Column 17 .....	0
9.2	Totals, Part 3, Column 14 .....	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 15 .....	0
10.2	Totals, Part 3, Column 11 .....	0
		0
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	399,931,403
12.	Deduct total nonadmitted amounts .....	166,667
13.	Statement value at end of current period (Line 11 minus Line 12) .....	399,764,736

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year .....	842,758,829
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....	1,354,592,192
3.	Accrual of discount .....	643,353
4.	Unrealized valuation increase (decrease):	
4.1	Part 1, Column 12 .....	(271,836)
4.2	Part 2, Section 1, Column 15 .....	17,400
4.3	Part 2, Section 2, Column 13 .....	(7,847,831)
4.4	Part 4, Column 11 .....	(5,848,272)
		(13,950,539)
5.	Total gain (loss) on disposals, Part 4, Column 19 .....	14,897,788
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....	1,450,144,529
7.	Deduct amortization of premium .....	5,235,509
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1	Part 1, Column 15 .....	0
8.2	Part 2, Section 1, Column 19 .....	0
8.3	Part 2, Section 2, Column 16 .....	0
8.4	Part 4, Column 15 .....	0
		0
9.	Deduct current year's other than temporary impairment recognized:	
9.1	Part 1, Column 14 .....	0
9.2	Part 2, Section 1, Column 17 .....	0
9.3	Part 2, Section 2, Column 14 .....	0
9.4	Part 4, Column 13 .....	0
		0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	743,561,585
11.	Deduct total nonadmitted amounts .....	0
12.	Statement value at end of current period (Line 10 minus Line 11) .....	743,561,585

**SCHEDULE D - SUMMARY BY COUNTRY**

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	146,505,090	148,765,480	146,709,684	141,467,770
	2. Canada .....	2,321,935	2,395,635	2,343,795	2,100,000
	3. Other Countries	652,847	666,419	653,977	650,000
	4. Totals	149,479,872	151,827,534	149,707,456	144,217,770
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	7,074,205	7,960,319	7,078,221	6,900,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	2,143,966	2,423,498	2,147,731	2,075,000
U.S. Special revenue and special assessment obligations and all non- guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	186,745,572	191,686,565	186,921,084	177,655,524
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States .....	190,338,493	198,042,718	192,536,320	184,522,285
	9. Canada .....	3,738,650	4,140,054	3,821,564	3,505,000
	10. Other Countries	31,527,007	31,710,895	31,623,744	32,421,781
	11. Totals	225,604,150	233,893,667	227,981,628	220,449,066
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	571,047,765	587,791,583	573,836,120	551,297,360
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....	950,400	950,400	933,000	
	15. Canada .....	0	0	0	
	16. Other Countries	0	0	0	
	17. Totals	950,400	950,400	933,000	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	950,400	950,400	933,000	
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....	171,563,387	171,563,387	162,455,723	
	21. Canada .....	0	0	0	
	22. Other Countries	0	0	0	
	23. Totals	171,563,387	171,563,387	162,455,723	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	9,000	
	25. Total Common Stocks	171,563,387	171,563,387	162,464,723	
	26. Total Stocks	172,513,787	172,513,787	163,397,723	
	27. Total Bonds and Stocks	743,561,552	760,305,370	737,233,843	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>1. U.S. Governments</b>											
1.1 Class 1	87,711,715	88,050,785	13,277,457	5,206,185	6,453,536	200,699,678	27.0	250,041,768	30.4	200,699,678	0
1.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
1.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
1.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	87,711,715	88,050,785	13,277,457	5,206,185	6,453,536	200,699,678	27.0	250,041,768	30.4	200,699,678	0
<b>2. All Other Governments</b>											
2.1 Class 1	1,504,038	652,847	0	817,897	0	2,974,782	0.4	2,162,092	0.3	2,974,782	0
2.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	1,504,038	652,847	0	817,897	0	2,974,782	0.4	2,162,092	0.3	2,974,782	0
<b>3. U.S. States, Territories and Possessions etc., Guaranteed</b>											
3.1 Class 1	0	236,807	2,568,583	0	4,268,816	7,074,206	1.0	6,354,456	0.8	7,074,206	0
3.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	236,807	2,568,583	0	4,268,816	7,074,206	1.0	6,354,456	0.8	7,074,206	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 Class 1	0	1,007,097	0	400,814	736,056	2,143,967	0.3	3,223,269	0.4	2,143,966	1
4.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	1,007,097	0	400,814	736,056	2,143,967	0.3	3,223,269	0.4	2,143,966	1
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>											
5.1 Class 1	49,758,249	89,683,889	33,355,172	10,364,285	2,083,981	185,245,576	24.9	254,428,386	30.9	185,245,576	0
5.2 Class 2	71,899	310,073	443,348	674,680	0	1,500,000	0.2	1,500,000	0.2	1,500,000	0
5.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	49,830,148	89,993,962	33,798,520	11,038,965	2,083,981	186,745,576	25.1	255,928,386	31.1	186,745,576	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

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

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>6. Industrial &amp; Miscellaneous (Unaffiliated)</b>											
6.1 Class 1	131,744,270	71,677,957	37,083,746	4,241,604	8,175,394	252,922,971	34.0	178,262,479	21.7	240,919,880	12,003,091
6.2 Class 2	5,302,209	26,528,721	43,218,010	2,328,853	11,668,121	89,045,914	12.0	122,455,391	14.9	88,445,915	599,999
6.3 Class 3	0	0	0	0	0	0	0.0	851,260	0.1	0	0
6.4 Class 4	92,519	317,342	347,210	553,298	327,849	1,638,218	0.2	304,476	0.0	1,638,217	1
6.5 Class 5	0	0	0	0	0	0	0.0	2,927,851	0.4	0	0
6.6 Class 6	0	18	0	0	0	18	0.0	18	0.0	18	0
6.7 Totals	137,138,998	98,524,038	80,648,966	7,123,755	20,171,364	343,607,121	46.2	304,801,475	37.1	331,004,030	12,603,091
<b>7. Hybrid Securities</b>											
7.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>											
8.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
8.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

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

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>9. Total Bonds Current Year</b>											
9.1 Class 1	(d) 270,718,272	251,309,382	86,284,958	21,030,785	21,717,783	651,061,180	87.6	XXX	XXX	639,058,088	12,003,092
9.2 Class 2	(d) 5,374,108	26,838,794	43,661,358	3,003,533	11,668,121	90,545,914	12.2	XXX	XXX	89,945,915	599,999
9.3 Class 3	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Class 4	(d) 92,519	317,342	347,210	553,298	327,849	1,638,218	0.2	XXX	XXX	1,638,217	1
9.5 Class 5	(d) 0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
9.6 Class 6	(d) 0	18	0	0	0	(c) 18	0.0	XXX	XXX	18	0
9.7 Totals	276,184,899	278,465,536	130,293,526	24,587,616	33,713,753	(b) 743,245,330	100.0	XXX	XXX	730,642,238	12,603,092
9.8 Line 9.7 as a % of Col. 6	37.2	37.5	17.5	3.3	4.5	100.0	XXX	XXX	XXX	98.3	1.7
<b>10. Total Bonds Prior Year</b>											
10.1 Class 1	196,502,310	294,071,031	102,720,898	26,682,300	74,495,911	XXX	XXX	694,472,450	84.4	689,309,814	5,162,636
10.2 Class 2	4,601,256	40,918,738	48,467,453	10,037,626	19,930,318	XXX	XXX	123,955,391	15.1	121,706,645	2,248,746
10.3 Class 3	0	0	0	0	851,260	XXX	XXX	851,260	0.1	851,260	0
10.4 Class 4	0	0	304,476	0	0	XXX	XXX	304,476	0.0	304,476	0
10.5 Class 5	95,488	1,992,573	595,631	244,159	0	XXX	XXX	(c) 2,927,851	0.4	2,927,851	0
10.6 Class 6	0	0	18	0	0	XXX	XXX	(c) 18	0.0	18	0
10.7 Totals	201,199,054	336,982,342	152,088,476	36,964,085	95,277,489	XXX	XXX	(b) 822,511,446	100.0	815,100,064	7,411,382
10.8 Line 10.7 as a % of Col. 8	24.5	41.0	18.5	4.5	11.6	XXX	XXX	100.0	XXX	99.1	0.9
<b>11. Total Publicly Traded Bonds</b>											
11.1 Class 1	267,737,249	245,414,764	85,012,940	19,484,738	21,408,398	639,058,089	86.0	689,309,814	83.8	639,058,089	XXX
11.2 Class 2	5,374,108	26,238,794	43,661,358	3,003,534	11,668,121	89,945,915	12.1	121,706,645	14.8	89,945,915	XXX
11.3 Class 3	0	0	0	0	0	0	0.0	851,260	0.1	0	XXX
11.4 Class 4	92,519	317,342	347,210	553,298	327,849	1,638,218	0.2	304,476	0.0	1,638,218	XXX
11.5 Class 5	0	0	0	0	0	0	0.0	2,927,851	0.4	0	XXX
11.6 Class 6	0	18	0	0	0	18	0.0	18	0.0	18	XXX
11.7 Totals	273,203,876	271,970,918	129,021,508	23,041,570	33,404,368	730,642,240	98.3	815,100,064	99.1	730,642,240	XXX
11.8 Line 11.7 as a % of Col. 6	37.4	37.2	17.7	3.2	4.6	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	36.8	36.6	17.4	3.1	4.5	98.3	XXX	XXX	XXX	98.3	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 Class 1	2,981,023	5,894,618	1,272,018	1,546,047	309,385	12,003,091	1.6	5,162,636	0.6	XXX	12,003,091
12.2 Class 2	0	600,000	0	(1)	0	599,999	0.1	2,248,746	0.3	XXX	599,999
12.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.7 Totals	2,981,023	6,494,618	1,272,018	1,546,046	309,385	12,603,090	1.7	7,411,382	0.9	XXX	12,603,090
12.8 Line 12.7 as a % of Col. 6	23.7	51.5	10.1	12.3	2.5	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.4	0.9	0.2	0.2	0.0	1.7	XXX	XXX	XXX	XXX	1.7

(a) Includes \$ 12,603,091 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year, \$ 19,451,450 prior year of bonds with Z designations and \$ 0, current year \$ 19,451,450 prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5\* designations and \$ 0, current year \$ 0 prior year of bonds with 6\* designations. "5\*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0



ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>1. U.S. Governments</b>											
1.1 Issuer Obligations	80,733,859	74,240,105	8,374,588	3,638,632	6,349,481	173,336,665	23.3	248,609,076	30.2	173,336,664	1
1.2 Residential Mortgage-Backed Securities	6,977,857	13,810,679	4,902,870	1,567,553	104,055	27,363,014	3.7	1,432,692	0.2	27,363,014	0
1.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Totals	87,711,716	88,050,784	13,277,458	5,206,185	6,453,536	200,699,679	27.0	250,041,768	30.4	200,699,678	1
<b>2. All Other Governments</b>											
2.1 Issuer Obligations	1,504,038	652,847	0	817,897	0	2,974,782	0.4	2,162,092	0.3	2,974,782	0
2.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Totals	1,504,038	652,847	0	817,897	0	2,974,782	0.4	2,162,092	0.3	2,974,782	0
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>											
3.1 Issuer Obligations	0	236,807	2,568,583	0	4,268,816	7,074,206	1.0	6,354,456	0.8	7,074,206	0
3.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Totals	0	236,807	2,568,583	0	4,268,816	7,074,206	1.0	6,354,456	0.8	7,074,206	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 Issuer Obligations	0	1,007,097	0	400,814	736,056	2,143,967	0.3	3,223,269	0.4	2,143,966	1
4.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Totals	0	1,007,097	0	400,814	736,056	2,143,967	0.3	3,223,269	0.4	2,143,966	1
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed</b>											
5.1 Issuer Obligations	71,899	310,073	443,348	674,680	933,333	2,433,333	0.3	4,698,482	0.6	2,433,333	0
5.2 Residential Mortgage-Backed Securities	49,758,249	89,683,889	33,355,172	10,364,285	1,150,648	184,312,243	24.8	251,229,906	30.5	184,312,244	(1)
5.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Totals	49,830,148	89,993,962	33,798,520	11,038,965	2,083,981	186,745,576	25.1	255,928,388	31.1	186,745,577	(1)
<b>6. Industrial and Miscellaneous</b>											
6.1 Issuer Obligations	126,025,114	86,195,224	74,897,310	5,133,493	18,468,505	310,719,646	41.8	277,188,371	33.7	303,199,418	7,520,228
6.2 Residential Mortgage-Backed Securities	585,674	719,189	599,475	62,728	1,729	1,968,795	0.3	4,285,229	0.5	1,968,795	0
6.3 Commercial Mortgage-Backed Securities	5,501,296	4,143,544	0	0	0	9,644,840	1.3	23,327,875	2.8	6,722,511	2,922,329
6.4 Other Loan-Backed and Structured Securities	5,026,913	7,466,081	5,152,181	1,927,534	1,701,131	21,273,840	2.9	0	0.0	19,113,305	2,160,535
6.5 Totals	137,138,997	98,524,038	80,648,966	7,123,755	20,171,365	343,607,121	46.2	304,801,475	37.1	331,004,029	12,603,092
<b>7. Hybrid Securities</b>											
7.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>											
8.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

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

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>9. Total Bonds Current Year</b>											
9.1 Issuer Obligations	208,334,910	162,642,153	86,283,829	10,665,516	30,756,191	498,682,599	67.1	XXX	XXX	491,162,369	7,520,230
9.2 Residential Mortgage-Backed Securities	57,321,780	104,213,757	38,857,517	11,994,566	1,256,432	213,644,052	28.7	XXX	XXX	213,644,053	(1)
9.3 Commercial Mortgage-Backed Securities	5,501,296	4,143,544	0	0	0	9,644,840	1.3	XXX	XXX	6,722,511	2,922,329
9.4 Other Loan-Backed and Structured Securities	5,026,913	7,466,081	5,152,181	1,927,534	1,701,131	21,273,840	2.9	XXX	XXX	19,113,305	2,160,535
9.5 Totals	276,184,899	278,465,535	130,293,527	24,587,616	33,713,754	743,245,331	100.0	XXX	XXX	730,642,238	12,603,093
9.6 Line 9.5 as a % of Col. 6	37.2	37.5	17.5	3.3	4.5	100.0	XXX	XXX	XXX	98.3	1.7
<b>10. Total Bonds Prior Year</b>											
10.1 Issuer Obligations	117,722,311	191,829,802	113,001,888	25,445,705	94,236,040	XXX	XXX	542,235,746	65.9	534,824,362	7,411,384
10.2 Residential Mortgage-Backed Securities	78,569,242	131,077,813	35,704,028	10,559,515	1,037,228	XXX	XXX	256,947,826	31.2	256,947,826	0
10.3 Commercial Mortgage-Backed Securities	4,907,501	14,074,727	3,382,562	958,864	4,222	XXX	XXX	23,327,876	2.8	23,327,875	1
10.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.5 Totals	201,199,054	336,982,342	152,088,478	36,964,084	95,277,490	XXX	XXX	822,511,448	100.0	815,100,063	7,411,385
10.6 Line 10.5 as a % of Col. 8	24.5	41.0	18.5	4.5	11.6	XXX	XXX	100.0	XXX	99.1	0.9
<b>11. Total Publicly Traded Bonds</b>											
11.1 Issuer Obligations	208,334,911	156,849,122	85,568,911	9,653,236	30,756,190	491,162,370	66.1	534,824,362	65.0	491,162,370	XXX
11.2 Residential Mortgage-Backed Securities	57,321,779	104,213,757	38,857,518	11,994,566	1,256,432	213,644,052	28.7	256,947,826	31.2	213,644,052	XXX
11.3 Commercial Mortgage-Backed Securities	2,578,967	4,143,544	0	0	0	6,722,511	0.9	23,327,875	2.8	6,722,511	XXX
11.4 Other Loan-Backed and Structured Securities	4,968,218	6,764,493	4,595,080	1,393,768	1,391,746	19,113,305	2.6	0	0.0	19,113,305	XXX
11.5 Totals	273,203,875	271,970,916	129,021,509	23,041,570	33,404,368	730,642,238	98.3	815,100,063	99.1	730,642,238	XXX
11.6 Line 11.5 as a % of Col. 6	37.4	37.2	17.7	3.2	4.6	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	36.8	36.6	17.4	3.1	4.5	98.3	XXX	XXX	XXX	98.3	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 Issuer Obligations	(1)	5,793,031	714,918	1,012,280	1	7,520,229	1.0	7,411,384	0.9	XXX	7,520,229
12.2 Residential Mortgage-Backed Securities	1	0	(1)	0	0	0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities	2,922,329	0	0	0	0	2,922,329	0.4	1	0.0	XXX	2,922,329
12.4 Other Loan-Backed and Structured Securities	58,695	701,588	557,101	533,766	309,385	2,160,535	0.3	0	0.0	XXX	2,160,535
12.5 Totals	2,981,024	6,494,619	1,272,018	1,546,046	309,386	12,603,093	1.7	7,411,385	0.9	XXX	12,603,093
12.6 Line 12.5 as a % of Col. 6	23.7	51.5	10.1	12.3	2.5	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.4	0.9	0.2	0.2	0.0	1.7	XXX	XXX	XXX	XXX	1.7

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	98,597,575	98,597,575	0	0	0
2. Cost of short-term investments acquired .....	375,162,666	375,162,666	0	0	0
3. Accrual of discount .....	756	756	0	0	0
4. Unrealized valuation increase (decrease) .....	0	0	0	0	0
5. Total gain (loss) on disposals .....	1,482	1,482	0	0	0
6. Deduct consideration received on disposals .....	301,426,699	301,426,699	0	0	0
7. Deduct amortization of premium .....	138,222	138,222	0	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0	0	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0	0	0	0
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	172,197,558	172,197,558	0	0	0
11. Deduct total nonadmitted amounts .....	0	0	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	172,197,558	172,197,558	0	0	0

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

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 BETWEEN YEARS**

(Cash Equivalents)

	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year .....	0	0	0
2. Cost of cash equivalents acquired .....	5,999,504	5,999,504	0
3. Accrual of discount .....	133	133	0
4. Unrealized valuation increase (decrease) .....	0	0	0
5. Total gain (loss) on disposals .....	(133)	(133)	0
6. Deduct consideration received on disposals .....	5,999,504	5,999,504	0
7. Deduct amortization of premium .....	0	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	0	0	0
11. Deduct total nonadmitted amounts .....	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0	0

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

Schedule A - Part 1 - Real Estate Owned

**N O N E**

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

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 1 - Mortgage Loans Owned

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**N O N E**

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

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE BA - PART 1**

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 CUSIP Identification	2 Name or Description	3 Code	4 Location		6 Name of Vendor or General Partner	7 NAIC Designation	8 Date Originally Acquired	9 Type and Strategy	10 Actual Cost	11 Fair Value	12 Book/ Adjusted Carrying Value Less Encum- brances	Change in Book/Adjusted Carrying Value					18 Invest- ment Income	19 Commit- ment for Additional Invest- ment	20 Percent- age of Own- ship
			4 City	5 State								13 Unrealized Valuation Increase (Decrease)	14 Current Year's (Depre- ciation) or (Amorti- zation)/ Accretion	15 Current Year's Other Than Temporary Impair- ment Recog- nized	16 Capital- ized Deferred Interest and Other	17 Total Foreign Exchange Change in Book/ Adjusted Carrying Value			
000000-00-0	CareFirst Holdings, LLC		Owings Mills	MD	CareFirst Holdings, LLC		12/31/2010		376,077,460	399,764,736	399,764,736	23,687,276	0	0	0	0	0	0	49.999
1699999	Joint Venture Interests - Common Stock - Affiliated								376,077,460	399,764,736	399,764,736	23,687,276	0	0	0	0	0	0	XXX
000000-00-0	CareFirst, Inc.		Owings Mills	MD	CareFirst, Inc.		03/01/1999		166,667	166,667	166,667	0	0	0	0	0	10,000	0	0.000
2299999	Surplus Debentures, etc - Affiliated								166,667	166,667	166,667	0	0	0	0	0	10,000	0	XXX
3999999	Total - Unaffiliated								0	0	0	0	0	0	0	0	0	0	XXX
4099999	Total - Affiliated								376,244,127	399,931,403	399,931,403	23,687,276	0	0	0	0	10,000	0	XXX
4199999	Totals								376,244,127	399,931,403	399,931,403	23,687,276	0	0	0	0	10,000	0	XXX

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE BA - PART 2**

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE December 31 of Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 Date Originally Acquired	7 Type and Strategy	8 Actual Cost at Time of Acquisition	9 Additional Investment Made After Acquisition	10 Amount of Encumbrances	11 Percentage of Ownership
		3 City	4 State							
000000-00-0	BlueCross BlueShield Venture Partners, LP	Wilmington	DE	BlueCross BlueShield Ventures, Inc.	08/15/2008	1	0	2,124,373	0	6.470
1599999	Joint Venture Interests - Common Stock - Unaffiliated						0	2,124,373	0	XXX
000000-00-0	CareFirst Holdings, LLC	Owings Mills	MD	CareFirst Holdings, LLC	12/31/2010		0	14,954,339	0	49.999
1699999	Joint Venture Interests - Common Stock - Affiliated						0	14,954,339	0	XXX
3999999	Total - Unaffiliated						0	2,124,373	0	XXX
4099999	Total - Affiliated						0	14,954,339	0	XXX
4199999	Totals						0	17,078,712	0	XXX



ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE BA - PART 3**

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encum- brances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/ Adjusted Carrying Value Less Encum- brances on Disposal	16 Consid- eration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Invest- ment Income	
		3 City	4 State					9 Unrealized Valuation Increase (De- crease)	10 Current Year's (Depre- ciation) or (Amorti- zation)/ Accretion	11 Current Year's Other Than Temporary Impair- ment Recogn- ized	12 Capital- ized Deferred Interest and Other	13 Total Change in Book/ Adjusted Carrying Value (9+10- 11+12)	14 Total Foreign Exchange Change in Book/ Adjusted Carrying Value							
000000-00-0	BlueCross BlueShield Venture Partners, LP	Wilmington	DE	Return of Capital	08/15/2008	09/22/2011	2,782,968	0	0	0	0	0	0	0	1,705,323	0	919,395	919,395	0	
000000-00-0	BlueCross BlueShield Venture Partners, LP	Wilmington	DE	CareFirst Holdings, LLC	08/15/2008	10/31/2011	2,782,968	420,704	0	0	0	0	0	0	4,542,117	0	0	0	0	
000000-00-0	National Account Services Company	Wilmington	DE	CareFirst Holdings, LLC	07/21/2009	10/31/2011	9,956,236	(533,754)	0	0	0	0	0	0	9,422,482	0	0	0	0	
000000-00-0	Health Intelligence Company, LLC	Wilmington	DE	CareFirst Holdings, LLC	12/17/2010	10/31/2011	989,741	0	0	0	0	0	0	0	989,741	0	0	0	0	
<b>1599999. Joint Venture Interests - Common Stock - Unaffiliated</b>							16,511,913	(113,050)	0	0	0	(113,050)	0	0	16,659,663	0	919,395	919,395	0	
<b>3999999. Total - Unaffiliated</b>							16,511,913	(113,050)	0	0	0	(113,050)	0	0	16,659,663	0	919,395	919,395	0	
<b>4099999. Total - Affiliated</b>							0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4199999 - Totals</b>							16,511,913	(113,050)	0	0	0	(113,050)	0	0	16,659,663	0	919,395	919,395	0	























ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 1**

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	C o d e	F o r e i g n	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Maturity
3599999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities					21,662,696	XXX	22,348,089	21,901,552	21,273,841	(271,836)	(53,414)	0	0	XXX	XXX	XXX	243,523	598,589	XXX	XXX
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds					227,981,647	XXX	233,893,690	220,449,066	225,604,146	(271,836)	(1,227,497)	0	0	XXX	XXX	XXX	2,436,325	8,248,435	XXX	XXX
4899999	Total - Hybrid Securities					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
5599999	Total - Parent, Subsidiaries and Affiliates Bonds					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
7799999	Total - Issuer Obligations					328,921,804	XXX	337,417,648	317,335,491	326,485,037	0	(1,564,351)	0	0	XXX	XXX	XXX	2,785,431	8,772,385	XXX	XXX
7899999	Total - Residential Mortgage-Backed Securities					213,781,085	XXX	218,393,585	202,434,547	213,644,046	0	(19,750)	0	0	XXX	XXX	XXX	833,255	6,729,190	XXX	XXX
7999999	Total - Commercial Mortgage-Backed Securities					9,470,554	XXX	9,632,284	9,625,770	9,644,837	0	196,061	0	0	XXX	XXX	XXX	30,184	303,833	XXX	XXX
8099999	Total - Other Loan-Backed and Structured Securities					21,662,696	XXX	22,348,089	21,901,552	21,273,841	(271,836)	(53,414)	0	0	XXX	XXX	XXX	243,523	598,589	XXX	XXX
8399999	Total Bonds					573,836,139	XXX	587,791,606	551,297,360	571,047,761	(271,836)	(1,441,454)	0	0	XXX	XXX	XXX	3,892,393	16,403,997	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 2 - SECTION 1**

Showing All PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identi- fication	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/ Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				20 NAIC Desig- nation	21 Date Acquired		
		3 Code	4 For- eign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared but Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amor- tization) Accretion	17 Current Year's Other Than Temporary Impairment Recognized	18 Total Change in Book/Adjusted Carrying Value (15 + 16 - 17)			19 Total Foreign Exchange Change in Book/ Adjusted Carrying Value	
949746-80-4	WELLS FARGO & CO NEW			900,000	0.00	1,056.000	950,400	1,056.000	950,400	933,000	0	50,625	0	17,400	0	0	17,400	0	P2LFE	04/05/2011	
8499999	Subtotal - Preferred Stock - Industrial and Miscellaneous (Unaffiliated)							950,400	XXX	950,400	933,000	0	50,625	0	17,400	0	0	17,400	0	XXX	XXX
8999999	Total Preferred Stocks							950,400	XXX	950,400	933,000	0	50,625	0	17,400	0	0	17,400	0	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 2 - SECTION 2**

Showing All COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book/Adjusted Carrying Value				17	18	
		3	4			7	8		10	11	12	13	14	15	16			
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book/Adjusted Carrying Value	Rate Per Share Used to Obtain Fair Value	Fair Value	Actual Cost	Declared but Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase/(Decrease)	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (13 - 14)	Total Foreign Exchange Change in Book/Adjusted Carrying Value	NAIC Market Indicator (a)	Date Acquired	
05536J-10-0	BCS FINANCIAL			23,348,000	2,298,144	.98,430	2,298,144	926,203	.0	.0	.0	124,071	.0	124,071	0	A	03/31/2007	
72724*-10-4	PLANS' LIABILITY INSURANCE COMPANY			15,480	1,604,661	103,660.270	1,604,661	774,000	.0	.0	.0	7,734	.0	7,734	0	A	12/31/1987	
9099999. Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)					3,902,805	XXX	3,902,805	1,700,203	0	0	0	131,805	0	131,805	0	XXX	XXX	
000000-00-0	SERVICE BENEFIT PLAN ADMIN SERVICES CORP			9,000,000	0	0.000	0	9,000	.0	.0	.0	0	.0	0	0		01/01/2005	
9199999. Subtotal - Common Stock - Parent, Subsidiaries and Affiliates					0	XXX	0	9,000	0	0	0	0	0	0	0	0	XXX	XXX
922908-88-4	VANGUARD INDEX FDS			1,620,358.838	63,744,917	39.340	63,744,917	60,195,698	.0	722,592	.0	(1,909,238)	.0	(1,909,238)	0	L	12/23/2011	
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND			664,997.626	76,501,327	115.040	76,501,327	72,809,761	.0	1,565,175	.0	(1,179,732)	.0	(1,179,732)	0	L	12/28/2011	
921909-82-6	VANGUARD STAR FD DVMK IDX INSTL			3,255,859.705	27,414,339	8.420	27,414,339	27,750,061	.0	994,531	.0	(4,890,666)	.0	(4,890,666)	0	L	12/30/2011	
9299999. Subtotal - Mutual Funds					167,660,583	XXX	167,660,583	160,755,520	0	3,282,298	0	(7,979,636)	0	(7,979,636)	0	XXX	XXX	
9799999 - Total Common Stocks					171,563,388	XXX	171,563,388	162,464,723	0	3,282,298	0	(7,847,831)	0	(7,847,831)	0	XXX	XXX	
9899999 - Total Preferred and Common Stocks					172,513,788	XXX	172,513,788	163,397,723	0	3,332,923	0	(7,830,431)	0	(7,830,431)	0	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0 , the total \$ value (included in Column 8) of all such issues \$ .....0











ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 3**

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Canada Total						20,793,677	19,996,000	103,829
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						105,504,662	102,100,976	597,361
8399997. Total - Bonds - Part 3						375,301,181	359,227,620	1,258,874
8399998. Total - Bonds - Part 5						866,476,030	832,919,809	4,753,753
8399999. Total - Bonds						1,241,777,211	1,192,147,428	6,012,627
949746-80-4	WELLS FARGO & CO NEW		04/05/2011	VARIOUS	900,000	933,000	0.00	0
8499999. Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)						933,000	XXX	0
8999997. Total - Preferred Stocks - Part 3						933,000	XXX	0
8999998. Total - Preferred Stocks - Part 5						1,968,094	XXX	0
8999999. Total - Preferred Stocks						2,901,094	XXX	0
922908-88-4	VANGUARD INDEX FDS		12/23/2011	VANGUARD GROUP	986,794,277	39,722,592		0
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		12/28/2011	VANGUARD GROUP	465,227,196	55,024,067		0
921909-82-6	VANGUARD STAR FD DVMK IDX INSTL		12/30/2011	VANGUARD GROUP	118,537,673	994,531		0
9299999. Subtotal - Common Stocks - Mutual Funds						95,741,190	XXX	0
9799997. Total - Common Stocks - Part 3						95,741,190	XXX	0
9799998. Total - Common Stocks - Part 5						14,172,697	XXX	0
9799999. Total - Common Stocks						109,913,887	XXX	0
9899999. Total - Preferred and Common Stocks						112,814,981	XXX	0
9999999 - Totals						1,354,592,192	XXX	6,012,627

























ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (11+12-13)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					166,838,651	151,592,197	158,938,651	151,534,769	2,045	(338,199)	0	(336,154)	0	156,850,317	0	9,988,329	9,988,329	4,633,877	XXX
8399997	Total - Bonds - Part 4					535,901,201	511,235,003	528,415,671	473,112,913	2,045	(2,973,774)	0	(2,971,729)	0	523,482,247	0	12,418,941	12,418,941	11,851,165	XXX
8399998	Total - Bonds - Part 5					864,284,927	832,919,809	866,476,030	0	0	(176,308)	0	(176,308)	0	866,299,715	0	(2,014,791)	(2,014,791)	6,791,100	XXX
8399999	Total - Bonds					1,400,186,128	1,344,154,812	1,394,891,701	473,112,913	2,045	(3,150,082)	0	(3,148,037)	0	1,389,781,962	0	10,404,150	10,404,150	18,642,265	XXX
759351-30-7	REINSURANCE GROUP AMER INC		02/24/2011	VARIOUS	47,000,000	3,367,206	50.00	3,001,467	2,994,797	0	(631)	0	(631)	0	2,994,166	0	373,040	373,040	0	XXX
8499999	Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)					3,367,206	XXX	3,001,467	2,994,797	0	(631)	0	(631)	0	2,994,166	0	373,040	373,040	0	XXX
8999997	Total - Preferred Stocks - Part 4					3,367,206	XXX	3,001,467	2,994,797	0	(631)	0	(631)	0	2,994,166	0	373,040	373,040	0	XXX
8999998	Total - Preferred Stocks - Part 5					1,839,030	XXX	1,968,094	0	0	0	0	0	0	1,968,094	0	(129,064)	(129,064)	20,438	XXX
8999999	Total - Preferred Stocks					5,206,236	XXX	4,969,561	2,994,797	0	(631)	0	(631)	0	4,962,260	0	243,976	243,976	20,438	XXX
922908-88-4	VANGUARD INDEX FDS		12/20/2011	VARIOUS	261,219,148	10,679,993		8,190,805	6,927,818	(2,805,355)	0	0	(2,805,355)	0	8,190,805	0	2,489,187	2,489,187	0	XXX
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		12/20/2011	VANGUARD GROUP	100,423,140	11,464,306		11,536,141	1,932,129	(332,129)	0	0	(332,129)	0	11,536,141	0	(71,836)	(71,836)	58,892	XXX
921909-82-6	VANGUARD STAR FD DVMK IDX INSTL		05/12/2011	VANGUARD GROUP	933,435,943	9,900,000		6,602,858	9,315,691	(2,712,833)	0	0	(2,712,833)	0	6,602,858	0	3,297,142	3,297,142	0	XXX
9299999	Subtotal - Common Stocks - Mutual Funds					32,044,299	XXX	26,329,804	18,175,638	(5,850,317)	0	0	(5,850,317)	0	26,329,804	0	5,714,493	5,714,493	58,892	XXX
9799997	Total - Common Stocks - Part 4					32,044,299	XXX	26,329,804	18,175,638	(5,850,317)	0	0	(5,850,317)	0	26,329,804	0	5,714,493	5,714,493	58,892	XXX
9799998	Total - Common Stocks - Part 5					12,707,866	XXX	14,172,697	0	0	0	0	0	0	14,172,697	0	(1,464,831)	(1,464,831)	692	XXX
9799999	Total - Common Stocks					44,752,165	XXX	40,502,501	18,175,638	(5,850,317)	0	0	(5,850,317)	0	40,502,501	0	4,249,662	4,249,662	59,584	XXX
9899999	Total - Preferred and Common Stocks					49,958,401	XXX	45,472,062	21,170,435	(5,850,317)	(631)	0	(5,850,948)	0	45,464,761	0	4,493,638	4,493,638	80,022	XXX
9999999	Totals					1,450,144,529	XXX	1,440,363,763	494,283,348	(5,848,272)	(3,150,713)	0	(8,998,985)	0	1,435,246,723	0	14,897,788	14,897,788	18,722,287	XXX













Schedule D-Part 6-Section 1-Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

**N O N E**

Schedule D - Part 6 - Section 2

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Group Hospitalization & Medical Services, Inc.

**SCHEDULE DA - PART 1**

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Change in Book/Adjusted Carrying Value				13	14	Interest						21	
		3	4					9	10	11	12			15	16	17	18	19	20		
CUSIP Identification	Description	Code	Foreign	Date Acquired	Name of Vendor	Maturity Date	Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest	
	FEDL HOME LLN MTG CORP DISC 0 %	@		09/26/2011	DEUTSCHE BANK SECURITIES	03/12/2012	2,149,252	.0	.0	.0	.0	2,150,000	2,149,252	.428	.0	0.000	0.075	N/A	.208	.0	
	UNITED STATES TREAS BDS			06/28/2011	CREDIT SUISSE FIRST BOSTO	01/31/2012	2,001,218	.0	(7,610)	.0	.0	2,000,000	2,008,828	7,323	.0	0.875	0.128	JJ	8,750	7,251	
	UNITED STATES TREAS BILLS 0%	@		11/29/2011	Greenwich Capital Markets	03/22/2012	949,937	.0	.0	.0	.0	950,000	949,937	.18	.0	0.000	0.021	N/A	.115	.0	
	UNITED STATES TREAS NTS			06/27/2011	GOLDMAN, SACHS & CO.	05/31/2012	1,703,847	.0	(4,785)	.0	.0	1,700,000	1,708,633	1,115	.0	0.750	0.201	MM	6,375	1,045	
	UNITED STATES TREAS NTS			08/31/2011	BARCLAYS CAPITAL	07/31/2012	6,218,151	.0	(10,427)	.0	.0	6,200,000	6,228,578	16,216	.0	0.625	0.121	JJ	.0	3,896	
	UNITED STATES TREAS NTS			11/30/2011	CHASE SECURITIES, INC.	10/31/2012	601,166	.0	(123)	.0	.0	600,000	601,289	383	.0	0.375	0.141	AO	.0	216	
0199999	Subtotal - Bonds - U.S. Governments - Issuer Obligations							13,623,571	0	(22,945)	0	0	13,600,000	13,646,517	25,483	0	XXX	XXX	XXX	15,448	12,408
0599999	Total - U.S. Government Bonds							13,623,571	0	(22,945)	0	0	13,600,000	13,646,517	25,483	0	XXX	XXX	XXX	15,448	12,408
1099999	Total - All Other Government Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
1799999	Total - U.S. States, Territories and Possessions Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
2499999	Total - U.S. Political Subdivisions Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
3199999	Total - U.S. Special Revenues Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
4899999	Total - Hybrid Securities							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
5599999	Total - Parent, Subsidiaries and Affiliates Bonds							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
7799999	Total - Issuer Obligations							13,623,571	0	(22,945)	0	0	13,600,000	13,646,517	25,483	0	XXX	XXX	XXX	15,448	12,408
7899999	Total - Residential Mortgage-Backed Securities							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
7999999	Total - Commercial Mortgage-Backed Securities							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8099999	Total - Other Loan-Backed and Structured Securities							0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8399999	Total Bonds							13,623,571	0	(22,945)	0	0	13,600,000	13,646,517	25,483	0	XXX	XXX	XXX	15,448	12,408
8699999	Total - Parent, Subsidiaries and Affiliates							0	0	0	0	0	XXX	0	0	0	XXX	XXX	XXX	0	0
609068-DF-5	FEDERATED TRSY OBLIG MM-1 #68 FFS			10/31/2011	SUNTRUST CAPITAL	XXX	6,484,014	.0	.0	.0	.0	6,484,014	6,484,014	.71	.0	0.000	0.000		2,029	.0	
38141W-27-3	GOLDMAN SACHS TR FINL SQ GV INS			12/30/2011	SUNTRUST CAPITAL	XXX	34,087,000	.0	.0	.0	.0	34,087,000	34,087,000	283	.0	0.000	0.000		479	.0	
8899999	Subtotal - Exempt Money Market Mutual Funds							40,571,014	0	0	0	0	XXX	40,571,014	354	0	XXX	XXX	XXX	2,508	0
825251-99-4	FERRIS BAKER WATTS-BEAR STEARNS			12/30/2011	FERRIS, BAKER WATTS	XXX	117,002,970	.0	.0	.0	.0	.0	117,002,970	.0	.0	0.000	0.000		5,631	.0	
72702*-11-8	PLAN INVESTMENT MONEY MKT FUND			10/23/2002	Plan Investment Fund	XXX	1,000,000	.0	.0	.0	.0	0	1,000,000	.0	.0	0.000	0.000		.0	.0	
8999999	Subtotal - Class One Money Market Mutual Funds							118,002,970	0	0	0	0	XXX	118,002,970	0	0	XXX	XXX	XXX	5,631	0
9199999	Totals							172,197,555	0	(22,945)	0	0	XXX	172,220,501	25,837	0	XXX	XXX	XXX	23,587	12,408

E17

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

**N O N E**

Schedule DB - Part A - Section 2 - Options, Caps, Floors, Collars, Swaps and Forwards Terminated

**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 B - Section 2 - Futures Contracts Terminated

**N O N E**

Schedule DB - Part B - Section 2B - 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**





Schedule E - Part 2 - Cash Equivalents Owned

**N O N E**

Schedule E - Part 3 - Special Deposits

**N O N E**

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