



HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2012
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) 410-581-3000
Owings Mills, MD 21117
(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) 410-998-7011
Owings Mills, MD 21117
(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 Corp. Treasurer & VP Jeanne Ann Kennedy
 Corp. Secretary, Exec.VP & Gen. Counsel John Anthony Picciotto

OTHER

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

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 Rios</u>	<u>Patricia Amelia Rodriguez</u>	

State of Maryland SS:
 County of Baltimore

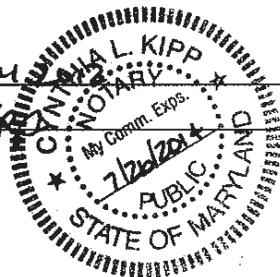
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any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

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 14TH day of MAY
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.....

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, 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	588,996,151	0	588,996,151	571,047,761
2. Stocks:				
2.1 Preferred stocks	1,005,030	0	1,005,030	950,400
2.2 Common stocks	168,828,310	0	168,828,310	171,563,388
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 (\$ (122,879,157)), cash equivalents (\$0) and short-term investments (\$133,749,867)	10,870,708	0	10,870,708	65,503,618
6. Contract loans (including \$0 premium notes)	0	0	0	0
7. Derivatives	0	0	0	0
8. Other invested assets	388,458,489	166,667	388,291,822	399,764,736
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,158,158,688	166,667	1,157,992,021	1,208,829,903
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	3,523,731	0	3,523,731	3,918,210
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	242,560,231	6,223,965	236,336,266	221,961,182
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	10,615,404	0	10,615,404	0
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	1,116,316	0	1,116,316	751,666
17. Amounts receivable relating to uninsured plans	36,361,729	797,162	35,564,567	34,025,605
18.1 Current federal and foreign income tax recoverable and interest thereon	13,552,049	0	13,552,049	16,516,440
18.2 Net deferred tax asset	0	0	0	17,302,782
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	97,706,730	90,993,179	6,713,551	3,387,848
21. Furniture and equipment, including health care delivery assets (\$0)	4,980,928	4,980,928	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	7,401,510	0	7,401,510	5,273,255
24. Health care (\$98,901,868) and other amounts receivable	782,267,243	13,440,913	768,826,330	778,448,501
25. Aggregate write-ins for other than invested assets	125,962,967	125,049,362	913,605	2,919,697
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,484,207,526	241,652,176	2,242,555,350	2,293,335,089
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	2,484,207,526	241,652,176	2,242,555,350	2,293,335,089
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Other Assets	913,605	0	913,605	2,919,697
2502. Prepaid Expenses - Non-Admitted	40,634,810	40,634,810	0	0
2503. Pension- Prepaid	84,274,328	84,274,328	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	140,224	140,224	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	125,962,967	125,049,362	913,605	2,919,697

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 21,486,500 reinsurance ceded)	263,899,118	11,938,664	275,837,782	288,462,975
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	11,145,771	504,229	11,650,000	11,600,000
4. Aggregate health policy reserves, including the liability of \$ 6,160,000 for medical loss ratio rebate per the Public Health Service Act	665,272,254	0	665,272,254	677,475,195
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	54,796,019	0	54,796,019	60,236,950
9. General expenses due or accrued	115,542,383	0	115,542,383	121,208,830
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	3,069,976	0	3,069,976	0
11. Ceded reinsurance premiums payable	23,792,784	0	23,792,784	11,139,137
12. Amounts withheld or retained for the account of others	37,506,067	0	37,506,067	36,939,131
13. Remittances and items not allocated	4,697,118	0	4,697,118	5,451,886
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	67,849,750	0	67,849,750	76,407,997
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	18,754,880	0	18,754,880	19,865,414
23. Aggregate write-ins for other liabilities (including \$ 690,542 current)	9,729,897	0	9,729,897	20,966,263
24. Total liabilities (Lines 1 to 23)	1,276,056,017	12,442,893	1,288,498,910	1,329,753,778
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	0	0
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	0	0
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	954,056,438	963,581,310
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	954,056,438	963,581,310
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	2,242,555,348	2,293,335,088
DETAILS OF WRITE-INS				
2301. Amounts Withheld for Escheatment	9,039,355	0	9,039,355	8,064,075
2302. Reinsurance Payable	690,542	0	690,542	12,902,188
2303.	0	0	0	0
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)	9,729,897	0	9,729,897	20,966,263
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	2,472,247	2,498,942	9,917,712
2. Net premium income (including \$0 non-health premium income)	XXX	795,526,497	787,253,097	3,126,784,071
3. Change in unearned premium reserves and reserve for rate credits	XXX	12,202,941	(41,016,319)	(79,144,387)
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	2,651,056	2,417,163	11,777,762
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	810,380,494	748,653,941	3,059,417,446
Hospital and Medical:				
9. Hospital/medical benefits	25,800,494	549,466,550	488,600,407	2,048,435,285
10. Other professional services	977,191	27,557,578	17,294,322	96,762,211
11. Outside referrals	6,563,316	6,563,316	20,863,955	23,834,078
12. Emergency room and out-of-area	60,212	7,016,543	6,733,124	24,341,847
13. Prescription drugs	0	181,116,910	167,285,781	735,433,138
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)	33,401,213	771,720,897	700,777,589	2,928,806,559
Less:				
17. Net reinsurance recoveries	0	48,088,586	67,626,596	233,816,642
18. Total hospital and medical (Lines 16 minus 17)	33,401,213	723,632,311	633,150,993	2,694,989,917
19. Non-health claims (net)	0	0	0	0
20. Claims adjustment expenses, including \$10,504,013 cost containment expenses	0	32,128,824	30,280,315	118,751,825
21. General administrative expenses	0	56,130,099	60,510,884	230,971,163
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)	33,401,213	811,891,234	723,942,192	3,044,712,905
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(1,510,740)	24,711,749	14,704,541
25. Net investment income earned	0	4,297,699	7,677,863	25,369,677
26. Net realized capital gains (losses) less capital gains tax of \$1,967,954	0	7,871,815	7,363,708	12,655,002
27. Net investment gains (losses) (Lines 25 plus 26)	0	12,169,514	15,041,571	38,024,679
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	(424,414)	95,843	35,141
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	10,234,360	39,849,163	52,764,361
31. Federal and foreign income taxes incurred	XXX	823,612	3,322,393	(789,428)
32. Net income (loss) (Lines 30 minus 31)	XXX	9,410,748	36,526,770	53,553,789
DETAILS OF WRITE-INS				
0601. FEP Performance Incentive	XXX	2,626,000	2,391,000	11,657,000
0602. Trigon network fee - Med D	XXX	25,056	26,163	120,762
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	2,651,056	2,417,163	11,777,762
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	0	(419,933)	97,535	72,423
2902. Regulatory fines and fees	0	(4,481)	(1,692)	(37,282)
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	(424,414)	95,843	35,141

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	963,581,314	969,499,400	969,499,374
34. Net income or (loss) from Line 32.....	9,410,748	36,526,770	53,553,789
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 \$(5,820,520)	19,497,622	10,856,351	12,057,317
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0	0
38. Change in net deferred income tax.....	(1,396,702)	(14,907,269)	(10,686,261)
39. Change in nonadmitted assets.....	2,661,539	(4,370,114)	(45,847,653)
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.....	(39,698,083)	0	0
44. Capital Changes:			
44.1 Paid in.....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....	0	0	0
45. Surplus adjustments:			
45.1 Paid in.....	0	0	0
45.2 Transferred to capital (Stock Dividend).....	0	0	0
45.3 Transferred from capital.....	0	0	0
46. Dividends to stockholders.....	0	0	0
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	(14,995,252)
48. Net change in capital & surplus (Lines 34 to 47).....	(9,524,876)	28,105,738	(5,918,060)
49. Capital and surplus end of reporting period (Line 33 plus 48)	954,056,438	997,605,138	963,581,314
DETAILS OF WRITE-INS			
4701. Change in additional liability\Intangible Assets for pension.....	0	0	(14,995,252)
4702. Surplus transfer at 1/1/2010.....	0	0	0
4703. Surplus transfer - 2010 Results.....	0	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	(14,995,252)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	788,076,696	869,324,983	3,062,337,000
2. Net investment income	6,236,274	9,538,295	31,469,000
3. Miscellaneous income	2,651,056	2,417,163	11,777,762
4. Total (Lines 1 to 3)	796,964,026	881,280,441	3,105,583,762
5. Benefit and loss related payments	748,173,029	629,098,329	2,720,196,000
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	86,765,883	67,394,349	368,158,000
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 1,967,954 tax on capital gains (losses)	(172,827)	(13,253,707)	32,815,000
10. Total (Lines 5 through 9)	834,766,085	683,238,971	3,121,169,000
11. Net cash from operations (Line 4 minus Line 10)	(37,802,059)	198,041,470	(15,585,238)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	500,148,581	250,617,350	1,400,186,128
12.2 Stocks	29,757,865	14,204,032	49,958,401
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	53,994	1,705,324
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(66)	(457)	0
12.7 Miscellaneous proceeds	0	6,665	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	529,906,380	264,881,584	1,451,849,853
13. Cost of investments acquired (long-term only):			
13.1 Bonds	514,720,329	226,421,072	1,241,777,211
13.2 Stocks	5,369,062	54,077,026	112,814,981
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	88,300	2,124,000
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	520,089,391	280,586,398	1,356,716,192
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)	9,816,989	(15,704,814)	95,133,661
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	(26,647,840)	(67,599,622)	(28,992,323)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(26,647,840)	(67,599,622)	(28,992,323)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	(54,632,910)	114,737,034	50,556,100
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	65,503,618	14,947,518	14,947,518
19.2 End of period (Line 18 plus Line 19.1)	10,870,708	129,684,552	65,503,618

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

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STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	815,218	55,699	313,107	5,934	9,722	24,389	370,006	0	0	36,361
2. First Quarter	823,117	55,502	301,057	6,063	9,748	21,929	372,654	0	0	56,164
3. Second Quarter	0	0	0	0	0	0	0	0	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	2,472,247	166,664	904,769	18,089	29,222	66,566	1,117,662	0	0	169,275
Total Member Ambulatory Encounters for Period:										
7. Physician	1,393,501	73,970	400,541	18,847	0	0	900,143	0	0	0
8. Non-Physician	538,626	31,827	184,673	3,606	0	0	318,520	0	0	0
9. Total	1,932,127	105,797	585,214	22,453	0	0	1,218,663	0	0	0
10. Hospital Patient Days Incurred	31,317	1,368	8,709	888	0	0	20,352	0	0	0
11. Number of Inpatient Admissions	9,484	401	2,486	215	0	0	6,382	0	0	0
12. Health Premiums Written (a)	851,900,369	41,258,732	335,325,499	4,199,975	1,405,378	17,842,770	449,470,220	0	0	2,397,795
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	864,103,310	41,258,732	335,665,499	4,199,975	1,405,378	17,842,770	461,333,161	0	0	2,397,795
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services.....	784,958,761	35,366,796	302,304,312	3,644,317	1,237,937	15,499,750	426,223,769	0	0	681,880
18. Amount Incurred for Provision of Health Care Services	771,720,898	32,613,697	284,731,947	3,788,203	1,237,937	14,682,249	434,571,985	0	0	94,880

(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)	89,651,119	216,432,942	19,760,274	75,877,803	109,411,393	115,724,002
2. Medicare Supplement	2,850,461	3,943,593	725,729	3,409,496	3,576,190	4,210,883
3. Dental Only	2,630,216	6,653,044	377,449	2,261,427	3,007,665	2,928,146
4. Vision Only	0	900,115	0	0	0	0
5. Federal Employees Health Benefits Plan	156,392,209	269,831,560	25,812,155	140,475,354	182,204,364	157,939,294
6. Title XVIII - Medicare	0	0	0	0	0	0
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	735,160	1,695,646	6,200,072	938,023	6,935,232	7,660,650
9. Health subtotal (Lines 1 to 8)	252,259,165	499,456,900	52,875,679	222,962,103	305,134,844	288,462,975
10. Healthcare receivables (a)	0	15,458,561	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)	252,259,165	483,998,339	52,875,679	222,962,103	305,134,844	288,462,975

(a) Excludes \$ 92,114,886 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

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

The financial statements of Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) are presented on the basis of accounting practices prescribed or permitted by the District of Columbia Department of Insurance, Securities, and Banking (DISB).

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

For the three months ending March 31, 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 \$39,698,000.

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 March 31, 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 March 31, 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 impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at March 31, 2012 (*in thousands*).

NOTES TO FINANCIAL STATEMENTS

	Fair Value < 1 Year	Unrealized Losses < 1 Year	Fair Value > 1 Year	Unrealized Losses > 1 Year	Total Unrealized Losses
March 31, 2012					
Government sponsored enterprise mortgage-backed securities	\$ 28,907	\$ 114	\$ –	\$ –	\$ 114
Residential mortgage-backed securities	–	–	889	23	23
Commercial mortgage-backed/Other asset-backed securities	5,617	256	–	–	256
Total	\$ 34,524	\$ 370	\$ 889	\$ 23	\$ 393

(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. No change.

7. Investment Income

A. – B. No change.

8. Derivative Instruments

Not applicable.

9. Income Taxes

The Company is included in the consolidated federal income tax return of CFI. The federal statutory income tax rate for the Company is 35%. For federal income tax purposes, the Company benefits from a special deduction provided to certain BlueCross and BlueShield organizations under Internal Revenue Code Section 833(b) (the 833(b) deduction). The 833(b) deduction results in the Company incurring income taxes at the Tentative Minimum Tax (TMT) rate of 20 percent. As a result, the Company's income tax provision is reduced from the statutory rate of 35% to account for the benefit of the 833(b) deduction. The Company could lose the benefit of the 833(b) deduction in the future if there is a change in the tax law, if the Company ceases to be not-for-profit, if the Company's reserves reach certain levels, if the medical loss ratio does not exceed 85% as required under the Health Reform Legislation, or if certain other events occur. If the Company can no longer use the 833(b) deduction, the Company will incur federal income taxes at the statutory rate of 35%, net of available Alternative Minimum Tax credits.

CFI has a written agreement, approved by the Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidated return. The tax sharing agreement calls for allocation of current federal income tax liability to the Company on the basis of the percentage of the consolidated federal income tax liability attributable to the Company computed on a separate company basis to the total consolidated federal income tax liability. The agreement also provides that to the extent the Company's tax attributes (e.g., NOLs) reduce the consolidated federal income tax liability, CFI shall pay the Company for use of such attributes in the year utilized. Amounts due from the subsidiaries for federal income taxes are settled monthly.

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

On January 1, 2012, as a result of applying paragraph 11.b. requirements 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	\$ 21,344	\$ 146,202	\$ 167,546	\$ 3,873	\$ 165,362	\$ 169,235
Statutory valuation allowance adjustment	0	(117,852)	(117,852)	0	(135,375)	(135,375)
Adjusted gross deferred tax assets	21,344	28,350	49,694	3,873	29,987	33,860
Deferred tax asset nonadmitted	0	(6,778)	(6,778)	0	(6,541)	(6,541)
Subtotal net admitted deferred tax asset	21,344	21,572	42,916	3,873	23,446	27,319
Deferred tax liabilities	(45,299)	(10)	(45,309)	(10,007)	(10)	(10,017)
Net admitted deferred tax (liabilities) assets	\$ (23,955)	\$ 21,562	\$ (2,393)	\$ (6,134)	\$ 23,436	\$ 17,302

As a result of the adoption of SSAP No. 101, the Company increased the amount of deferred tax liability recorded.

The Cumulative Effect of Changes in Accounting Principles line shown in the surplus section of the quarterly statements shows a decrease of \$39,698,000.

The amount of admitted adjusted gross deferred tax assets under each component during 2012 and 2011 are as follows (*in thousands*):

		March 31, 2012			December 31, 2011		
		Capital	Ordinary	Total	Capital	Ordinary	Total
Federal Income Taxes Recoverable through loss carry back	10.a	\$ -	\$ -	\$ -	\$ -	\$ 15,089	\$ 15,089
Adjusted Gross DTA expected to be realized in one year	10.b.i	-	-	-	2,213	-	2,213
10% adjusted capital and surplus limit	10.b.ii	-	-	-	-	-	97,430
Admitted pursuant to Paragraph 10.b (lesser of i. or ii.)		-	-	-	2,213	-	2,213
Additional admitted pursuant to Paragraph 10.c	10.c	-	-	-	1,660	8,357	10,017
Risk-based capital:	10.d	-	-	-	-	-	-
Total adjusted capital		-	-	-	-	-	-
Authorized control level		-	-	-	-	-	-
Additional admitted pursuant to 11.a.	11.a.	-	17,227	17,227	-	-	-
Adjusted gross DTA expected to be realized in three years	11.b.i	2,184	19,622	21,806	-	-	-
15% adjusted statutory capital and surplus limit	11.b.ii	-	-	142,101	-	-	-
Additional permitted pursuant to 11.b. (lesser of a or b)		2,184	2,395	4,579	-	-	-
Additional admitted pursuant to 11.c.	11.c.	20,294	8,766	29,060	-	-	-
Total admitted DTA		22,478	28,388	50,866	3,873	23,446	27,319
Total DTL		(53,926)	(9)	(53,935)	(10,007)	(10)	(10,017)
Net admitted (DTL)DTA		\$ (31,448)	\$ 28,379	\$ (3,069)	\$ (6,134)	\$ 23,436	\$ 17,302
Nonadmitted DTA		\$ -	\$ -	\$ -	\$ -	\$ (6,541)	\$ (6,541)

NOTES TO FINANCIAL STATEMENTS

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

	<u>March 31, 2012</u>	<u>March 31, 2011</u>	<u>December 31, 2011</u>	<u>Change</u>
Federal provision/(benefit)	\$ 824	\$ 3,322	\$ (789)	\$ (2,498)
Federal income tax on net capital gains	1,968	1,840	3,163	128
Federal income taxes incurred	<u>\$ 2,792</u>	<u>\$ 5,162</u>	<u>\$ 2,374</u>	<u>\$ (2,370)</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>March 31, 2012</u>	<u>December 31, 2011</u>	<u>Change</u>	<u>Character</u>
Deferred tax assets:				
Investments	\$ 2,184	\$ 3,873	\$ (1,689)	Capital
Benefit obligations	9,851	9,726	125	Ordinary
Unpaid claims	1,098	1,304	(206)	Ordinary
Accrued expenses	3,746	5,827	(2,081)	Ordinary
Nonadmitted assets and other	33,987	13,130	20,857	Ordinary
Total deferred tax assets	<u>50,866</u>	<u>33,860</u>	<u>17,006</u>	
Nonadmitted deferred tax assets	<u>-</u>	<u>(6,541)</u>	<u>6,541</u>	
Admitted deferred tax assets	<u>50,866</u>	<u>27,319</u>	<u>23,547</u>	
Deferred tax liabilities:				
Investments	(8,970)	(3,150)	(5,820)	Capital
Investment in Affiliate	(44,956)	(6,857)	(38,099)	Capital
Other	(9)	(10)	1	Ordinary
Total deferred tax liabilities	<u>(53,935)</u>	<u>(10,017)</u>	<u>(43,918)</u>	
Net Admitted deferred tax (liabilities) assets	<u>\$ (3,069)</u>	<u>\$ 17,302</u>	<u>\$ (20,371)</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>March 31, 2012</u>	<u>December 31, 2011</u>	<u>Change</u>
Gross deferred tax assets	\$ 50,866	\$ 33,860	\$ 17,006
Deferred tax liabilities	(53,935)	(10,017)	(43,918)
Net deferred tax (liabilities)/assets	<u>\$ (3,069)</u>	<u>\$ 23,843</u>	<u>(26,912)</u>
Tax effect of unrealized gains (losses)			5,820
Change in net deferred income tax			<u>\$ (21,092)</u>

In accordance with SSAP 101 and SSAP 10R, 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*):

	March 31, 2012			December 31, 2011		
	Capital	Ordinary	Total	Capital	Ordinary	Total
Total of gross deferred tax assets	\$ 22,478	\$ 145,732	\$ 168,210	\$ 3,873	\$ 165,362	\$ 169,235
Statutory valuation allowance	0	(117,344)	(117,344)	0	(135,375)	(135,375)
Adjusted gross deferred assets	22,478	28,388	50,866	3,873	29,987	33,860
Gross deferred tax liabilities	(53,926)	(9)	(53,935)	(10,007)	(10)	(10,017)
Net deferred tax asset	(31,448)	28,379	(3,069)	(6,134)	29,977	23,843
Deferred tax asset nonadmitted	0	0	0	0	(6,541)	(6,541)
Net admitted deferred tax (liabilities) assets	<u>\$ (31,448)</u>	<u>\$ 28,379</u>	<u>\$ (3,069)</u>	<u>\$ (6,134)</u>	<u>\$ 23,436</u>	<u>\$ 17,302</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:

	March 31, 2012			December 31, 2011			Change
	Capital Percent	Ordinary Percent	TOTAL Percent	Capital Percent	Ordinary Percent	TOTAL Percent	
% of adjusted gross deferred tax assets	11%	0%	11%	11%	0%	11%	0%
% of net admitted adjusted gross deferred tax assets	22%	0%	22%	22%	0%	22%	0%

The provision for income taxes differs from the statutory rate of 35% principally as a result of the 833(b) deduction, permanent items, and timing differences.

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 is exempt from all income taxes in the District of Columbia, Maryland, and Virginia.

10. Information Concerning Parent, Subsidiaries and Affiliates

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

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield.

Until December 31, 2010, CFMI and GHMSI held a 60% and 40% interest, respectively, in a health maintenance organization subsidiary, CareFirst BlueChoice, Inc. (CFBC). Since control over CFBC operations was vested in CFI, the Company determined that neither the Company nor CFMI exercised control over CFBC. In 2006, the Boards of CFI, CFMI, and GHMSI approved earnings redistributions to evenly share changes in the statutory surplus of CFBC. In 2008, the Boards approved in principle the creation of a new holding company, CareFirst Holdings, LLC (CFH), which would be owned by CFMI and GHMSI. The Company received regulatory approval for the establishment of CFH in 2010 and CFH was formed on December 31, 2010. Since control over CFH operations is vested in CFI, the Company has determined that neither the Company nor CFMI exercise control over CFH.

11. Debt

Not applicable.

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

No change.

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 three months ended March 31, 2012:

NOTES TO FINANCIAL STATEMENTS

Change in the unrealized gain/losses from:	Change
Affiliated Common Stocks:	
CareFirst Holdings	\$ (695,677)
CareFirst BlueChoice	7,556,330
FirstCare	434,670
Willse	120,042
CASCI	783,571
NCIA	46,595
NCAS	283,347
Unaffiliated Common Stocks	16,468,975
Bonds & Preferred Stocks	320,289
Total unrealized gains/loss	25,318,142
Capital gains deferred tax	(5,820,520)
Change in net unrealized capital gains (losses) less capital gains tax (Page 5 Ln 36)	\$ 19,497,622

(11) – (13) Not applicable.

14. Contingencies

A. Contingent Commitments

None.

B. Assessments

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

The Pennsylvania Insurance Commissioner has placed long-term care insurer Penn Treaty Network America Insurance Company and one of its subsidiaries (collectively, "Penn Treaty") in rehabilitation, an intermediate action before insolvency, and has petitioned a state court for liquidation. If Penn Treaty is liquidated, the Company and other insurers may be required to pay a portion of Penn Treaty's policyholder claims through guaranty association assessments in future periods. The Company is currently unable to predict the ultimate outcome of, or reasonably estimate the loss or range of losses resulting from, this potential insolvency because the Company cannot predict when the state court will render a decision, the amount of the insolvency, if any, the amount and timing of associated guaranty association assessments or the amount or availability of potential offsets, such as premium tax offsets. It is possible that in future reporting periods the Company may record a liability relating to Penn Treaty which could have a material adverse effect on the Company's financial statements.

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 \$19,000,000. Accordingly, CFI recorded a liability of \$19,000,000 at December 31, 2009 for this proposed settlement, of which \$9,376,000 was 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

NOTES TO FINANCIAL STATEMENTS

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 \$1,377,000. Therefore the Company's remaining liability was \$7,999,000 as of March 31, 2012.

CFI entered into a three-year 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 volume of patients needing care plans as promised in the agreement. As a result, CFI recorded a liability of \$8,000,000 at December 31, 2011, of which \$3,353,000 was recorded by the Company. The liability is included in the general expenses due or accrued. It is possible that the liability could increase or decrease over the remaining term of the agreement depending upon the volume and price of the care plans rendered. The agreement will expire on December 31, 2013. The Company did not record any additional amount to this liability for the three months ending March 31, 2012.

15. Leases

No change.

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

Not applicable.

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

Not Applicable.

B. Transfer and Servicing of Financial Assets

Not Applicable.

C. Wash Sales

None.

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

Not applicable.

B. ASC Plans

The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the three months ending March 31, 2012 and 2011 (*in thousands*):

	March 31	
	2012	2011
Gross reimbursement for medical costs incurred	\$ 297,289	\$ 268,943
Gross administrative fees accrued	19,271	15,861
Gross expenses incurred	(317,275)	(292,913)
Operating loss, before stop loss	\$ (715)	\$ (8,109)
Stop loss, net	2,446	1,996
Proforma operating gain (loss)	<u>\$ 1,731</u>	<u>\$ (6,113)</u>

The stop loss amount reported represents stop loss written for the ASC business shown above.

For the three months ending March 31, 2012, GHMSI ceded an ASC underwriting loss of \$749,000 to CFMI and assumed an ASC underwriting loss of \$79,000 from CFMI for a net underwriting gain of \$670,000. For the three months ending March 31, 2011, GHMSI ceded an ASC underwriting loss of \$542,000 to CFMI and assumed an ASC underwriting loss of \$995,000 from CFMI for a net underwriting loss of \$453,000.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

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

NOTES TO FINANCIAL STATEMENTS

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 a 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 quarter ending March 31, 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 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. Fair values of privately held equity securities, where there has been limited trading activity or where less price transparency exists around the inputs to the valuation, are classified as Level 3.

The following table presents information about the Company's financial assets measured and reported at fair value as of March 31, 2012 (*in thousands*):

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Fair Value as of March 31, 2012
Assets				
Commercial mortgage-backed/ Other asset-backed securities	\$ —	\$ 22	\$ —	\$ 22
Common stocks				
Large capital equity securities (a)	—	80,976	—	80,976
Small capital equity securities (a)	—	54,251	—	54,251
International equity securities (a)	—	29,480	—	29,480
Privately-held common stocks	—	—	4,121	4,121
Total common stocks	—	164,707	4,121	168,828
Preferred stocks	—	1,005	—	1,005
Total assets measured and reported at fair value	\$ —	\$ 165,734	\$ 4,121	\$ 169,855

(a) Represent equity investments in publicly-traded index funds.

A reconciliation of the beginning and ending balances of privately-held common stocks measured at fair value using Level 3 inputs as of March 31, 2012 is as follows (*in thousands*):

NOTES TO FINANCIAL STATEMENTS

Beginning balance at January 1, 2012	\$ 3,903
Unrealized gains in capital and surplus—statutory basis	218
Ending balance at March 31, 2012	<u>\$ 4,121</u>
Change in unrealized gains included in net gains related to assets still held	<u>\$ —</u>

The following table presents information about the aggregate fair value of the Company's financial assets as of March 31, 2012 (*in thousands*):

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Aggregate Fair Value as of March 31, 2012	Admitted Assets
Bonds	\$ 197,869	\$ 407,001	\$ —	\$ 604,870	\$ 588,996
Common stocks	—	164,707	4,121	168,828	168,828
Preferred stocks	—	1,005	—	1,005	1,005
Total assets at fair value	<u>\$ 197,869</u>	<u>\$ 572,713</u>	<u>\$ 4,121</u>	<u>\$ 774,703</u>	<u>\$ 758,829</u>

As of March 31, 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 March 31, 2012.
- (2) The Company does not engage in mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.
- (3) The Company has no exposure in subprime mortgage lending through its fixed maturity and equity investments.

H. Retained Assets

Not applicable.

22. Events Subsequent

Not Applicable.

23. Reinsurance

The Company maintains a quota-share reinsurance contract with FirstCare, a plan sponsor offering Medicare Part D prescription drug insurance coverage under a contract with CMS. The Company assumed risk premiums in the amount of \$2,161,000 and \$1,704,000, and incurred an underwriting gain (loss) in the amount of \$32,000 and \$(322,000), for the three months ending March

NOTES TO FINANCIAL STATEMENTS

31, 2012 and 2011, respectively, as a result of the quota-share reinsurance contract with FirstCare.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). The income or loss from operations from this cross-jurisdictional business is transferred via a quota share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company remains obligated for amounts ceded in the event that CFMI does not meet its obligations. As a result of this reinsurance agreement, the following amounts were assumed from and ceded to CFMI for the three months ending March 31, 2012 and 2011 (*in thousands*):

	March 31	
	2012	2011
Premiums assumed	\$ 14,648	\$ 15,585
Premiums ceded	(73,186)	(103,018)
Premiums, net	(58,538)	(87,433)
Cost of care assumed	10,746	9,673
Cost of care ceded	(60,584)	(78,899)
Cost of care, net	(49,838)	(69,226)
General and administrative expenses ceded, net	(12,581)	(15,267)
Net loss (gain) ceded	\$ 3,881	\$ (2,940)

Note: The amounts above include risk and non-risk business.

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*):

	Other				Total
	Individual	Small Group Employer	Large Group Employer	Categories with Rebates	
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ 4,410	\$ 1,750	\$ –	\$ –	\$ 6,160
(2) Medical loss ratio rebates paid	–	–	–	–	–
(3) Medical loss ratio rebates unpaid	4,410	1,750	–	–	6,160
(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	\$ 6,160
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ –	\$ –	\$ –	\$ –	\$ –
(8) Medical loss ratio rebates paid	–	–	–	–	–
(9) Medical loss ratio rebates unpaid	4,410	1,750	–	–	6,160
(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	\$ 6,160

25. Change in Incurred Claims and Claim Adjustment Expenses

As of March 31, 2012, \$252,259,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$52,876,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$16,672,000 unfavorable prior year development since December 31, 2011 to March 31, 2012, of which \$24,265,000 was a result of 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.

NOTES TO FINANCIAL STATEMENTS

28. Health Care Receivables

- A. No change.
- B. Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserve

The Company had a premium deficiency reserve in the amount of \$6,600,000 and \$0 within the aggregate health policy reserves as of March 31, 2012 and 2011, respectively. March 31, 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). 09/29/2009
- 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
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|
| 14.21 Bonds | \$0 | \$0 |
| 14.22 Preferred Stock | \$0 | \$0 |
| 14.23 Common Stock | \$0 | \$0 |
| 14.24 Short-Term Investments | \$0 | \$0 |
| 14.25 Mortgage Loans on Real Estate | \$0 | \$0 |
| 14.26 All Other | \$ 399,764,736 | \$ 388,291,822 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 399,764,736 | \$ 388,291,822 |
| 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 19482-2900
104596	Dodge & Cox	55 California St., San Francisco, CA 94104
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 90.9 %
1.2 A&H cost containment percent 1.3 %
1.3 A&H expense percent excluding cost containment expenses 9.6 %

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)
NONE						

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

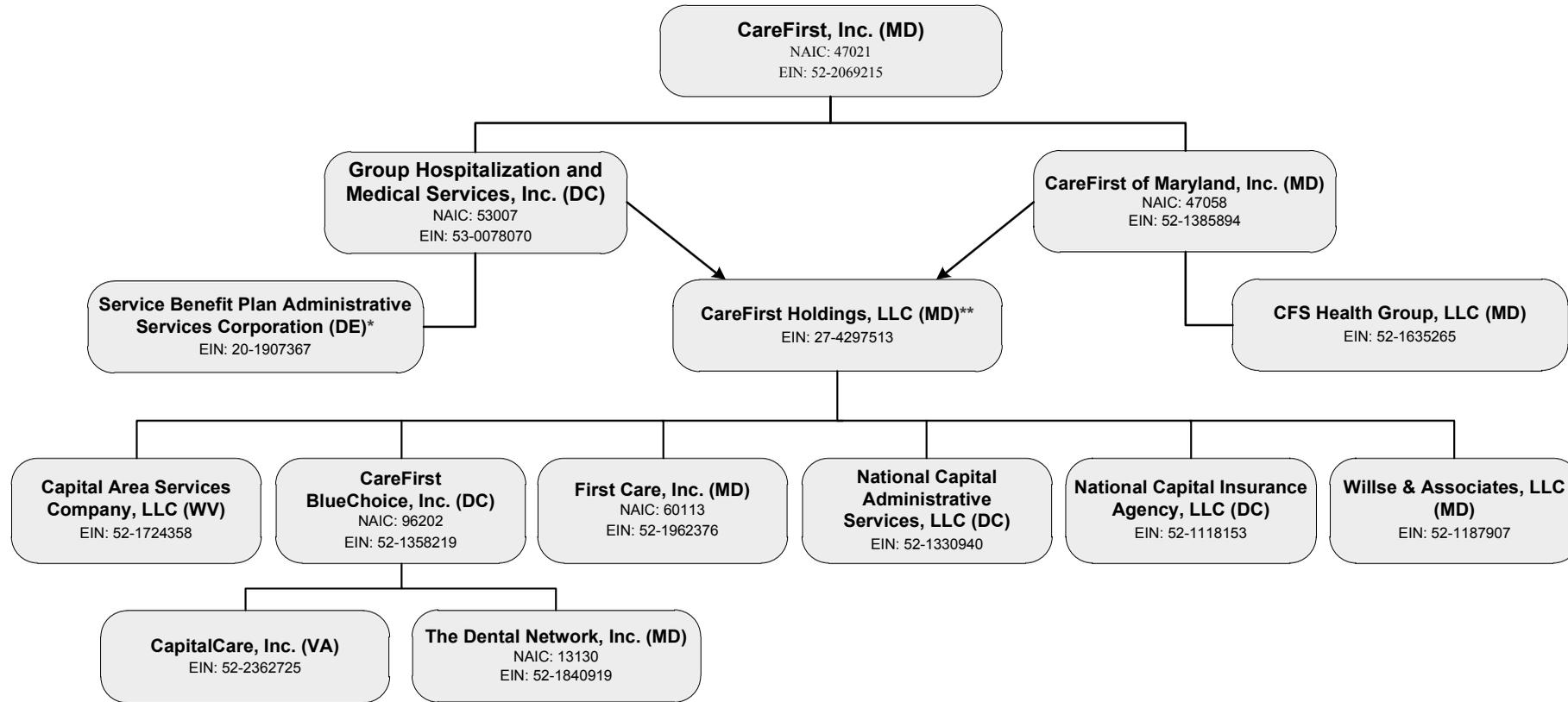
States, etc.	1 Active Status	Direct Business Only								
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts	
1. Alabama	AL	N	0	0	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	0	0	
9. District of Columbia	DC	L	113,329,379	0	0	84,500,402	0	197,829,781	0	
10. Florida	FL	N	0	0	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	0	0	
21. Maryland	MD	L	157,108,525	0	0	192,373,253	0	349,481,778	0	
22. Massachusetts	MA	N	0	0	0	0	0	0	0	
23. Michigan	MI	N	0	0	0	0	0	0	0	
24. Minnesota	MN	N	0	0	0	0	0	0	0	
25. Mississippi	MS	N	0	0	0	0	0	0	0	
26. Missouri	MO	N	0	0	0	0	0	0	0	
27. Montana	MT	N	0	0	0	0	0	0	0	
28. Nebraska	NE	N	0	0	0	0	0	0	0	
29. Nevada	NV	N	0	0	0	0	0	0	0	
30. New Hampshire	NH	N	0	0	0	0	0	0	0	
31. New Jersey	NJ	N	0	0	0	0	0	0	0	
32. New Mexico	NM	N	0	0	0	0	0	0	0	
33. New York	NY	N	0	0	0	0	0	0	0	
34. North Carolina	NC	N	0	0	0	0	0	0	0	
35. North Dakota	ND	N	0	0	0	0	0	0	0	
36. Ohio	OH	N	0	0	0	0	0	0	0	
37. Oklahoma	OK	N	0	0	0	0	0	0	0	
38. Oregon	OR	N	0	0	0	0	0	0	0	
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	
40. Rhode Island	RI	N	0	0	0	0	0	0	0	
41. South Carolina	SC	N	0	0	0	0	0	0	0	
42. South Dakota	SD	N	0	0	0	0	0	0	0	
43. Tennessee	TN	N	0	0	0	0	0	0	0	
44. Texas	TX	N	0	0	0	0	0	0	0	
45. Utah	UT	N	0	0	0	0	0	0	0	
46. Vermont	VT	N	0	0	0	0	0	0	0	
47. Virginia	VA	L	131,992,245	0	0	172,596,565	0	304,588,810	0	
48. Washington	WA	N	0	0	0	0	0	0	0	
49. West Virginia	WV	N	0	0	0	0	0	0	0	
50. Wisconsin	WI	N	0	0	0	0	0	0	0	
51. Wyoming	WY	N	0	0	0	0	0	0	0	
52. American Samoa	AS	N	0	0	0	0	0	0	0	
53. Guam	GU	N	0	0	0	0	0	0	0	
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	
57. Canada	CN	N	0	0	0	0	0	0	0	
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	
59. Subtotal	XXX	402,430,149	0	0	449,470,220	0	0	851,900,369	0	
60. Reporting Entity Contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0	
61. Totals (Direct Business)	(a) 3	402,430,149	0	0	449,470,220	0	0	851,900,369	0	
DETAILS OF WRITE-INS										
5801.	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 except for Federal Employees Health Benefits Program (FEHBP). FEHBP premiums from members residing in the United States are reported based on the members' residence whereas premiums from overseas members are reported in D.C.

**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 MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domi-ciliary 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		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	DS	Group Hospitalization and Medical Services, Inc.	Ownership	90.000	CareFirst, Inc.	
		.00000	27-4297513				CareFirst Holdings, LLC	MD	NIA	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	JA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	
		.00000	52-2362725				CapitalCare, Inc.	VA	NIA	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	
.0380	Carefirst Inc Group	.13130	52-1840919				The Dental Network, Inc.	MD	JA	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?

YES

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Pension - Intangible	140,224	140,224	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	140,224	140,224	0	0

SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest 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)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	399,931,403	375,018,733
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	17,078,712
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	(11,472,914)	23,574,226
6. Total gain (loss) on disposals	0	919,395
7. Deduct amounts received on disposals	0	16,659,663
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	388,458,489	399,931,403
12. Deduct total nonadmitted amounts	166,667	166,667
13. Statement value at end of current period (Line 11 minus Line 12)	388,291,822	399,764,736

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	743,561,585	842,758,829
2. Cost of bonds and stocks acquired	520,089,391	1,354,592,192
3. Accrual of discount	134,227	643,353
4. Unrealized valuation increase (decrease)	16,789,179	(13,950,539)
5. Total gain (loss) on disposals	9,839,835	14,897,788
6. Deduct consideration for bonds and stocks disposed of	529,906,446	1,450,144,529
7. Deduct amortization of premium	1,678,257	5,235,509
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)	758,829,514	743,561,585
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	758,829,514	743,561,585

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by 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
BONDS								
1. Class 1 (a)	651,061,180	580,736,663	599,550,394	(2,192,048)	630,055,401	0	0	651,061,180
2. Class 2 (a)	90,545,914	20,168,673	18,662,434	616,334	92,668,487	0	0	90,545,914
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	1,638,218	0	1,901,696	285,590	22,112	0	0	1,638,218
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	18	0	0	0	18	0	0	18
7. Total Bonds	743,245,330	600,905,336	620,114,524	(1,290,124)	722,746,018	0	0	743,245,330
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	950,400	0	0	54,630	1,005,030	0	0	950,400
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	950,400	0	0	54,630	1,005,030	0	0	950,400
15. Total Bonds and Preferred Stock	744,195,730	600,905,336	620,114,524	(1,235,494)	723,751,048	0	0	744,195,730

(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

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	133,749,865	XXX	133,775,643	21,166	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	172,197,558	98,597,575
2. Cost of short-term investments acquired	86,185,007	375,162,666
3. Accrual of discount	0	756
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	(66)	1,482
6. Deduct consideration received on disposals	124,620,972	301,426,699
7. Deduct amortization of premium	11,660	138,222
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)	133,749,867	172,197,558
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	133,749,867	172,197,558

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	0	5,999,504
3. Accrual of discount	0	133
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	(133)
6. Deduct consideration received on disposals	0	5,999,504
7. Deduct amortization of premium	0	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)	0	0
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	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 MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
36202F-2M-7	GNMA PASS-THRU M SINGLE FAMILY		.01/10/2012	UBS FINANCIAL SERVICES IN		5,370,313	5,000,000	12,222	1
36202F-KS-4	GNMA PASS-THRU M SINGLE FAMILY		.03/09/2012	UBS FINANCIAL SERVICES IN		4,240,936	3,736,508	12,144	1
36202F-ZY-5	GNMA PASS-THRU M SINGLE FAMILY		.01/10/2012	UBS FINANCIAL SERVICES IN		5,360,282	4,990,661	12,199	1
912810-PU-6	UNITED STATES TREAS BDS		.02/27/2012	VARIOUS		1,974,457	1,450,000	19,319	1
912810-QN-1	UNITED STATES TREAS BDS		.01/23/2012	VARIOUS		1,025,066	775,000	15,618	1
912810-QS-0	UNITED STATES TREAS BDS		.01/11/2012	MORGAN STANLEY		463,673	400,000	6,318	1
912810-QT-8	UNITED STATES TREAS BDS		.03/13/2012	VARIOUS		123,639,822	122,025,000	749,944	1
912810-QU-5	UNITED STATES TREAS BDS		.03/14/2012	VARIOUS		84,629,334	85,300,000	174,695	1
912828-CT-5	UNITED STATES TREAS NTS		.01/06/2012	CHASE SECURITIES		1,980,920	1,800,000	30,974	1
912828-MM-7	UNITED STATES TREAS NTS		.01/17/2012	Banc/America Sec		3,200,283	3,000,000	22,951	1
912828-QE-3	UNITED STATES TREAS NTS		.03/20/2012	VARIOUS		4,016,810	4,000,000	9,581	1
912828-PR-3	UNITED STATES TREAS NTS		.03/06/2012	UBS Warburg		342,790	340,000	2,148	1
912828-RV-4	UNITED STATES TREAS NTS		.01/10/2012	VARIOUS		6,179,090	6,200,000	1,152	1
912828-RX-0	UNITED STATES TREAS NTS		.01/19/2012	Goldman Sachs & Co		1,171,053	1,170,000	675	1
912828-RY-8	UNITED STATES TREAS NTS		.01/10/2012	BOENNING & SCATTERGOOD IN		3,992,344	4,000,000	1,662	1
912828-RZ-5	UNITED STATES TREAS NTS		.01/25/2012	Credit Suisse First Bosto		797,034	800,000	82	1
912828-SC-5	UNITED STATES TREAS NTS		.02/17/2012	VARIOUS		6,447,201	6,425,000	1,759	1
912828-SD-3	UNITED STATES TREAS NTS		.02/23/2012	MORGAN STANLEY		495,744	500,000	481	1
912828-SE-1	UNITED STATES TREAS NTS		.02/16/2012	VARIOUS		2,739,404	2,750,000	118	1
912828-SG-6	UNITED STATES TREAS NTS		.03/20/2012	VARIOUS		18,959,438	19,000,000	2,887	1
912828-SH-4	UNITED STATES TREAS NTS		.03/21/2012	VARIOUS		30,708,644	31,350,000	26,033	1
912828-SJ-0	UNITED STATES TREAS NTS		.03/28/2012	VARIOUS		25,189,850	25,500,000	14,623	1
912828-SK-7	UNITED STATES TREAS NTS		.03/28/2012	VARIOUS		74,635,443	75,000,000	7,836	1
912828-SF-8	UNITED STATES TREAS NTS 2.000%		.03/19/2012	BOENNING & SCATTERGOOD IN		6,805,586	7,000,000	13,846	1
0599999. Subtotal - Bonds - U.S. Governments						414,365,517	412,512,169	1,139,261	XXX
302154-BD-0	EXPORT IMPORT BK KOREA	R	.01/04/2012	Banc/America Sec		324,373	325,000	0	1FE
1099999. Subtotal - Bonds - All Other Governments						324,373	325,000	0	XXX
13063B-BU-5	CALIFORNIA ST		.02/09/2012	MORGAN STANLEY		444,087	345,000	7,255	1FE
13063A-SE-0	CALIFORNIA ST GO		.03/21/2012	Citigroup Global Markets		667,175	525,000	19,141	1FE
California Total						1,111,262	870,000	26,396	XXX
452152-HT-1	ILLINOIS ST		.03/22/2012	Banc/America Sec		572,182	525,000	2,148	1FE
452151-LF-8	ILLINOIS ST GO BDS JUNE-2		.02/09/2012	Citigroup Global Markets		327,571	345,000	3,568	1FE
Illinois Total						899,753	870,000	5,716	XXX
United States Total						2,011,015	1,740,000	32,112	XXX
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions						2,011,015	1,740,000	32,112	XXX
3137EA-DB-2	FEDERAL HOME LN MTG CORP		.01/12/2012	SALOMON SMITH BARNEY INC/		1,202,958	1,210,000	0	1
313400-BV-4	FEDERAL HOME LN MTG CORP ZERO		.02/24/2012	SEAPORT GROUP SECURITIES		399,641	525,000	0	1
313378-GV-7	FEDERAL HOME LOAN BANKS		.02/27/2012	BARCLAYS CAPITAL		1,000,000	1,000,000	0	1
3135G0-GY-3	FEDERAL NATL MTG ASSN		.01/05/2012	CHASE SECURITIES		948,471	950,000	0	1
3136FT-HL-6	FEDERAL NATL MTG ASSN		.01/13/2012	G.X. CLARKE & COMPANY		1,105,412	1,100,000	2,622	1
3128LD-FV-1	FHLIC PC GOLD COMB 30		.02/21/2012	CHASE SECURITIES		845,470	766,866	1,406	1
3128M6-EC-8	FHLIC PC GOLD COMB 30		.01/10/2012	UBS FINANCIAL SERVICES IN		6,209,783	5,737,349	8,765	1
3132GR-6V-8	FHLIC PC GOLD PC 30YR		.03/13/2012	Wachovia Securites Capita		412,375	400,000	583	1
3128MJ-Q3-7	FHLIC PC GOLD COMB 30 3.500 204201		.02/02/2012	DEUTSCHE-BANK SECURITIES		466,719	449,207	262	1
3138AX-FX-4	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	Greenwich Capital Markets		77,247	74,187	93	1
3138E4-MD-0	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	Greenwich Capital Markets		651,628	625,813	782	1
3138E8-G4-8	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	DEUTSCHE-BANK SECURITIES		520,547	500,000	625	1
3138E8-MS-8	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	Greenwich Capital Markets		317,845	305,391	382	1
3138E8-QF-2	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	Greenwich Capital Markets		441,925	424,609	531	1
3138EA-DR-5	FNMA PASS-THRU INT 15 YEAR		.01/27/2012	DEUTSCHE-BANK SECURITIES		208,219	200,000	250	1
3138A7-FP-8	FNMA PASS-THRU LNG 30 YEAR		.02/03/2012	MORGAN STANLEY		1,110,201	1,044,895	1,393	1
3138AE-E9-0	FNMA PASS-THRU LNG 30 YEAR		.01/12/2012	CHASE SECURITIES		256,072	239,916	360	1
3138AW-3V-3	FNMA PASS-THRU LNG 30 YEAR		.03/01/2012	CHASE SECURITIES		540,613	506,059	696	1
3138E0-RA-9	FNMA PASS-THRU LNG 30 YEAR		.01/27/2012	Banc/America Sec		1,231,817	1,187,339	3,463	1
3138E0-RK-7	FNMA PASS-THRU LNG 30 YEAR		.02/22/2012	Banc/America Sec		655,539	622,655	761	1
3138E4-20-3	FNMA PASS-THRU LNG 30 YEAR		.01/27/2012	CHASE SECURITIES		1,181,234	1,138,067	3,319	1
3138E6-U8-7	FNMA PASS-THRU LNG 30 YEAR		.02/03/2012	MORGAN STANLEY		1,246,060	1,195,978	1,395	1
3138E7-Y9-9	FNMA PASS-THRU LNG 30 YEAR		.01/27/2012	Credit Suisse First Bosto		611,964	590,000	1,721	1
3138E8-PN-6	FNMA PASS-THRU LNG 30 YEAR		.02/22/2012	SALOMON SMITH BARNEY INC/		2,819,955	2,675,916	3,271	1
3138EG-NP-5	FNMA PASS-THRU LNG 30 YEAR		.03/01/2012	UBS Securities		877,368	820,569	1,128	1
3138EH-GR-7	FNMA PASS-THRU LNG 30 YEAR		.01/12/2012	Banc/America Sec		968,970	907,833	1,362	1
3138EH-L6-7	FNMA PASS-THRU LNG 30 YEAR		.01/27/2012	Credit Suisse First Bosto		608,234	586,405	1,710	1

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
3138EH-SV-5	FNMA PASS-THRU LNG 30 YEAR		.03/01/2012	MORGAN STANLEY		1,260,310	1,177,172	1,619	1
31417A-SD-2	FNMA PASS-THRU LNG 30 YEAR		.02/24/2012	SALOMON SMITH BARNEY INC/		1,152,117	1,092,377	1,335	1
31417A-X7-9	FNMA PASS-THRU LNG 30 YEAR		.01/27/2012	DEUTSCHE-BANK SECURITIES		1,232,188	1,188,278	3,466	1
3136A4-Q4-4	FNMA REMIC TRUST 2012-39		.03/07/2012	UBS Securities		863,848	795,000	2,722	1
25483V-EC-4	DISTRICT COLUMBIA REV		.02/10/2012	MERRILL LYNCH PIERCE FENN		501,581	415,000	11,866	1FE
District of Columbia Total						501,581	415,000	11,866	XXX
626207-YS-7	MUNICIPAL ELEC AUTH GA		.02/09/2012	Citigroup Global Markets		351,988	335,000	8,732	1FE
Georgia Total						351,988	335,000	8,732	XXX
United States Total						32,278,299	30,786,880	66,620	XXX
3199999. Subtotal - Bonds - U.S. Special Revenues						32,278,299	30,786,880	66,620	XXX
71645W-AR-2	PETROBRAS INTL FIN 5.375% 1/27/	R	.03/14/2012	SALOMON SMITH BARNEY INC/		404,006	375,000	2,911	2FE
71645W-AV-3	PETROBRAS INTL FIN CO	R	.02/01/2012	MORGAN STANLEY		771,117	775,000	0	1FE
02006A-AC-1	ALLY AUTO REG TR 2012-2		.03/07/2012	Banc/America Sec		999,934	1,000,000	0	1FE
02261W-AB-5	ALZA CORP ZERO COUPON 0%		.02/08/2012	NOMURA SECURITIES INTL		94,375	100,000	0	1FE
031162-AQ-3	AMGEN INC		.01/23/2012	VARIOUS		158,704	155,000	275	2FE
00184A-AG-0	AOL TIME WARNER 7.70%		.03/22/2012	Nomura		523,548	400,000	12,491	2FE
039483-AW-2	ARCHER DANIELS MIDLAND CO		.01/13/2012	DAIWA CAPITAL MARKETS AME		146,903	145,000	543	1FE
04044T-AL-0	ARISTOTLE HLDG INC GTD SR NT 144A1		.02/06/2012	Credit Suisse First Bosto		618,906	625,000	0	1FE
00206R-BB-7	AT&T INC		.02/08/2012	Credit Suisse First Bosto		419,702	420,000	0	1FE
053332-AK-8	AUTOZONE INC		.01/10/2012	Stifel Nicholas		2,221,560	2,000,000	56,861	2FE
05950X-AE-6	BANC AMER CMBS 2006-5		.02/15/2012	Jefferies & Co		443,891	400,000	1,203	1FM
059497-AX-5	BANC AMER CMBS 2007-1		.01/11/2012	DEUTSCHE-BANK SECURITIES		1,027,505	930,000	2,253	1FE
06051G-EM-7	BANK AMER CORP		.01/19/2012	Banc/America Sec		278,841	280,000	0	1FE
06051G-EN-5	BANK AMER CORP		.02/02/2012	Banc/America Sec		272,055	275,000	0	1FE
06051G-DZ-9	BANK AMER FDG CORP		.03/20/2012	BNY Capital		721,969	625,000	14,826	1FE
05531F-AE-3	BB&T CORPORATION		.01/10/2012	Merrill Lynch		2,650,702	2,558,000	25,900	1FE
07388Y-AE-2	BEAR STEARNS CMBS 2007-PIR16		.01/17/2012	DEUTSCHE-BANK SECURITIES		408,515	365,000	1,137	1FE
10112R-AT-1	BOSTON PPTYS LTD 3.700% 11/15/		.01/19/2012	CANTOR FITZGERALD & CO		1,204,016	1,150,000	8,746	2FE
126802-CA-3	CABELAS CC MSTR TR 2012-1		.02/29/2012	RBC CAPITAL MARKETS		749,736	750,000	0	1FE
134429-AV-1	CAMPBELL SOUP CO		.01/10/2012	Stifel Nicholas		3,215,430	3,000,000	45,242	1FE
14040H-AX-3	CAPITAL ONE FINL CORP		.03/06/2012	Credit Suisse First Bosto		326,916	318,000	1,473	1FE
12514A-AE-1	CD 2007-CDS MTG TR		.02/10/2012	DEUTSCHE-BANK SECURITIES		379,925	330,000	755	1FE
165069-AP-0	CHESAPEAKE & POTOMAC 8.000% 10/15/		.01/19/2012	Morgan Keegan		1,227,500	1,000,000	22,000	1FE
125509-BT-5	CIGNA CORPORATION		.01/09/2012	Nomura		151,560	150,000	1,389	2FE
172967-FW-6	CITIGROUP INC		.01/03/2012	VARIOUS		894,851	895,000	0	1FE
172967-EM-9	CITIGROUP INC SR NT 6.125%17		.03/23/2012	SALOMON SMITH BARNEY INC/		362,502	325,000	7,022	1FE
126192-AD-5	COMM MTG TR 2012-LC4		.03/01/2012	DEUTSCHE-BANK SECURITIES		351,333	350,000	607	1FE
224044-BU-0	COX COMMUNICATIONS INC NEW		.03/22/2012	Nomura		1,342,410	1,000,000	18,750	2FE
224044-BV-8	COX COMMUNICATIONS INC NEW		.01/25/2012	Wachovia Securites Capita		232,320	175,000	6,066	2FE
23311V-AB-3	DCP MIDSTREAM OPERATING PL		.03/08/2012	Wachovia Securites Capita		109,489	110,000	0	1FE
25459H-AL-9	DIRECTV HLDGS 4.750% 10/01/		.02/01/2012	Credit Suisse First Bosto		1,162,494	1,075,000	17,730	1FE
260543-BX-0	DOW CHEM CO		.03/20/2012	MORGAN STANLEY		261,186	200,000	6,080	2FE
29273R-AQ-2	ENERGY TRANSFER PRTRNS L P		.01/09/2012	CHASE SECURITIES		199,516	200,000	0	1FE
36962G-4J-0	GENERAL ELEC CAP CORP MTN BE		.03/26/2012	SALOMON SMITH BARNEY INC/		284,803	250,000	3,094	1FE
36962G-5J-9	GENERAL ELEC CAP CORP MTN BE		.01/04/2012	SALOMON SMITH BARNEY INC/		398,307	390,000	4,131	1FE
370334-BW-5	GENERAL MILS INC		.01/10/2012	Merrill Lynch		2,019,800	2,000,000	7,875	2FE
37247D-AP-1	GENWORTH FINL INC		.03/08/2012	Goldman Sachs & Co		283,250	275,000	9,844	1FE
38141G-GS-7	GOLDMAN SACHS GROUP INC		.01/19/2012	Goldman Sachs & Co		2,097,165	2,100,000	0	1FE
42217K-AR-7	HEALTH CARE REIT INC		.02/10/2012	Citigroup Global Markets		117,495	100,000	617	2FE
459200-HB-0	INTERNATIONAL BUSINESS MACHS		.02/01/2012	Banc/America Sec		477,653	480,000	0	1FE
459902-AQ-5	INTERNATIONAL GAME TECHNOLOGY		.02/16/2012	Wachovia Securites Capita		283,050	255,000	2,555	2FE
47102X-AG-0	JANUS CAP GROUP INC		.02/10/2012	VARIOUS		587,575	555,000	1,426	2FE
46625H-JC-5	JPMORGAN CHASE & CO		.02/22/2012	Goldman Sachs & Co		358,183	350,000	508	1FE
46625H-JD-3	JPMORGAN CHASE & CO		.01/13/2012	CHASE SECURITIES		1,690,939	1,700,000	0	1FE
50075N-AR-5	KRAFT FOODS INC		.01/25/2012	Goldman Sachs & Co		64,807	50,000	1,643	2FE
577778-BQ-5	MAY DEPT STORES CO		.03/20/2012	Credit Suisse First Bosto		2,056,374	1,800,000	23,460	2FE
585055-AM-8	MEDTRONIC INC		.02/14/2012	DAIWA CAPITAL MARKETS AME		116,610	115,000	633	1FE
58217G-AM-1	METROPOLITAN LIFE GLOBAL FDG I		.01/04/2012	DEUTSCHE-BANK SECURITIES		798,520	800,000	0	1FE
594918-AE-4	MICROSOFT CORP 6/15/ 0%		.01/10/2012	Goldman Sachs & Co		133,614	130,000	0	1FE
60871R-AA-8	MOLSON COORS BREWING CO		.02/10/2012	DAIWA CAPITAL MARKETS AME		326,663	310,000	323	2FE
61747W-AL-3	MORGAN STANLEY		.02/01/2012	MORGAN STANLEY		220,867	220,000	269	1FE
61747W-AF-6	MORGAN STANLEY 5.750% 1/25/		.02/07/2012	VARIOUS		134,612	130,000	291	1FE

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
652482-BJ-8	NEWS AMER INC		.02/29/2012	Goldman Sachs & Co		290,308	250,000	3,444	2FE
674599-CC-7	OCCIDENTAL PETE CORP DEL		.02/16/2012	Merrill Lynch		3,110,070	3,000,000	1,823	1FE
695114-CP-1	PACIFICORP		.01/03/2012	Wachovia Securites Capita		349,692	350,000	.0	1FE
69335P-BH-7	PFS FINANCING CORP FRN 02/2016 144		.02/01/2012	CHASE SECURITIES		525,000	525,000	.0	1FE
718546-AG-9	PHILLIPS 66 GTD SR NT 144A17		.03/07/2012	Credit Suisse First Bosto		364,934	365,000	.0	1FE
741503-AP-1	PRICELINE COM INC SR NT CV 144A 18		.03/12/2012	VARIOUS		1,175,933	1,172,000	.6	2FE
74254P-YF-3	PRINCIPAL LIFE INCOME FUND MTN		.03/07/2012	Goldman Sachs & Co		433,298	390,000	8,117	1FE
781172-AB-7	RUBY PIPELINE LLC SR NT 144A 22		.02/10/2012	Credit Suisse First Bosto		780,000	780,000	.0	2FE
78573A-AC-4	SABMILLER HOLDINGS INC		.01/10/2012	MORGAN STANLEY		412,240	415,000	.0	1FE
871510-AA-4	SYMETRA FINL CORP		.02/01/2012	Morgan Keegan		1,052,160	1,000,000	21,267	2FE
88163V-AE-9	TEVA PHARMACEUTICAL FIN LLC		.02/10/2012	Goldman Sachs & Co		153,387	140,000	14	1FE
913017-BM-0	UNITED TECHNOLOGIES CORP		.01/10/2012	Stifel Nicholas		2,377,760	2,000,000	8,361	1FE
903243-AA-1	URS CORP NEW		.03/08/2012	MORGAN STANLEY		399,448	400,000	.0	2FE
91913Y-AR-1	VALERO ENERGY CORP NEW		.01/26/2012	Goldman Sachs & Co		790,454	700,000	21,438	1FE
92976W-BH-8	WACHOVIA CORP GLOBAL MTN		.01/05/2012	Greenwich Capital Markets		817,641	725,000	18,412	1FE
94974B-FC-9	WELLS FARGO & CO 3.500% 3/08/		.03/01/2012	Wachovia Securites Capita		144,684	145,000	.0	1FE
949746-QU-8	WELLS FARGO & CO NEW		.03/02/2012	RBC CAPITAL MARKETS CORP		1,076,360	1,000,000	17,563	1FE
984121-CF-8	XEROX CORP 2.950% 3/15/		.03/22/2012	SALOMON SMITH BARNEY INC/		752,895	750,000	738	2FE
03938L-AX-2	ARCELOMITTAL SA LUXEMBOURG	R	.02/23/2012	VARIOUS		379,296	375,000	.0	1FE
06415C-AC-3	BANK NOVA SCOTIA 144A 18	I	.02/22/2012	MORGAN STANLEY		509,979	500,000	731	1FE
063679-ZT-4	BANK OF MONTREAL 144A	I	.02/10/2012	VARIOUS		511,951	500,000	406	1FE
136385-AP-6	CANADIAN NAT RES LTD	I	.01/25/2012	Goldman Sachs & Co		101,719	75,000	2,517	2FE
136069-DT-5	CDN IMPERIAL BK OF COMMERCE 144A	I	.02/23/2012	HSBC Securities		530,040	500,000	1,184	1FE
21686C-AD-2	COOPERATIVE CENTRALE RAIFFEIS	R	.01/11/2012	MORGAN STANLEY		1,059,078	1,060,000	.0	1FE
225448-AL-3	CREDIT SUISSE GUERNS 1.625%	R	.03/01/2012	Credit Suisse First Bosto		996,740	1,000,000	.0	1FE
380881-BL-5	GOLDEN CC TRUST 2012-2	I	.02/08/2012	RBC CAPITAL MARKETS CORP		799,945	800,000	.0	1FE
449786-AQ-5	ING BANK NV	R	.02/29/2012	DEUTSCHE-BANK SECURITIES		323,330	325,000	.0	1FE
500769-EY-8	KREDITANSTALT FUR WIEDERAUFBAU	R	.01/19/2012	DEUTSCHE-BANK SECURITIES		474,501	475,000	.0	1FE
500769-EY-6	KREDITANSTALT FUR WIEDERAUFBAU	R	.03/13/2012	BNP Paribas		746,557	750,000	807	1FE
539473-AQ-1	LLOYDS TSB BANK PLC 4.200% 3/28/	R	.03/23/2012	VARIOUS		998,926	1,000,000	.0	1FE
762397-AS-6	RHODIA SR NT 144A 20	R	.02/07/2012	Morgan Keegan		2,793,750	2,500,000	69,227	2FE
806854-AB-1	SCHLUMBERGER INVT SA	R	.01/10/2012	Merrill Lynch		2,060,680	2,000,000	21,817	1FE
891145-TN-4	TORONTO DOMINION BK QNT CVD BD 144	I	.03/05/2012	BNP Paribas		797,280	800,000	.0	1FE
92769X-AC-9	VIRGIN MEDIA SECD FIN PLC	R	.02/01/2012	VARIOUS		867,388	800,000	7,180	2FE
Canada Total						13,951,160	13,460,000	103,869	XXX
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						65,741,128	62,033,000	515,981	XXX
8399997. Total - Bonds - Part 3						514,720,332	507,397,048	1,753,974	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						514,720,332	507,397,048	1,753,974	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
922908-88-4	VANGUARD EXTENDED MKT INDEX INSTL		.03/22/2012	VANGUARD GROUP	114,189.012	5,012,050	.0	.0	L
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		.03/30/2012	VANGUARD GROUP	2,779.167	357,012	.0	.0	L
9299999. Subtotal - Common Stocks - Mutual Funds						5,369,062	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						5,369,062	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						5,369,062	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						5,369,062	XXX	0	XXX
9999999 - Totals						520,089,394	XXX	1,753,974	XXX

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

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
36241K-HV-3	GNMA 1 POOL #782044 6.500% 12/15/		03/15/2012	VARIOUS		1,343,519	1,185,181	1,350,921	1,349,320	.0	(10,232)	.0	(10,232)	.0	1,339,088	.0	4,431	4,431	22,642	12/15/2032	1
36225E-BM-3	GNMA PASS-THRU M ADJ HYBRID		03/20/2012	VARIOUS		149,362	151,466	146,212	146,407	.0	99	.0	99	.0	146,506	.0	2,856	2,856	931	02/20/2037	1
36202E-E9-6	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	VARIOUS		9,388	8,551	8,703	8,702	.0	(11)	.0	(11)	.0	8,690	.0	698	698	140	09/20/2035	1
36202E-Q2-5	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	VARIOUS		181,752	165,693	165,072	165,075	.0	41	.0	41	.0	165,116	.0	16,635	16,635	2,701	01/20/2038	1
36202F-2M-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	PRINCIPAL RECEIPT		27,724	29,778	29,778	.0	(2,053)	.0	(2,053)	.0	.0	27,724	.0	.0	.0	108	01/20/2042	1
36202F-B4-7	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	VARIOUS		557,775	510,558	565,124	565,459	.0	(3,961)	.0	(3,961)	.0	561,498	.0	(3,723)	(3,723)	7,599	10/20/2039	1
36202F-UF-1	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	VARIOUS		4,595,174	4,270,846	4,649,245	4,650,165	.0	(40,942)	.0	(40,942)	.0	4,609,223	.0	(14,049)	(14,049)	56,253	06/20/2041	1
36202F-ZY-5	GNMA PASS-THRU M SINGLE FAMILY		03/20/2012	PRINCIPAL RECEIPT		41,230	41,230	44,284	.0	(3,054)	.0	(3,054)	.0	.0	41,230	.0	.0	.0	186	12/20/2041	1
36230M-EP-8	GNMA PASS-THRU X MATURE LN PRG		03/15/2012	PRINCIPAL RECEIPT		11,296	11,296	11,289	11,289	.0	8	.0	8	.0	11,296	.0	.0	.0	62	07/15/2025	1
36241K-T4-0	GNMA PASS-THRU X PLATINUM 30YR		03/15/2012	PRINCIPAL RECEIPT		291,565	291,565	320,494	321,214	.0	(29,649)	.0	(29,649)	.0	291,565	.0	.0	.0	2,054	08/15/2038	1
36241L-DM-5	GNMA PASS-THRU X PLATINUM 30YR		03/15/2012	PRINCIPAL RECEIPT		102,642	102,642	111,783	111,845	.0	(9,203)	.0	(9,203)	.0	102,642	.0	.0	.0	790	11/15/2039	1
36241L-XG-6	GNMA PASS-THRU X PLATINUM 30YR		03/15/2012	VARIOUS		2,611,209	2,440,546	2,591,555	2,599,223	.0	(5,574)	.0	(5,574)	.0	2,593,649	.0	17,560	17,560	29,037	08/15/2041	1
36241L-YF-7	GNMA PASS-THRU X PLATINUM 30YR		03/15/2012	PRINCIPAL RECEIPT		280,883	280,883	308,752	309,446	.0	(28,562)	.0	(28,562)	.0	280,883	.0	.0	.0	1,785	08/15/2041	1
36207F-BX-8	GNMA PASS-THRU X SINGLE FAMILY		03/16/2012	VARIOUS		938,017	879,050	931,381	934,032	.0	(1,569)	.0	(1,569)	.0	932,462	.0	5,555	5,555	10,889	08/15/2041	1
3620AS-EQ-8	GNMA PASS-THRU X SINGLE FAMILY		03/15/2012	PRINCIPAL RECEIPT		236,564	236,564	258,076	258,078	.0	(21,714)	.0	(21,714)	.0	236,564	.0	.0	.0	1,994	04/15/2041	1
36225A-4V-9	GNMA POOL #780836 8.25% 4/15/		03/15/2012	PRINCIPAL RECEIPT		2,488	2,488	2,643	2,577	.0	(89)	.0	(89)	.0	2,488	.0	.0	.0	29	04/15/2020	1
38374B-OP-1	GNMA REMIC TRUST 2003-72		03/16/2012	PRINCIPAL RECEIPT		110,319	110,319	116,663	113,353	.0	(3,034)	.0	(3,034)	.0	110,319	.0	.0	.0	214	02/16/2030	1
83162C-LT-8	SMALL BUS ADMIN GTD DEV PTC		03/01/2012	PAID DOWN		84,195	84,195	89,878	84,195	.0	.0	.0	.0	.0	84,195	.0	.0	.0	2,576	09/01/2021	1
83162C-KM-4	SMALL BUSINESS ADMIN GTD 00-20A		01/01/2012	PRINCIPAL RECEIPT		6,157	6,157	6,157	6,157	.0	.0	.0	.0	.0	6,157	.0	.0	.0	.0	01/01/2020	1
83162C-EV-1	SMALL BUSINESS ADMIN GTD 93-201		03/01/2012	PRINCIPAL RECEIPT		16,413	16,413	17,479	16,603	.0	(191)	.0	(191)	.0	16,413	.0	.0	.0	484	09/01/2013	1
912810-FF-0	UNITED STATES TREAS BDS		02/02/2012	Goldman Sachs & Co		474,239	350,000	489,263	487,444	.0	(487)	.0	(487)	.0	486,957	.0	(12,718)	(12,718)	3,779	11/15/2028	1
912810-FG-8	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		1,544,320	1,155,020	1,560,429	1,555,020	.0	(2,412)	.0	(2,412)	.0	1,552,607	.0	(8,287)	(8,287)	30,772	02/15/2029	1
912810-FP-8	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		1,161,904	875,000	1,120,438	1,113,054	.0	(1,909)	.0	(1,909)	.0	1,111,145	.0	50,759	50,759	28,167	02/15/2031	1
912810-FT-0	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		1,586,219	1,315,000	1,558,661	1,556,586	.0	(1,455)	.0	(1,455)	.0	1,555,131	.0	31,088	31,088	35,440	02/15/2036	1
912810-PJ-6	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		2,740,651	2,092,000	2,860,435	885,632	.0	(2,133)	.0	(2,133)	.0	2,857,956	.0	(117,305)	(117,305)	34,245	05/15/2037	1
912810-QA-9	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		659,769	625,000	671,360	671,124	.0	(183)	.0	(183)	.0	670,941	.0	(11,172)	(11,172)	12,063	02/15/2039	1
912810-QN-1	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		2,635,586	2,015,000	2,478,524	1,451,844	.0	(1,178)	.0	(1,178)	.0	2,475,732	.0	159,854	159,854	48,116	02/15/2041	1
912810-QQ-4	UNITED STATES TREAS BDS		01/19/2012	VARIOUS		1,143,953	895,000	1,113,249	1,111,915	.0	(226)	.0	(226)	.0	1,111,689	.0	32,264	32,264	7,100	05/15/2041	1
912810-QS-0	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		713,995	670,000	767,013	303,243	.0	(399)	.0	(399)	.0	766,517	.0	(52,522)	(52,522)	15,047	08/15/2041	1
912810-QT-8	UNITED STATES TREAS BDS		03/19/2012	VARIOUS		123,657,020	121,565,000	123,201,370	369,136	.0	(26)	.0	(26)	.0	123,201,337	.0	455,683	455,683	746,228	11/15/2041	1
912810-QU-5	UNITED STATES TREAS BDS		03/29/2012	VARIOUS		84,583,058	85,300,000	84,629,334	.0	517	.0	517	.0	84,629,852	.0	(46,794)	(46,794)	189,835	02/15/2042	1	
912828-MJ-6	UNITED STATES TREAS BDS		01/31/2012	MATURITY		1,000,000	1,000,000	1,001,719	1,000,072	.0	(72)	.0	(72)	.0	1,000,000	.0	.0	.0	4,375	01/31/2012	1
912828-CT-5	UNITED STATES TREAS NTS		03/19/2012	VARIOUS		1,966,877	1,800,000	1,980,920	.0	(11,185)	.0	(11,185)	.0	1,969,735	.0	(2,858)	(2,858)	42,793	08/15/2014	1	
				BOENNING & SCATTERGOOD																	
912828-EW-6	UNITED STATES TREAS NTS		03/19/2012	IN		187,804	165,000	181,159	176,321	.0	(555)	.0	(555)	.0	175,767	.0	12,037	12,037	4,447	02/15/2016	1
912828-FY-1	UNITED STATES TREAS NTS		01/20/2012	VARIOUS		1,062,856	900,000	1,057,465	1,051,188	.0	(1,466)	.0	(1,466)	.0	1,049,722	.0	13,135	13,135	7,738	11/15/2016	1
912828-GS-3	UNITED STATES TREAS NTS		01/20/2012	UBS Warburg		502,727	425,000	466,853	461,326	.0	(327)	.0	(327)	.0	460,999	.0	41,728	41,728	3,625	05/15/2017	1
912828-HR-4	UNITED STATES TREAS NTS		01/20/2012	Goldman Sachs & Co		85,216	75,000	78,320	77,948	.0	(23)	.0	(23)	.0	77,925	.0	7,291	7,291	1,148	02/15/2018	1
912828-LU-2	UNITED STATES TREAS NTS		03/19/2012	VARIOUS		3,106,190	2,800,000	3,074,650	3,063,191	.0	(1,262)	.0	(1,262)	.0	3,061,929	.0	44,262	44,262	17,231	10/31/2016	1
912828-LZ-1	UNITED STATES TREAS NTS		02/10/2012	Goldman Sachs & Co		241,311	230,000	229,911	229,947	.0	2	.0	2	.0	229,949	.0	11,362	11,362	1,002	11/30/2014	1
912828-MH-0	UNITED STATES TREAS NTS		03/19/2012	VARIOUS		1,255,425	1,190,000	1,244,173	1,243,620	.0	(2,168)	.0	(2,168)	.0	1,241,452	.0	13,972	13,972	14,552	01/31/2015	1
				BOENNING & SCATTERGOOD																	
912828-MM-7	UNITED STATES TREAS NTS		03/19/2012	IN		3,166,992	3,000,000	3,200,283	.0	(10,536)	.0	(10,536)	.0	3,189,747	.0	(22,755)	(22,755)	35,656	03/31/2015	1	
				BOENNING & SCATTERGOOD																	
912828-NP-1	UNITED STATES TREAS NTS		03/19/2012	IN		134,408	130,000	131,798	131,310	.0	(76)	.0	(76)	.0	131,234	.0	3,174	3,174	1,456	07/31/2015	1
				BOENNING & SCATTERGOOD																	
912828-NR-7	UNITED STATES TREAS NTS		03/19/2012	IN		2,641	2,500	2,579	2,564	.0	(2)	.0	(2)	.0	2,562	.0	79	79	38	07/31/2017	1
				DEUTSCHE-BANK SECURITIES																	
912828-NW-6	UNITED STATES TREAS NTS		01/11/2012			523,279	500,000	497,441	497,887	.0	10	.0	10	.0	497,896	.0	25,383	25,383	3,580	08/31/2017	1
				BOENNING & SCATTERGOOD																	
912828-PE-4	UNITED STATES TREAS NTS		03/19/2012	IN		827,766	815,000	806,057	808,009	.0	381										

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Ident-ification	Description	For-ign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn-ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Con-tractual Maturity Date	NAIC Design-ation or Market In-dicator (a)
.912828-QS-2	UNITED STATES TREAS NTS		03/06/2012	BOENNING & SCATTERGOOD		5,046,484	5,000,000	5,070,313	5,061,092	.0	(4,408)	.0	(4,408)	.0	5,056,684	.0	(10,199)	(10,199)	8,504	06/15/2014	1
.912828-RG-7	UNITED STATES TREAS NTS		03/19/2012	VARIOUS		2,717,175	2,717,175	2,717,984	2,718,668	.0	292	.0	292	.0	2,718,961	.0	(1,786)	(1,786)	2,930	09/15/2014	1
.912828-RJ-1	UNITED STATES TREAS NTS		01/12/2012	Goldman Sachs & Co		1,036,688	1,025,000	1,021,233	1,021,392	.0	22	.0	22	.0	1,021,415	.0	15,273	15,273	2,941	09/30/2016	1
.912828-RL-6	UNITED STATES TREAS NTS		02/10/2012	VARIOUS		2,007,497	2,000,000	2,005,007	2,004,963	.0	(116)	.0	(116)	.0	2,004,847	.0	2,650	2,650	2,892	10/15/2014	1
.912828-RQ-5	UNITED STATES TREAS NTS		01/27/2012	VARIOUS		2,003,636	2,000,000	2,001,335	2,001,310	.0	(23)	.0	(23)	.0	2,001,287	.0	2,350	2,350	1,391	11/15/2014	1
.912828-RR-3	UNITED STATES TREAS NTS		03/08/2012	VARIOUS		370,814	370,000	372,561	29,772	.0	(1)	.0	(1)	.0	372,561	.0	(1,748)	(1,748)	2,309	11/15/2021	1
.912828-RT-9	UNITED STATES TREAS NTS		01/06/2012	VARIOUS		1,749,187	1,750,000	1,742,708	1,742,767	.0	9	.0	9	.0	1,742,776	.0	6,411	6,411	2,471	11/30/2018	1
.912828-RV-4	UNITED STATES TREAS NTS		01/11/2012	Goldman Sachs & Co		1,196,715	1,200,000	1,195,692	.0	.0	8	.0	8	.0	1,195,700	.0	1,015	1,015	270	12/15/2014	1
.912828-RX-0	UNITED STATES TREAS NTS		01/20/2012	VARIOUS		1,170,087	1,170,000	1,171,053	.0	.0	(1)	.0	(1)	.0	1,171,052	.0	(965)	(965)	703	12/31/2016	1
.912828-RZ-5	UNITED STATES TREAS NTS		01/27/2012	VARIOUS		798,689	800,000	797,034	.0	.0	5	.0	5	.0	797,039	.0	1,650	1,650	82	01/15/2015	1
.912828-SC-5	UNITED STATES TREAS NTS		02/21/2012	VARIOUS		6,436,174	6,425,000	6,447,201	.0	.0	(140)	.0	(140)	.0	6,447,061	.0	(10,887)	(10,887)	2,960	01/31/2017	1
.912828-SD-3	UNITED STATES TREAS NTS		02/24/2012	Banc/America Sec		495,525	500,000	495,744	.0	.0	2	.0	2	.0	495,746	.0	(220)	(220)	481	01/31/2019	1
.912828-SE-1	UNITED STATES TREAS NTS		03/19/2012	VARIOUS		2,725,151	2,750,000	2,739,404	.0	.0	298	.0	298	.0	2,739,702	.0	(14,551)	(14,551)	650	02/15/2015	1
.912828-SH-4	UNITED STATES TREAS NTS		03/28/2012	VARIOUS		30,952,381	31,350,000	30,708,644	.0	.0	1,652	.0	1,652	.0	30,710,296	.0	242,086	242,086	33,032	02/28/2019	1
.912828-SJ-0	UNITED STATES TREAS NTS		03/19/2012	BOENNING & SCATTERGOOD		493,164	500,000	499,025	.0	.0	9	.0	9	.0	499,034	.0	(5,870)	(5,870)	262	02/28/2017	1
.912828-SF-8	UNITED STATES TREAS NTS 2.000%		03/28/2012	BOENNING & SCATTERGOOD		6,886,523	7,000,000	6,805,586	.0	.0	431	.0	431	.0	6,806,016	.0	80,507	80,507	16,538	02/15/2022	1
059999 Subtotal - Bonds - U.S. Governments						320,656,054	314,827,869	319,459,255	52,028,931	0	(200,250)	0	(200,250)	0	319,210,875	0	1,445,183	1,445,183	1,574,646	XXX	XXX
.13063B-BU-5	CALIFORNIA ST		03/19/2012	Morgan Keegan		432,113	345,000	444,087	.0	.0	(216)	.0	(216)	.0	443,872	.0	(11,759)	(11,759)	9,932	11/01/2039	1FE
California Total						432,113	345,000	444,087	0	0	(216)	0	(216)	0	443,872	0	(11,759)	(11,759)	9,932	XXX	XXX
.452151-LF-8	ILLINOIS ST GO BDS JUNE-2		03/15/2012	Morgan Keegan		318,435	345,000	327,571	.0	.0	43	.0	43	.0	327,614	.0	(9,179)	(9,179)	5,327	06/01/2033	1FE
Illinois Total						318,435	345,000	327,571	0	0	43	0	43	0	327,614	0	(9,179)	(9,179)	5,327	XXX	XXX
United States Total						750,548	690,000	771,658	0	0	(173)	0	(173)	0	771,486	0	(20,938)	(20,938)	15,259	XXX	XXX
179999 Subtotal - Bonds - U.S. States, Territories and Possessions						750,548	690,000	771,658	0	0	(173)	0	(173)	0	771,486	0	(20,938)	(20,938)	15,259	XXX	XXX
.3137EA-CW-7	FEDERAL HOME LN MTG CORP		03/19/2012	VARIOUS		4,356,061	4,200,000	4,290,999	4,284,047	.0	(3,281)	.0	(3,281)	.0	4,280,766	.0	75,295	75,295	40,633	08/25/2016	1
.3137EA-DB-2	FEDERAL HOME LN MTG CORP		01/19/2012	VARIOUS		1,201,441	1,210,000	1,202,958	.0	.0	12	.0	12	.0	1,202,970	.0	(1,528)	(1,528)	559	01/13/2022	1
.3137EA-CL-1	FEDERAL HOME LN MTG CORP 0.875%		03/19/2012	BOENNING & SCATTERGOOD		1,167,774	1,160,000	1,156,278	1,157,810	.0	258	.0	258	.0	1,158,068	.0	9,707	9,707	4,060	10/28/2013	1
.313378-GV-7	FEDERAL HOME LOAN BANKS		03/19/2012	VARIOUS		998,575	1,000,000	1,000,000	.0	.0	.0	.0	.0	.0	1,000,000	.0	(1,425)	(1,425)	139	03/12/2014	1
.313560-BJ-1	FEDERAL NATL MTG ASSN		01/05/2012	BARCLAYS CAPITAL		811,040	800,000	798,880	799,102	.0	4	.0	4	.0	799,106	.0	11,934	11,934	225	06/27/2014	1
.313560-EJ-8	FEDERAL NATL MTG ASSN		01/05/2012	BARCLAYS CAPITAL		850,808	850,000	849,150	849,205	.0	3	.0	3	.0	849,208	.0	1,600	1,600	1,445	10/24/2014	1
.313560-GH-0	FEDERAL NATL MTG ASSN		03/19/2012	VARIOUS		1,752,811	1,750,000	1,752,993	1,752,856	.0	(377)	.0	(377)	.0	1,752,480	.0	331	331	3,161	12/05/2014	1
.313560-GY-3	FEDERAL NATL MTG ASSN		01/20/2012	BARCLAYS CAPITAL		951,995	950,000	948,471	.0	.0	12	.0	12	.0	948,483	.0	3,512	3,512	462	01/30/2017	1
.3136FT-HL-6	FEDERAL NATL MTG ASSN		03/19/2012	BOENNING & SCATTERGOOD		1,101,623	1,100,000	1,105,412	.0	.0	(1,247)	.0	(1,247)	.0	1,104,165	.0	(2,542)	(2,542)	4,806	04/29/2015	1
.31398A-ZV-7	FEDERAL NATL MTG ASSN		03/19/2012	VARIOUS		1,577,258	1,500,000	1,506,278	1,503,859	.0	(280)	.0	(280)	.0	1,503,579	.0	73,678	73,678	13,344	11/20/2014	1
.3128M5-NQ-9	FHLMC GOLD #603699 6.000% 1/01/		03/15/2012	PRINCIPAL RECEIPT		46,927	46,927	51,188	51,190	.0	(4,262)	.0	(4,262)	.0	46,927	.0	.0	.0	433	01/01/2038	1
.3132GF-FX-0	FHLMC GOLD #001982 4.500% 7/01/		03/15/2012	VARIOUS		259,572	241,386	257,831	258,585	.0	(730)	.0	(730)	.0	257,855	.0	1,717	1,717	3,030	07/01/2041	1
.3132GF-SX-1	FHLMC GOLD #002662 4.500% 8/01/		03/15/2012	VARIOUS		1,278,471	1,187,780	1,268,698	1,272,415	.0	(4,743)	.0	(4,743)	.0	1,267,672	.0	10,799	10,799	10,655	08/01/2041	1
.3128MT-GK-9	FHLMC PC GOLD 10/20 11		03/15/2012	PRINCIPAL RECEIPT		41,447	41,447	46,149	46,140	.0	(4,693)	.0	(4,693)	.0	41,447	.0	.0	.0	348	09/01/2037	1
.3128UN-CE-0	FHLMC PC GOLD 10/20 11		03/15/2012	PRINCIPAL RECEIPT		44,196	44,196	44,839	44,828	.0	(631)	.0	(631)	.0	44,196	.0	.0	.0	213	09/01/2037	1
.3128PR-PB-6	FHLMC PC GOLD 15 YR		03/15/2012	VARIOUS		2,961,347	2,795,182	2,941,929	2,937,324	.0	(14,653)	.0	(14,653)	.0	2,922,671	.0	38,676	38,676	32,298	05/01/2025	1
.3128PR-ZK-8	FHLMC PC GOLD 15 YR		03/15/2012	PRINCIPAL RECEIPT		124,869	124,869	131,074	130,939	.0	(6,070)	.0	(6,070)	.0	124,869	.0	.0	.0	142	07/01/2025	1
.3128BB-GV-0	FHLMC PC GOLD CASH 30		03/15/2012	PRINCIPAL RECEIPT		72,319	72,319	73,336	73,287	.0	(968)	.0	(968)	.0	72,319	.0	.0	.0	67	11/01/2032	1
.3129ZH-GP-3	FHLMC PC GOLD CASH 30		03/15/2012	PRINCIPAL RECEIPT		646	646	654	654	.0	(7)	.0	(7)	.0	646	.0	.0	.0	9	12/01/2030	1
.3128MC-UF-0	FHLMC PC GOLD COMB 15		03/15/2012	VARIOUS		1,397,351	1,296,558	1,409,602	1,406,460	.0	(10,459)	.0	(10,459)	.0	1,396,001	.0	1,350	1,350	22,798	01/01/2024	1
.3128MM-AG-8	FHLMC PC GOLD COMB 15		03/15/2012	PRINCIPAL RECEIPT		50,441	50,441	54,247	53,855	.0	(3,414)	.0	(3,414)	.0	50,441	.0	.0	.0	419	08/01/2019	1
.312964-TT-6	FHLMC PC GOLD COMB 15		03/15/2012	VARIOUS		340,859	316,745	318,130	317,561	.0	(74)	.0	(74)	.0	317,486	.0	23,373	23,373	5,196	02/01/2019	1
.31283H-GC-4	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		79,775	79,775	81,308	81,247	.0	(1,472)	.0	(1,472)	.0	79,775	.0	.0	.0	694	12/01/2032	1
.31283H-GD-2	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		48,573	48,573	49,654	49,594	.0	(1,022)	.0	(1,022)	.0	48,573	.0	.0	.0	510	12/01/2031	1
.3128CC-GJ-9	FHLMC PC GOLD COMB 30		03/16/2012	VARIOUS		150,159	137,161	134,397	134,471	.0	117	.0	117	.0	134,588	.0	15,570	15,570	2,479	07/01/203	

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
3128M5-G0-7	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		210,065	210,065	233,271	233,229	.0	(23,164)	.0	(23,164)	.0	210,065	.0	.0	.0	1,726	07/01/2037	1
3128M5-HJ-2	FHLMC PC GOLD COMB 30		03/16/2012	VARIOUS		256,580	235,914	238,199	238,157	.0	(274)	.0	(274)	.0	237,883	.0	18,697	18,697	4,148	06/01/2036	1
3128M5-QY-9	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		237,910	262,407	263,055	263,055	.0	(25,145)	.0	(25,145)	.0	237,910	.0	.0	.0	1,911	01/01/2038	1
3128M6-EC-8	FHLMC PC GOLD COMB 30		03/15/2012	VARIOUS		3,235,040	3,027,115	3,276,379	3,276,379	.0	(25,172)	.0	(25,172)	.0	3,251,206	.0	(16,166)	(16,166)	16,256	02/01/2037	1
3128M7-40-6	FHLMC PC GOLD COMB 30		03/15/2012	VARIOUS		722,810	673,832	701,943	702,180	.0	(2,175)	.0	(2,175)	.0	700,004	.0	22,806	22,806	8,349	07/01/2040	1
3128M8-AW-4	FHLMC PC GOLD COMB 30		03/15/2012	VARIOUS		3,756,678	3,490,502	3,774,105	3,781,128	.0	(32,921)	.0	(32,921)	.0	3,748,207	.0	8,471	8,471	36,865	01/01/2040	1
3128M8-B6-0	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		154,952	154,952	161,295	161,317	.0	(6,366)	.0	(6,366)	.0	154,952	.0	.0	.0	826	10/01/2040	1
312936-6H-5	FHLMC PC GOLD COMB 30		03/16/2012	VARIOUS		220,021	204,981	213,180	213,088	.0	(492)	.0	(492)	.0	212,596	.0	7,425	7,425	3,068	11/01/2039	1
312937-BL-8	FHLMC PC GOLD COMB 30		03/16/2012	VARIOUS		76,168	70,967	73,806	73,839	.0	(177)	.0	(177)	.0	73,662	.0	2,506	2,506	1,059	11/01/2039	1
312940-EP-0	FHLMC PC GOLD COMB 30		03/19/2012	VARIOUS		1,796,355	1,697,412	1,740,643	1,740,366	.0	(2,841)	.0	(2,841)	.0	1,737,525	.0	58,830	58,830	23,069	04/01/2040	1
312941-3E-5	FHLMC PC GOLD COMB 30		03/15/2012	VARIOUS		481,307	448,440	468,900	468,996	.0	(1,417)	.0	(1,417)	.0	467,579	.0	13,728	13,728	5,561	08/01/2040	1
312941-HS-9	FHLMC PC GOLD COMB 30		03/15/2012	VARIOUS		351,911	327,592	341,669	341,862	.0	(814)	.0	(814)	.0	341,048	.0	10,862	10,862	4,064	07/01/2040	1
31297H-FF-1	FHLMC PC GOLD COMB 30		03/16/2012	VARIOUS		468,338	437,744	443,147	443,059	.0	(1,589)	.0	(1,589)	.0	441,471	.0	26,867	26,867	6,367	12/01/2034	1
31326F-UJ-4	FHLMC PC GOLD PC 30YR		03/19/2012	VARIOUS		775,113	731,382	774,865	774,903	.0	(1,782)	.0	(1,782)	.0	773,121	.0	1,992	1,992	10,088	07/01/2041	1
31326F-UL-9	FHLMC PC GOLD PC 30YR		03/15/2012	VARIOUS		819,403	762,055	807,361	807,401	.0	(1,979)	.0	(1,979)	.0	805,422	.0	13,981	13,981	9,527	08/01/2041	1
31326G-CL-7	FHLMC PC GOLD PC 30YR		03/15/2012	VARIOUS		423,572	393,713	420,535	421,485	.0	(1,002)	.0	(1,002)	.0	420,483	.0	3,089	3,089	4,950	08/01/2041	1
31290K-VZ-9	FHLMC PC GUAR 30-YEAR		03/15/2012	PRINCIPAL RECEIPT		1,077	1,077	1,098	1,089	.0	(12)	.0	(12)	.0	1,077	.0	.0	.0	12	07/01/2020	1
31326F-X4-4	FHLMC PC GOLD PC 30YR		03/15/2012	VARIOUS		314,971	293,396	310,840	310,855	.0	(1,144)	.0	(1,144)	.0	309,711	.0	5,260	5,260	3,659	08/01/2041	1
3128M5-C5-7	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		167,491	167,491	185,993	185,960	.0	(18,469)	.0	(18,469)	.0	167,491	.0	.0	.0	1,482	10/01/2037	1
3128M8-T4-6	FHLMC PC GOLD COMB 30		03/15/2012	PRINCIPAL RECEIPT		90,498	90,498	100,495	100,477	.0	(9,979)	.0	(9,979)	.0	90,498	.0	.0	.0	857	11/01/2037	1
3128MJ-Q3-7	FHLMC PC GOLD COMB 30 3.500 204201		02/17/2012	INC/ SALOMON SMITH BARNEY		463,771	449,207	466,719	.0	.0	(158)	.0	(158)	.0	466,561	.0	(2,790)	(2,790)	961	01/01/2042	1
31395L-7G-0	FHLMC REMIC SERIES 2923		03/15/2012	VARIOUS		322,918	321,440	338,416	332,145	.0	(5,099)	.0	(5,099)	.0	327,046	.0	(4,127)	(4,127)	4,028	10/15/2032	1
31395P-LL-4	FHLMC REMIC SERIES 2953		03/15/2012	VARIOUS		251,676	251,676	263,788	256,495	.0	(3,086)	.0	(3,086)	.0	253,409	.0	(1,733)	(1,733)	3,015	01/15/2023	1
31395P-LQ-3	FHLMC REMIC SERIES 2953		02/15/2012	VARIOUS		959,149	923,256	969,708	959,863	.0	(4,856)	.0	(4,856)	.0	955,007	.0	4,142	4,142	9,150	06/15/2031	1
31397C-K5-7	FHLMC REMIC SERIES 3243		03/15/2012	PRINCIPAL RECEIPT		674,229	674,229	722,867	717,064	.0	(42,835)	.0	(42,835)	.0	674,229	.0	.0	.0	6,590	11/15/2036	1
31397P-SM-8	FHLMC REMIC SERIES 3389		03/15/2012	PRINCIPAL RECEIPT		232,571	232,571	234,287	233,287	.0	(716)	.0	(716)	.0	232,571	.0	.0	.0	2,119	12/15/2035	1
3137AA-4W-0	FHLMC REMIC SERIES K-013		03/15/2012	IN		1,353,906	1,250,000	1,262,421	1,261,237	.0	(288)	.0	(288)	.0	1,260,949	.0	92,957	92,957	15,040	01/25/2021	1
31392M-EM-0	FHLMC REMIC SERIES T0041		03/25/2012	PRINCIPAL RECEIPT		2,827	2,827	2,937	2,824	.0	3	.0	3	.0	2,827	.0	.0	.0	22	07/25/2032	1
31359S-R6-9	FNMA GR TR SERIES 2001-T4 CI A		03/25/2012	PRINCIPAL RECEIPT		10,770	10,770	11,110	10,811	.0	(41)	.0	(41)	.0	10,770	.0	.0	.0	90	07/25/2028	1
31392F-DC-8	FNMA GRANTOR TRUST 2002-T16		03/25/2012	PRINCIPAL RECEIPT		29,808	29,808	30,553	30,382	.0	(574)	.0	(574)	.0	29,808	.0	.0	.0	241	07/25/2042	1
3138EG-SY-1	FNMA PASS-THRU ADJ L IBOR		03/25/2012	VARIOUS		1,165,400	1,114,822	1,177,530	1,178,024	.0	(6,528)	.0	(6,528)	.0	1,171,496	.0	(6,096)	(6,096)	13,068	04/01/2040	1
3138EG-UT-9	FNMA PASS-THRU ADJ L IBOR		03/25/2012	VARIOUS		90,714	87,664	91,252	91,281	.0	(64)	.0	(64)	.0	91,218	.0	(504)	(504)	903	07/01/2041	1
31411N-P5-0	FNMA PASS-THRU ADJ L IBOR		03/25/2012	VARIOUS		159,595	151,235	150,952	150,944	.0	(11,509)	.0	(11,509)	.0	139,435	.0	20,160	20,160	1,734	02/01/2037	1
31403X-FB-6	FNMA PASS-THRU BLLN MULTI		02/25/2012	PRINCIPAL RECEIPT		1,000,000	1,000,000	980,898	994,965	.0	5,035	.0	5,035	.0	1,000,000	.0	.0	.0	8,150	04/01/2012	1
31381D-YY-5	FNMA PASS-THRU GNM-BK MGA 30		03/25/2012	PRINCIPAL RECEIPT		1,925	1,925	1,950	1,943	.0	(18)	.0	(18)	.0	1,925	.0	.0	.0	20	05/20/2023	1
31405F-D5-8	FNMA PASS-THRU GOV SINGLE FAM		03/25/2012	PRINCIPAL RECEIPT		779	779	821	820	.0	(40)	.0	(40)	.0	779	.0	.0	.0	6	10/01/2032	1
3138A7-G6-9	FNMA PASS-THRU INT 15 YEAR		03/25/2012	PRINCIPAL RECEIPT		607,821	607,821	636,137	635,493	.0	(27,672)	.0	(27,672)	.0	607,821	.0	.0	.0	2,877	02/01/2026	1
3138AV-DM-4	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		570,544	554,317	573,285	573,198	.0	(1,528)	.0	(1,528)	.0	571,670	.0	(1,126)	(1,126)	4,925	10/01/2026	1
3138AX-CL-3	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		294,679	286,266	293,602	294,284	.0	(620)	.0	(620)	.0	293,664	.0	1,015	1,015	2,542	10/01/2026	1
3138AX-FX-4	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		76,492	74,187	77,247	.0	101	.0	101	.0	77,348	.0	(856)	(856)	302	01/01/2027	1	
3138E4-MD-0	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		644,826	625,813	651,628	.0	258	.0	258	.0	651,886	.0	(7,060)	(7,060)	2,528	02/01/2027	1	
3138E8-G4-8	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		515,549	500,000	520,547	.0	(358)	.0	(358)	.0	520,189	.0	(4,640)	(4,640)	2,038	02/01/2027	1	
3138E8-MS-8	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		314,884	305,391	317,845	.0	(221)	.0	(221)	.0	317,624	.0	(2,740)	(2,740)	1,244	02/01/2027	1	
3138E8-QF-2	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		437,817	424,609	441,925	.0	(296)	.0	(296)	.0	441,630	.0	(3,812)	(3,812)	1,731	02/01/2027	1	
3138EA-DR-5	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		206,203	200,000	208,219	.0	(165)	.0	(165)	.0	208,054	.0	(1,851)	(1,851)	814	03/01/2027	1	
3138EG-M6-8	FNMA PASS-THRU INT 15 YEAR		03/25/2012	PRINCIPAL RECEIPT		577,981	577,981	614,647	614,562	.0	(36,581)	.0	(36,581)	.0	577,981	.0	.0	.0	2,940	03/01/2026	1
31391C-SF-8	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		59,714	55,220	55,123	55,091	.0	.7	.0	.7	.0	55,098	.0	4,616	4,616	879	09/01/2017	1
31391U-40-5	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		3,699	3,432	3,426	3,424	.0	.1	.0	.1	.0	3,425	.0	275	275	53	02/01/2018	1
314020-GK-2	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		1,251,866	1,178,652	1,244,399	1,241,344	.0	(7,600)	.0	(7,6								

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
31415P-1M-6	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		69,153	64,737	64,494	64,497	.0	29	.0	29	.0	64,526	.0	4,627	4,627	.918	07/01/2023	1
31416B-QK-7	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		119,311	112,411	114,237	113,977	.0	(208)	.0	(208)	.0	113,768	.0	5,543	5,543	1,458	12/01/2020	1
31417M-KJ-1	FNMA PASS-THRU INT 15 YEAR		03/25/2012	PRINCIPAL RECEIPT		781,852	781,852	831,451	831,991	.0	(49,639)	.0	(49,639)	.0	781,852	.0	.0	.0	3,946	09/01/2024	1
31417Y-JK-4	FNMA PASS-THRU INT 15 YEAR		03/27/2012	VARIOUS		871,399	813,875	861,626	859,681	.0	(4,889)	.0	(4,889)	.0	854,792	.0	16,607	16,607	11,807	11/01/2024	1
31419B-CE-3	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		623,241	593,087	616,904	615,100	.0	(2,975)	.0	(2,975)	.0	612,125	.0	11,116	11,116	6,849	07/01/2019	1
31368H-LZ-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		177,357	177,357	187,334	187,375	.0	(10,017)	.0	(10,017)	.0	177,357	.0	.0	.0	1,165	12/01/2033	1
31368H-MB-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,590,443	1,472,548	1,562,511	1,561,766	.0	(8,770)	.0	(8,770)	.0	1,552,996	.0	37,446	37,446	23,830	12/01/2034	1
31368H-NG-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		555,768	509,729	550,188	550,435	.0	(3,934)	.0	(3,934)	.0	546,502	.0	9,266	9,266	9,009	09/01/2038	1
31371K-T9-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		16,222	16,222	16,273	16,263	.0	(41)	.0	(41)	.0	16,222	.0	.0	.0	100	09/01/2032	1
31371N-H4-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		26,615	26,615	27,890	27,875	.0	(1,260)	.0	(1,260)	.0	26,615	.0	.0	.0	206	08/01/2037	1
31371N-P4-1	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		378,953	347,032	374,307	374,612	.0	(2,208)	.0	(2,208)	.0	372,404	.0	6,549	6,549	6,168	01/01/2038	1
31376K-TT-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		309,608	286,656	286,521	286,522	.0	(6)	.0	(6)	.0	286,517	.0	23,092	23,092	4,633	09/01/2035	1
3138A6-LD-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		2,024,047	1,885,387	1,954,616	1,954,909	.0	(5,151)	.0	(5,151)	.0	1,949,758	.0	74,289	74,289	28,403	02/01/2041	1
3138A7-PP-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,091,802	1,044,895	1,110,201	.0	.0	(1,668)	.0	(1,668)	.0	1,108,533	.0	16,731	16,731	5,898	02/01/2041	1
3138AB-YD-2	FNMA PASS-THRU LNG 30 YEAR		01/25/2012	VARIOUS		748,484	713,514	742,389	744,742	.0	(902)	.0	(902)	.0	743,839	.0	4,645	4,645	4,653	03/01/2041	1
3138AE-E9-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		254,278	239,916	256,072	.0	.0	19	.0	19	.0	256,092	.0	(1,813)	(1,813)	1,525	06/01/2041	1
3138AK-XR-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		245,502	232,754	245,519	246,343	.0	(1,529)	.0	(1,529)	.0	244,814	.0	688	688	3,108	06/01/2041	1
3138AM-UJ-2	FNMA PASS-THRU LNG 30 YEAR		03/19/2012	VARIOUS		1,198,733	1,126,702	1,197,493	1,199,743	.0	(4,845)	.0	(4,845)	.0	1,194,898	.0	3,835	3,835	11,165	07/01/2041	1
3138AM-XV-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		346,463	327,700	345,621	346,781	.0	(1,379)	.0	(1,379)	.0	345,402	.0	1,061	1,061	4,440	07/01/2041	1
3138AM-YS-8	FNMA PASS-THRU LNG 30 YEAR		01/25/2012	VARIOUS		410,540	393,595	394,166	394,473	.0	(127)	.0	(127)	.0	394,346	.0	16,194	16,194	2,538	08/01/2041	1
3138AN-CY-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		921,542	879,489	908,760	908,721	.0	(2,309)	.0	(2,309)	.0	906,412	.0	15,130	15,130	9,602	08/01/2041	1
3138AN-Y5-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		182,627	172,425	182,110	182,720	.0	(425)	.0	(425)	.0	182,295	.0	332	332	2,371	08/01/2041	1
3138AP-P3-6	FNMA PASS-THRU LNG 30 YEAR		01/25/2012	VARIOUS		157,169	149,763	155,684	156,094	.0	(82)	.0	(82)	.0	156,012	.0	1,157	1,157	981	11/01/2041	1
3138AS-XR-8	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		740,278	721,110	739,983	740,135	.0	(575)	.0	(575)	.0	739,560	.0	718	718	5,025	10/01/2041	1
3138AV-QF-5	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		244,846	232,376	241,907	242,673	.0	(331)	.0	(331)	.0	242,342	.0	2,504	2,504	1,842	10/01/2041	1
3138AV-U3-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,031,218	1,000,000	1,026,719	1,026,871	.0	(486)	.0	(486)	.0	1,026,386	.0	4,832	4,832	8,780	12/01/2041	1
3138AV-U8-6	FNMA PASS-THRU LNG 30 YEAR		01/25/2012	VARIOUS		385,938	385,000	385,020	385,077	.0	(101)	.0	(101)	.0	384,976	.0	962	962	1,931	12/01/2041	1
3138AV-CR-2	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		725,512	687,994	716,266	718,536	.0	(504)	.0	(504)	.0	718,032	.0	7,480	7,480	5,488	11/01/2041	1
3138AW-H6-3	FNMA PASS-THRU LNG 30 YEAR		01/25/2012	VARIOUS		1,001,858	973,482	999,682	999,832	.0	(282)	.0	(282)	.0	999,550	.0	2,308	2,308	5,011	12/01/2041	1
3138AW-HA-4	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		51,647	49,907	51,249	51,256	.0	(20)	.0	(20)	.0	51,236	.0	411	411	397	12/01/2041	1
3138EO-RA-9	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		1,234,436	1,187,339	1,231,817	.0	.0	86	.0	86	.0	1,231,903	.0	2,533	2,533	5,305	12/01/2041	1
3138EO-RK-7	FNMA PASS-THRU LNG 30 YEAR		03/01/2012	BancAmerica Sec		655,637	622,655	655,539	.0	.0	1,798	.0	1,798	.0	657,338	.0	(1,701)	(1,701)	761	12/01/2041	1
3138EA-2Q-3	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		1,183,228	1,138,067	1,181,234	.0	.0	100	.0	100	.0	1,181,333	.0	1,895	1,895	5,086	01/01/2042	1
3138E6-U8-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,223,184	1,195,978	1,246,060	.0	.0	(655)	.0	(655)	.0	1,245,405	.0	(22,220)	(22,220)	5,923	02/01/2042	1
3138E7-Y9-9	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		613,425	590,000	611,964	.0	.0	63	.0	63	.0	612,027	.0	1,398	1,398	2,637	02/01/2042	1
3138E8-PN-6	FNMA PASS-THRU LNG 30 YEAR		03/19/2012	IN		2,797,168	2,675,916	2,819,955	.0	.0	5,290	.0	5,290	.0	2,825,245	.0	(28,077)	(28,077)	6,244	02/01/2042	1
3138EH-GR-7	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		960,986	907,833	968,970	.0	.0	(1,273)	.0	(1,273)	.0	967,697	.0	(6,711)	(6,711)	5,718	11/01/2041	1
3138EH-L6-7	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		586,405	586,405	608,234	.0	.0	21	.0	21	.0	608,255	.0	884	884	2,677	12/01/2041	1
31402C-Y3-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		129,416	129,416	138,495	138,503	.0	(9,087)	.0	(9,087)	.0	129,416	.0	.0	.0	868	03/01/2034	1
31402D-US-0	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,154,356	1,068,170	1,133,262	1,132,750	.0	(5,901)	.0	(5,901)	.0	1,126,849	.0	27,507	27,507	17,353	09/01/2034	1
31402Q-WA-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		106,259	98,366	95,799	95,862	.0	232	.0	232	.0	96,094	.0	10,165	10,165	1,593	01/01/2035	1
31402Q-YY-1	FNMA PASS-THRU LNG 30 YEAR		03/27/2012	VARIOUS		851,527	787,925	857,269	858,612	.0	(6,400)	.0	(6,400)	.0	852,213	.0	(686)	(686)	12,808	02/01/2035	1
31402R-AB-5	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,443,135	1,347,326	1,449,112	1,449,527	.0	(10,681)	.0	(10,681)	.0	1,438,846	.0	4,289	4,289	19,770	04/01/2035	1
31402R-AQ-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		39,598	39,598	40,665	40,619	.0	(1,021)	.0	(1,021)	.0	39,598	.0	.0	.0	291	12/01/2032	1
31402R-AS-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		38,909	38,909	40,018	39,997	.0	(1,089)	.0	(1,089)	.0	38,909	.0	.0	.0	281	03/01/2035	1
31402R-H2-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		17,410	17,410	17,572	17,562	.0	(152)	.0	(152)	.0	17,410	.0	.0	.0	115	12/01/2032	1
31405X-C6-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		36,131	33,385	33,289	33,289	.0	5	.0	5	.0	33,294	.0	2,837	2,837	549	11/01/2034	1
31408H-3H-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		740,762	676,503	669,210	669,298	.0	309	.0	309	.0	669,606	.0	71,155	71,155	12,268	02/01/2036	1
31410G-A7-8	FNMA PASS-THRU LNG 30 YEAR		03/25/2012																		

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
31416B-W4-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		190,931	190,931	204,296	204,537	.0	(13,606)	.0	(13,606)	.0	190,931	.0	.0	.0	1,134	11/01/2038	1FE
31416Y-YN-2	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		249,272	236,701	243,136	243,124	.0	(272)	.0	(272)	.0	242,852	.0	6,420	6,420	1,864	08/01/2041	1FE
31416Y-YV-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		1,337,122	1,258,253	1,327,260	1,331,714	.0	(5,412)	.0	(5,412)	.0	1,326,302	.0	10,820	10,820	13,018	08/01/2041	1FE
31417A-SD-2	FNMA PASS-THRU LNG 30 YEAR		03/01/2012	Banc/America Sec		1,150,239	1,092,377	1,152,117	.0	.0	3,251	.0	3,251	.0	1,155,367	.0	(5,128)	(5,128)	1,335	12/01/2041	1FE
31417A-X7-9	FNMA PASS-THRU LNG 30 YEAR		02/25/2012	VARIOUS		1,230,498	1,188,278	1,232,188	.0	.0	.0	.0	.0	.0	1,232,566	.0	(2,068)	(2,068)	4,848	01/01/2042	1FE
31417N-BY-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		196,479	182,737	189,875	189,965	.0	(384)	.0	(384)	.0	189,581	.0	6,898	6,898	2,744	10/01/2039	1FE
31418X-KY-3	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		350,568	350,568	367,604	367,701	.0	(17,133)	.0	(17,133)	.0	350,568	.0	.0	.0	1,636	08/01/2040	1FE
31419G-PL-2	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		148,417	148,417	154,307	154,322	.0	(5,905)	.0	(5,905)	.0	148,417	.0	.0	.0	626	10/01/2040	1FE
31419K-KG-9	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	VARIOUS		4,621,938	4,490,797	4,594,647	4,594,937	.0	(9,381)	.0	(9,381)	.0	4,585,556	.0	36,382	36,382	32,906	11/01/2040	1FE
31371N-LS-2	FNMA PASS-THRU LNG 10 7-10YR		03/25/2012	PRINCIPAL RECEIPT		46,845	46,845	47,702	47,715	.0	(870)	.0	(870)	.0	46,845	.0	.0	.0	390	10/01/2037	1FE
31410G-LR-2	FNMA PASS-THRU LNG 10 7-10YR		03/25/2012	PRINCIPAL RECEIPT		77,100	77,100	82,846	83,003	.0	(5,904)	.0	(5,904)	.0	77,100	.0	.0	.0	546	10/01/2037	1FE
31413Q-PD-4	FNMA PASS-THRU LNG 10 7-10YR		03/25/2012	PRINCIPAL RECEIPT		190,585	190,585	196,124	196,186	.0	(5,601)	.0	(5,601)	.0	190,585	.0	.0	.0	1,242	10/01/2037	1FE
31418M-CG-5	FNMA PASS-THRU LNG 10 7-10YR		03/25/2012	PRINCIPAL RECEIPT		145,949	145,949	155,710	155,948	.0	(9,999)	.0	(9,999)	.0	145,949	.0	.0	.0	1,048	12/01/2037	1FE
31418M-KZ-0	FNMA PASS-THRU LNG 10 7-10YR		03/25/2012	PRINCIPAL RECEIPT		20,350	20,350	21,681	21,673	.0	(1,323)	.0	(1,323)	.0	20,350	.0	.0	.0	158	05/01/2038	1FE
31385J-HM-1	FNMA PASS-THRU MEGA MULTI 7		03/25/2012	PRINCIPAL RECEIPT		9,308	9,308	9,631	9,329	.0	(21)	.0	(21)	.0	9,308	.0	.0	.0	95	07/01/2012	1FE
31385X-HZ-3	FNMA PASS-THRU MEGA MULTI 7		03/25/2012	PRINCIPAL RECEIPT		53,768	53,768	52,227	53,097	.0	672	.0	672	.0	53,768	.0	.0	.0	659	06/01/2013	1FE
31402C-SS-7	FNMA PASS-THRU MEGA MULTI 7		03/25/2012	PRINCIPAL RECEIPT		1,858	1,858	1,794	1,827	.0	31	.0	31	.0	1,858	.0	.0	.0	10	04/01/2014	1FE
31403D-GP-8	FNMA PASS-THRU MEGA MULTI 7		03/25/2012	PRINCIPAL RECEIPT		3,899	3,899	4,058	4,015	.0	(117)	.0	(117)	.0	3,899	.0	.0	.0	26	02/01/2016	1FE
31416X-2J-8	FNMA PASS-THRU SHRT 10 YEAR		03/25/2012	PRINCIPAL RECEIPT		290,684	290,684	308,125	307,957	.0	(17,273)	.0	(17,273)	.0	290,684	.0	.0	.0	1,186	05/01/2021	1FE
31416Y-UL-0	FNMA PASS-THRU SHRT 10 YEAR		03/25/2012	PRINCIPAL RECEIPT		400,264	400,264	420,277	420,100	.0	(19,836)	.0	(19,836)	.0	400,264	.0	.0	.0	1,940	07/01/2021	1FE
31384V-ML-3	FNMA PASS-THRU INT 15 YEAR		03/25/2012	PRINCIPAL RECEIPT		11,794	11,794	12,166	11,875	.0	(82)	.0	(82)	.0	11,794	.0	.0	.0	88	12/01/2014	1FE
31402D-FV-7	FNMA PASS-THRU INT 15 YEAR		03/25/2012	PRINCIPAL RECEIPT		41,401	41,401	43,520	42,483	.0	(1,082)	.0	(1,082)	.0	41,401	.0	.0	.0	449	07/01/2017	1FE
31410K-GG-4	FNMA PASS-THRU INT 15 YEAR		03/25/2012	VARIOUS		76,503	71,523	75,278	75,006	.0	(432)	.0	(432)	.0	74,574	.0	1,930	1,930	1,032	09/01/2024	1FE
31418M-4T-6	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		92,710	92,710	98,504	97,031	.0	(4,322)	.0	(4,322)	.0	92,710	.0	.0	.0	621	01/01/2039	1FE
31418M-PII-4	FNMA PASS-THRU LNG 30 YEAR		03/25/2012	PRINCIPAL RECEIPT		113,299	113,299	121,725	121,869	.0	(8,570)	.0	(8,570)	.0	113,299	.0	.0	.0	632	08/01/2040	1FE
31378H-UH-2	FNMA PASSTHRU POOL # 399384		03/25/2012	PRINCIPAL RECEIPT		6,854	6,854	7,013	6,850	.0	4	.0	4	.0	6,854	.0	.0	.0	60	09/01/2012	1FE
31387D-3Q-0	FNMA POOL #581407		03/25/2012	PRINCIPAL RECEIPT		1,413	1,413	1,438	1,436	.0	(22)	.0	(22)	.0	1,413	.0	.0	.0	11	06/01/2031	1FE
31410F-UC-7	FNMA POOL #888079 6.500%		03/25/2012	PRINCIPAL RECEIPT		75,544	75,544	77,259	77,081	.0	(1,537)	.0	(1,537)	.0	75,544	.0	.0	.0	769	10/01/2026	1FE
31410K-UK-8	FNMA POOL #889886 7.000%		03/25/2012	PRINCIPAL RECEIPT		34,291	34,291	35,898	35,882	.0	(1,591)	.0	(1,591)	.0	34,291	.0	.0	.0	370	12/01/2037	1FE
31418M-G3-0	FNMA POOL #AD0217 6.000% 9/01/		03/25/2012	PRINCIPAL RECEIPT		200,211	200,211	211,598	211,459	.0	(11,247)	.0	(11,247)	.0	200,211	.0	.0	.0	1,972	09/01/2039	1FE
31387H-3W-8	FNMA POOL #855013		03/25/2012	PRINCIPAL RECEIPT		1,928	1,928	2,007	1,938	.0	(10)	.0	(10)	.0	1,928	.0	.0	.0	14	06/01/2014	1FE
31392E-S8-4	FNMA REMIC TRUST 2002-W10		03/25/2012	PRINCIPAL RECEIPT		34,875	34,875	34,831	34,829	.0	46	.0	46	.0	34,875	.0	.0	.0	262	08/25/2042	1FE
31392D-H7-0	FNMA REMIC TRUST 2002-W16		03/25/2012	PRINCIPAL RECEIPT		12,136	12,136	13,312	12,351	.0	(215)	.0	(215)	.0	12,136	.0	.0	.0	80	06/25/2042	1FE
31392D-P9-7	FNMA REMIC TRUST 2002-W8		03/25/2012	PRINCIPAL RECEIPT		5,023	5,023	5,269	5,051	.0	(28)	.0	(28)	.0	5,023	.0	.0	.0	38	06/25/2042	1FE
31394U-QL-9	FNMA REMIC TRUST 2005-100		03/25/2012	VARIOUS		434,976	430,263	452,986	443,101	.0	(4,065)	.0	(4,065)	.0	439,036	.0	(4,060)	(4,060)	6,645	11/25/2031	1FE
31397L-NJ-4	FNMA REMIC TRUST 2008-40		03/25/2012	PRINCIPAL RECEIPT		179,641	179,641	183,094	181,258	.0	(1,616)	.0	(1,616)	.0	179,641	.0	.0	.0	1,201	03/25/2031	1FE
25483V-EC-4	DISTRICT COLUMBIA REV		03/19/2012	Morgan Keegan		474,553	415,000	501,581	.0	.0	(207)	.0	(207)	.0	501,374	.0	(26,822)	(26,822)	15,031	10/01/2035	1FE
District of Columbia Total						474,553	415,000	501,581	0	0	(207)	0	(207)	0	501,374	0	(26,822)	(26,822)	15,031	XXX	XXX
626207-YS-7	MUNICIPAL ELEC AUTH GA		03/19/2012	Morgan Keegan		345,469	335,000	351,988	.0	.0	(23)	.0	(23)	.0	351,965	.0	(6,496)	(6,496)	11,226	04/01/2057	1FE
Georgia Total						345,469	335,000	351,988	0	0	(23)	0	(23)	0	351,965	0	(6,496)	(6,496)	11,226	XXX	XXX
United States Total						99,970,235	95,575,334	99,725,423	75,557,171	0	(761,587)	0	(761,587)	0	98,940,855	0	1,029,381	1,029,381	876,127	XXX	XXX
3199999. Subtotal - Bonds - U.S. Special Revenues						99,970,235	95,575,334	99,725,423	75,557,171	0	(761,587)	0	(761,587)	0	98,940,855	0	1,029,381	1,029,381	876,127	XXX	XXX
71645W-AV-3	PETROBRAS INTL FIN CO	R	03/14/2012	BOENNING & SCATTERGOOD IN		788,950	775,000	771,117	.0	.0	146	.0	146	.0	771,284	.0	17,686	17,686	2,661	02/06/2015	1FE
00440E-AN-7	ACE INA HLDGS INC 2.600% 11/23/		03/15/2012	BOENNING & SCATTERGOOD IN		351,900	340,000	339,684	339,750	.0	13	.0	13	.0	339,763	.0	12,137	12,137	2,873	11/23/2015	1FE
00846U-AG-6	AGILENT TECHNOLOGIES INC		03/15/2012	Morgan Keegan		110,900	100,000	99,535	99,589	.0	8	.0	8	.0	99,597	.0	11,303	11,303	3,403	07/15/2020	2FE
01741R-AD-4	ALLEGHENY TECHNOLOGIES INC		03/19/2012	VARIOUS		133,359	104,000	124,396	122,513	.0	(1,582)	.0	(1,582)	.0	120,930	.0	12,429	12,429	1,296	06/01/2014	2FE
03064M-AB-4	AMERICREDIT AUTO REC 2011-1		03/15/2012	VARIOUS		388,029	389,099	389,082	389,112	.0	(5)	.0	(5)	.0	389,107	.0	(1,077)	(1,077)	806	06/08/2014	1FE
02364W-BC-8	AMERICA MOVIL SAB DE CV		03/15/2012	BOENNING & SCATTERGOOD IN		706,300	700,000	694,316	694,671	.0	221	.0	221	.0	694,892	.0	11,408	11,408	8,867	09/08/2016	1FE
0258M0-DA-4	AMERICAN EXPRESS CR CORP MTNBE		02/16/2012	Merrill Lynch		2,063,540	2,000,000	2,012,600	2,009,645	.0	(311)	.0	(311)	.0	2,009,334	.0	54,206	54,206	23,986	09/15/2020	1FE
0258M0-DC-0	AMERICAN EXPRESS CR CORP MTNBE		03																		

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
03523T-BE-7	ANHEUSER-BUSCH 7.750% 1/15/		03/15/2012	BOENNING & SCATTERGOOD		41,568	32,000	39,529	38,778	0	(170)	0	(170)	0	38,608	0	2,960	2,960	1,688	01/15/2019	1FE
037389-AV-5	AON CORP		03/14/2012	VARIOUS		260,625	250,000	252,605	252,058	0	(105)	0	(105)	0	251,952	0	8,673	8,673	4,108	09/30/2015	2FE
04044T-AL-0	ARISTOTLE HLDG INC GTD SR NT 144A1		03/15/2012	BOENNING & SCATTERGOOD		626,563	625,000	618,906	0	0	122	0	122	0	619,028	0	7,535	7,535	1,886	02/15/2017	1FE
00206R-BB-7	AT&T INC		03/14/2012	IN		416,430	420,000	419,702	0	0	10	0	10	0	419,712	0	(3,282)	(3,282)	368	02/13/2015	1FE
05947U-ES-3	BANC AMER CMBS 2002-PB2		03/20/2012	VARIOUS		56,536	56,887	59,652	56,809	0	65	0	65	0	56,875	0	(339)	(339)	532	06/11/2035	1FM
05950X-AE-6	BANC AMER CMBS 2006-5		03/19/2012	Morgan Keegan		1,650,938	1,500,000	1,628,625	1,183,626	0	(5,161)	0	(5,161)	0	1,622,356	0	28,582	28,582	21,430	09/10/2047	1FM
059497-AX-5	BANC AMER CMBS 2007-1		03/19/2012	Morgan Keegan		1,032,881	930,000	1,027,505	0	0	(4,837)	0	(4,837)	0	1,022,667	0	10,214	10,214	11,359	01/15/2049	1FE
06051G-EM-7	BANK AMER CORP		01/27/2012	VARIOUS		290,143	280,000	278,841	0	0	2	0	2	0	278,843	0	11,300	11,300	310	01/24/2022	1FE
06051G-EN-5	BANK AMER CORP		03/16/2012	BOENNING & SCATTERGOOD		274,175	275,000	272,055	0	0	4	0	4	0	272,059	0	2,116	2,116	1,975	02/07/2042	1FE
06406H-BX-6	BANK NEW YORK MTN BK ENT		03/15/2012	IN		213,675	210,000	209,822	209,836	0	7	0	7	0	209,843	0	3,832	3,832	3,113	07/28/2016	1FE
07324S-CS-9	BAYVIEW COML TR 2005-4		03/21/2012	VARIOUS		1,485,528	2,338,155	1,917,287	1,613,935	267,807	19,955	0	287,762	0	1,901,696	0	(416,168)	(416,168)	2,688	01/25/2036	4FE
07384M-YT-3	BEAR STEARNS ARM TR 2003-7		03/25/2012	PRINCIPAL RECEIPT		58,823	58,823	58,382	58,395	0	428	0	428	0	58,823	0	0	0	244	10/25/2033	1FM
07388Y-AE-2	BEAR STEARNS CMBS 2007-PIIR16		03/21/2012	BOENNING & SCATTERGOOD		408,435	365,000	408,515	0	0	(1,367)	0	(1,367)	0	407,148	0	1,287	1,287	4,963	06/11/2040	1FE
081437-AF-2	BEMIS INC		03/15/2012	IN		293,375	250,000	279,195	274,454	0	(544)	0	(544)	0	273,910	0	19,465	19,465	10,814	08/01/2019	2FE
12189P-AJ-1	BURLINGTON NORTH SF 2001-1		01/15/2012	PRINCIPAL RECEIPT		133,816	133,816	136,623	135,841	0	(2,026)	0	(2,026)	0	133,816	0	0	0	0	07/15/2022	1FE
12189P-AG-7	BURLINGTON NORTHERN SANTA FE 8.25%		01/15/2012	Sink PMT @ 100.000000		47,207	47,207	49,852	49,126	0	(1,920)	0	(1,920)	0	47,207	0	0	0	0	01/15/2021	1FE
126802-CA-3	CABELAS CC MSTR TR 2012-1		03/20/2012	BOENNING & SCATTERGOOD		737,250	750,000	749,736	0	0	271	0	271	0	750,008	0	(12,758)	(12,758)	543	02/18/2020	1FE
14040H-AR-6	CAPITAL ONE FINL CORP		02/09/2012	CHASE SECURITIES		377,517	325,000	324,077	324,401	0	9	0	9	0	324,410	0	53,107	53,107	9,080	09/15/2017	2FE
14040H-AX-3	CAPITAL ONE FINL CORP		03/15/2012	First Clearing Corp.		322,770	318,000	322,916	0	0	(58)	0	(58)	0	326,859	0	(4,089)	(4,089)	1,809	07/15/2016	1FE
14170T-AF-8	CAREFUSION CORP SR NT		03/14/2012	BOENNING & SCATTERGOOD		53,625	50,000	49,487	49,719	0	21	0	21	0	49,740	0	3,885	3,885	1,623	08/01/2014	2FE
12514A-AE-1	CD 2007-CD5 MTG TR		03/21/2012	BOENNING & SCATTERGOOD		372,900	330,000	379,925	0	0	(2,138)	0	(2,138)	0	377,787	0	(4,887)	(4,887)	2,806	11/18/2044	1FE
17252M-AK-6	CINTAS CORP NO 2		03/15/2012	BOENNING & SCATTERGOOD		525,000	500,000	498,945	498,997	0	18	0	18	0	499,014	0	25,986	25,986	6,510	06/01/2021	2FE
172967-FF-3	CITIGROUP INC		03/15/2012	IN		129,600	120,000	127,993	127,737	0	(153)	0	(153)	0	127,584	0	2,016	2,016	3,960	08/09/2020	1FE
172967-FT-3	CITIGROUP INC		01/27/2012	VARIOUS		197,904	200,000	198,020	198,048	0	11	0	11	0	198,058	0	(155)	(155)	2,250	01/14/2022	1FE
172967-FW-6	CITIGROUP INC		03/14/2012	VARIOUS		938,855	895,000	894,851	0	0	5	0	5	0	894,857	0	43,998	43,998	7,634	01/10/2017	1FE
191216-AV-2	COCA COLA CO NT 3.3%21		03/16/2012	First Clearing Corp.		1,478,050	1,435,000	1,433,752	1,433,795	0	22	0	22	0	1,433,817	0	44,233	44,233	29,071	09/01/2021	1FE
20030N-AZ-4	COMCAST CORP 5.700% 7/01/		03/15/2012	BOENNING & SCATTERGOOD		351,000	300,000	312,600	310,522	0	(237)	0	(237)	0	310,285	0	40,715	40,715	12,303	07/01/2019	2FE
20047E-AE-2	COMM 2006-C8		03/21/2012	BOENNING & SCATTERGOOD		913,000	830,000	863,589	856,861	0	(1,521)	0	(1,521)	0	855,340	0	57,660	57,660	14,068	12/10/2046	1FM
202795-HK-9	COMMONWEALTH EDISON CO		03/16/2012	IN		262,900	220,000	240,104	239,928	0	(87)	0	(87)	0	239,841	0	23,059	23,059	6,706	03/15/2036	2FE
202795-HV-5	COMMONWEALTH EDISON CO		03/15/2012	VARIOUS		735,348	685,000	692,960	692,055	0	(145)	0	(145)	0	691,910	0	43,438	43,438	17,429	08/01/2020	2FE
210371-AL-4	CONSTELLATION ENERGY GROUP INC		03/15/2012	Merrill Lynch		515,000	515,000	513,586	513,677	0	24	0	24	0	513,701	0	48,937	48,937	8,030	12/01/2020	2FE
222862-AJ-3	COVENTRY HEALTH CARE INC		03/19/2012	MERRILL LYNCH, PIERCE, FENN		1,188,000	1,100,000	1,197,229	1,195,745	0	(1,842)	0	(1,842)	0	1,193,903	0	(5,903)	(5,903)	16,153	06/15/2021	2FE
224044-BR-7	COX COMMUNICATIONS INC NEW		01/25/2012	BNY/SUNTRUST CAPITAL		135,489	125,000	124,655	124,678	0	0	0	0	0	124,678	0	10,811	10,811	1,321	12/01/2036	2FE
224044-BV-8	COX COMMUNICATIONS INC NEW		03/16/2012	BOENNING & SCATTERGOOD		241,500	175,000	232,320	0	0	(124)	0	(124)	0	232,196	0	9,304	9,304	8,142	03/01/2039	2FE
23311V-AB-3	DCP MIDSTREAM OPERATING PL		03/16/2012	BOENNING & SCATTERGOOD		308,460	110,000	109,489	0	0	1	0	1	0	109,489	0	(1,029)	(1,029)	121	04/01/2022	1FE
25459H-AL-9	DIRECTV HLDGS 4.750% 10/01/		03/14/2012	IN		1,165,300	1,075,000	1,162,494	0	0	(3,847)	0	(3,847)	0	1,158,647	0	6,653	6,653	23,829	10/01/2014	1FE
25459H-AG-0	DIRECTV HLDGS LLC / DIRECTV		03/15/2012	Morgan Keegan		354,960	340,000	377,175	359,764	0	(3,742)	0	(3,742)	0	356,022	0	(1,062)	(1,062)	9,002	05/15/2016	2FE
25746U-BM-0	DOMINION RESOURCES 4.900% 8/01/		03/16/2012	VARIOUS		867,425	355,000	350,984	351,008	0	13	0	13	0	351,021	0	16,404	16,404	10,920	08/01/2041	2FE

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
260543-CE-1	DOW CHEM CO		03/16/2012	BOENNING & SCATTERGOOD		101,700	100,000	99,865	99,865	.0	.0	.0	.0	.0	99,866	.0	1,834	1,834	1,852	11/15/2041	2FE
26442C-AK-0	DUKE ENERGY CAROLINAS LLC		03/15/2012	Merrill Lynch		561,162	525,000	524,465	524,465	.0	.9	.0	.9	.0	524,501	.0	36,661	36,661	5,403	06/15/2021	1FE
278865-AL-4	ECOLAB INC		03/16/2012	VARIOUS		575,025	550,000	557,992	557,992	.0	(137)	.0	(137)	.0	557,811	.0	17,214	17,214	6,845	12/08/2021	2FE
29250R-AS-5	ENBRIDGE ENERGY PARTNERS L P		02/02/2012	CHASE SECURITIES		167,912	150,000	151,487	151,268	.0	(11)	.0	(11)	.0	151,257	.0	16,654	16,654	3,077	03/15/2020	2FE
29273R-AQ-2	ENERGY TRANSFER PARTNRS L P		03/14/2012	BOENNING & SCATTERGOOD		207,600	200,000	199,516	.0	.0	.7	.0	.7	.0	199,523	.0	8,077	8,077	1,791	02/01/2022	1FE
26875P-AH-4	EDG RES INC		02/24/2012	CHASE SECURITIES		89,357	86,000	84,740	84,740	.0	35	.0	35	.0	85,007	.0	4,350	4,350	1,242	02/01/2016	1FE
26884A-AZ-6	ERP OPER LTD PARTNERSHIP		03/15/2012	VARIOUS		226,831	215,000	214,181	214,185	.0	13	.0	13	.0	214,198	.0	12,633	12,633	2,688	12/15/2021	2FE
31331F-AX-9	FEDERAL EXPRESS 6.72%		01/15/2012	Sink PMT @ 100.0000000		57,946	62,706	65,110	62,706	.0	(4,760)	.0	(4,760)	.0	57,946	.0	.0	.0	.0	01/15/2022	1FE
32051G-BD-6	FIRST HORIZON MTG TR 2004-AR6		03/25/2012	PRINCIPAL RECEIPT		14,687	14,687	14,026	14,097	.0	590	.0	590	.0	14,687	.0	.0	.0	53	12/25/2034	1FM
341081-FE-2	FLORIDA PIWR & LT CO		03/16/2012	BOENNING & SCATTERGOOD		394,100	350,000	349,685	349,688	.0	.1	.0	.1	.0	349,688	.0	44,412	44,412	5,481	06/01/2041	1FE
36158Y-FT-1	GE CAP CMBS 2002-2		03/20/2012	VARIOUS		405,097	405,097	405,888	404,674	.0	105	.0	105	.0	404,779	.0	.318	.318	5,898	08/11/2036	1FM
36962G-SJ-9	GENERAL ELEC CAP CORP MTN BE		01/17/2012	CHASE SECURITIES		402,119	390,000	398,307	.0	.0	(19)	.0	(19)	.0	398,288	.0	3,831	3,831	4,649	10/17/2021	1FE
37247D-AP-1	GENWORTH FINL INC		03/15/2012	BOENNING & SCATTERGOOD		283,250	275,000	283,250	.0	.0	(12)	.0	(12)	.0	283,238	.0	.12	.12	10,251	09/24/2021	1FE
375558-AP-8	GILEAD SCIENCES INC SR NT CV1.625%		02/08/2012	DAIWA CAPITAL MARKETS		88,116	65,000	75,319	73,716	.0	(213)	.0	(213)	.0	73,503	.0	14,613	14,613	299	05/01/2016	1FE
38141G-EU-4	GOLDMAN SACHS GROUP INC		03/14/2012	BOENNING & SCATTERGOOD		104,700	100,000	94,869	96,893	.0	106	.0	106	.0	96,999	.0	7,701	7,701	3,813	01/15/2017	1FE
38141G-GQ-1	GOLDMAN SACHS GROUP INC		03/16/2012	BOENNING & SCATTERGOOD		24,938	25,000	25,301	25,296	.0	(5)	.0	(5)	.0	25,291	.0	(354)	(354)	853	07/27/2021	1FE
38141G-GS-7	GOLDMAN SACHS GROUP INC		03/14/2012	VARIOUS		2,157,776	2,100,000	2,097,165	.0	.0	29	.0	29	.0	2,097,194	.0	60,582	60,582	16,695	01/24/2022	1FE
396789-LL-1	GREENWICH CAP CMBS 2005-GG5		03/20/2012	BOENNING & SCATTERGOOD		486,000	450,000	452,245	451,119	.0	(118)	.0	(118)	.0	451,001	.0	34,999	34,999	7,314	04/10/2037	1FM
428236-BL-6	HEWLETT PACKARD CO		02/07/2012	VARIOUS		629,711	622,000	621,739	621,727	.0	.5	.0	.5	.0	621,732	.0	7,979	7,979	2,899	06/01/2016	1FE
45167R-AE-4	IDEX CORP		03/15/2012	BOENNING & SCATTERGOOD		256,625	250,000	248,683	248,796	.0	22	.0	22	.0	248,819	.0	7,806	7,806	2,969	12/15/2020	2FE
458140-AK-6	INTEL CORP		03/16/2012	BOENNING & SCATTERGOOD		215,660	205,000	203,479	203,486	.0	.5	.0	.5	.0	203,490	.0	12,170	12,170	4,975	10/01/2041	1FE
459200-HB-0	INTERNATIONAL BUSINESS MACHS		03/13/2012	Wachovia Securites		476,155	480,000	477,653	.0	.0	.90	.0	.90	.0	477,743	.0	(1,587)	(1,587)	293	02/06/2015	1FE
46185R-AK-6	INVITROGEN CORP		02/03/2012	VARIOUS		1,166,390	1,155,000	1,363,643	1,169,187	.0	(10,318)	.0	(10,318)	.0	1,158,869	.0	7,521	7,521	8,320	02/15/2024	2FE
46631B-AB-1	JP MORGAN CHASE 2007-LDP11		03/19/2012	VARIOUS		1,084,093	1,080,172	1,118,653	1,092,249	.0	(1,954)	.0	(1,954)	.0	1,090,296	.0	(6,203)	(6,203)	19,163	06/15/2049	1FM
46625H-NP-0	JP MORGAN CHASE CMBS 2002-C1C5		03/20/2012	VARIOUS		501,885	500,000	496,230	498,706	.0	215	.0	215	.0	498,922	.0	2,963	2,963	7,820	10/12/2037	1FM
46625H-JC-5	JPMORGAN CHASE & CO		03/16/2012	VARIOUS		460,350	450,000	449,072	449,088	.0	16	.0	16	.0	449,104	.0	11,246	11,246	12,017	08/15/2021	1FE
46625H-JD-3	JPMORGAN CHASE & CO		03/14/2012	VARIOUS		1,794,731	1,700,000	1,690,939	.0	.0	98	.0	98	.0	1,691,037	.0	103,693	103,693	9,594	01/24/2022	1FE
48126B-AA-1	JPMORGAN CHASE & CO		03/16/2012	BOENNING & SCATTERGOOD		243,225	230,000	229,621	229,621	.0	.1	.0	.1	.0	229,622	.0	13,603	13,603	3,071	01/06/2042	1FE
48203R-AF-1	JUNIPER NETWORKS INC 4.600% 3/15/		03/15/2012	BOENNING & SCATTERGOOD		534,038	505,000	502,066	502,244	.0	50	.0	50	.0	502,294	.0	31,744	31,744	11,938	03/15/2021	2FE
491674-BG-1	KENTUCKY UTILS CO 1M BD 5.125%40		03/16/2012	BOENNING & SCATTERGOOD		222,000	200,000	197,830	197,865	.0	.7	.0	.7	.0	197,872	.0	24,128	24,128	3,986	11/01/2040	1FE
49338C-AA-1	KEYSPAN GAS EAST CORP MTN BE		03/16/2012	VARIOUS		794,475	675,000	684,247	684,071	.0	(27)	.0	(27)	.0	684,044	.0	10,431	10,431	18,548	04/01/2041	1FE
500255-AR-5	KOHL'S CORP		03/15/2012	BOENNING & SCATTERGOOD		224,840	220,000	218,792	218,814	.0	20	.0	20	.0	218,834	.0	6,006	6,006	3,740	11/01/2021	2FE
50075N-AR-5	KRAFT FOODS INC		03/16/2012	BOENNING & SCATTERGOOD		62,200	50,000	64,807	.0	.0	(41)	.0	(41)	.0	64,766	.0	(2,566)	(2,566)	2,139	08/11/2037	2FE
502413-AY-3	L-3 COMMUNICATIONS CORP		03/15/2012	BOENNING & SCATTERGOOD		80,250	75,000	77,041	76,850	.0	(41)	.0	(41)	.0	76,810	.0	3,440	3,440	1,679	10/15/2019	2FE
52108H-P7-3	LB-UBS CMBS 2004-C7		03/20/2012	BOENNING & SCATTERGOOD		36,750	35,000	35,271	35,079	.0	(10)	.0	(10)	.0	35,070	.0	1,680	1,680	475	10/15/2029	1FM
52108H-JT-2	LB-UBS COML MTG TR 5.594% 6/15/		03/20/2012	VARIOUS		367,598	368,823	379,514	368,720	.0	12	.0	12	.0	368,733	.0	(1,135)	(1,135)	4,516	06/15/2031	1FM
52108H-JJ-4	LB-UBS COML MTG TR 6.462% 3/15/		02/15/2012	PRINCIPAL RECEIPT		164,791	164,791	176,545	164,715	.0	76	.0	76	.0	164,791	.0	.0	.0	1,052	03/15/2031	1FM
532457-BB-3	LILLY ELI & CO		03/06/2012	MERRILL		3,540,810	3,000,000	3,459,570	3,425,147	.0	(13,957)	.0	(13,957)	.0	3,411,190	.0	129,620	129,620	74,967	03/15/2017	1FE
571748-AP-7	MARSH & MCLENNAN COS INC		03/14/2012	VARIOUS		721,175	650,000	710,775	698,054	.0	(2,481)	.0	(2,481)	.0	695,574	.0	25,601	25,601	19,103	09/15/2015	2FE

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STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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										11	12	13	14	15							
CUSIP Ident-ification	Description	For-ign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn-ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Con-tractual Maturity Date	NAIC Design-ation or Market In-dicator (a)
557634-AS-9	MASSACHUSETTS ELEC CO		01/25/2012	Greenwich Capital Markets		90,779	75,000	75,634	75,616	.0	(1)	.0	(1)	.0	75,615	.0	15,163	15,163	.922	11/15/2039	1FE
55265K-3R-8	MASTR ASSET TR 2003-12		03/20/2012	VARIOUS		321,145	321,145	320,392	320,206	.0	.0	.0	.0	.0	320,206	.0	939	939	3,737	12/25/2033	1FM
59156R-AT-5	METLIFE INC		03/15/2012	VARIOUS		528,570	420,000	511,589	498,476	.0	(1,940)	.0	(1,940)	.0	496,536	.0	32,034	32,034	19,357	02/15/2019	1FE
59217G-AM-1	METROPOLITAN LIFE GLOBAL FDG I		03/14/2012	BOENNING & SCATTERGOOD		808,000	800,000	798,520	.0	.0	92	.0	92	.0	798,612	.0	9,388	9,388	3,111	01/09/2015	1FE
61747W-AL-3	MORGAN STANLEY		03/16/2012	VARIOUS		217,360	220,000	220,867	.0	.0	(9)	.0	(9)	.0	220,858	.0	(3,498)	(3,498)	1,781	07/28/2021	1FE
61747W-AF-6	MORGAN STANLEY 5.750% 1/25/		03/14/2012	VARIOUS		127,400	130,000	134,612	.0	.0	(44)	.0	(44)	.0	134,568	.0	(7,168)	(7,168)	1,121	01/25/2021	1FE
631103-AE-8	NASDAQ OMX GROUP INC		03/15/2012	Morgan Keegan		210,000	200,000	198,338	198,542	.0	42	.0	42	.0	198,584	.0	11,416	11,416	7,117	01/16/2018	2FE
64908Q-AA-9	NEW VY GENERATION V 4.929%		01/15/2012	LEHMAN BROTHERS		53,080	53,080	53,080	53,080	.0	.0	.0	.0	.0	53,080	.0	.0	.0	.0	01/15/2021	1FE
652478-AV-0	NEWS AMER HLDGS INC		03/16/2012	BOENNING & SCATTERGOOD		45,325	35,000	36,875	36,703	.0	(16)	.0	(16)	.0	36,687	.0	8,638	8,638	2,272	07/15/2024	2FE
652482-AX-8	NEWS AMER INC		03/16/2012	BOENNING & SCATTERGOOD		46,200	40,000	36,526	36,728	.0	18	.0	18	.0	36,746	.0	9,454	9,454	940	11/30/2028	2FE
652482-BL-3	NEWS AMER INC		03/16/2012	BOENNING & SCATTERGOOD		78,400	70,000	71,014	70,982	.0	(4)	.0	(4)	.0	70,978	.0	7,422	7,422	1,195	12/15/2035	2FE
65473Q-AW-3	NISOURCE FIN CORP		03/16/2012	VARIOUS		385,000	350,000	353,779	353,749	.0	(11)	.0	(11)	.0	353,738	.0	31,262	31,262	5,833	12/15/2040	2FE
65475Q-AC-5	NISSAN AUTO RECV 2011-B		03/19/2012	Morgan Keegan		1,299,090	1,300,000	1,299,781	1,299,794	.0	19	.0	19	.0	1,299,813	.0	(723)	(723)	3,359	02/16/2016	1FE
65476A-AD-7	NISSAN AUTO RECV TALF 2009-A		02/15/2012	PRINCIPAL RECEIPT		23,344	23,344	23,341	23,343	.0	.0	.0	.0	.0	23,344	.0	.0	.0	.0	02/15/2013	1FE
677347-CF-1	OHIO EDISON CO		03/16/2012	BOENNING & SCATTERGOOD		106,500	75,000	92,079	91,550	.0	(49)	.0	(49)	.0	91,501	.0	14,999	14,999	2,681	10/15/2038	2FE
695114-CM-8	PACIFICORP		03/15/2012	Merrill Lynch		768,500	725,000	723,769	723,833	.0	21	.0	21	.0	723,854	.0	44,646	44,646	7,366	06/15/2021	1FE
718546-AG-9	PHILLIPS 66 GTD SR NT 144A17		03/15/2012	BOENNING & SCATTERGOOD		369,380	365,000	364,934	.0	.0	.0	.0	.0	.0	364,935	.0	4,445	4,445	239	05/01/2017	1FE
72925P-AC-9	PLUM CREEK TIMBERLANDS L P		03/15/2012	BOENNING & SCATTERGOOD		150,975	150,000	149,900	149,908	.0	2	.0	2	.0	149,910	.0	1,065	1,065	3,623	03/15/2021	2FE
741503-AM-8	PRICELINE COM INC		01/05/2012	JP Morgan Securities, Inc		538,751	320,000	443,600	406,177	.0	(329)	.0	(329)	.0	405,848	.0	132,903	132,903	1,278	03/15/2015	2FE
74254P-YF-3	PRINCIPAL LIFE INCOME FUND MTN		03/14/2012	BOENNING & SCATTERGOOD		430,950	390,000	433,298	.0	.0	(261)	.0	(261)	.0	433,037	.0	(2,087)	(2,087)	8,538	04/27/2015	1FE
74432Q-BU-8	PRUDENTIAL FINL INC MTNS BOOK		03/16/2012	BOENNING & SCATTERGOOD		158,475	150,000	148,569	148,571	.0	4	.0	4	.0	148,575	.0	9,900	9,900	3,021	11/16/2041	2FE
744448-CE-9	PUBLIC SERVICE CO COLO		03/16/2012	BOENNING & SCATTERGOOD		238,050	225,000	224,141	224,146	.0	3	.0	3	.0	224,149	.0	13,901	13,901	6,591	08/15/2041	1FE
78573A-AC-4	SABMILLER HOLDINGS INC.		03/14/2012	BOENNING & SCATTERGOOD		424,338	415,000	412,240	.0	.0	7	.0	7	.0	412,247	.0	12,090	12,090	3,538	01/15/2042	1FE
78390X-AA-9	SAIC INC GTD SR NT4.45%20		03/15/2012	BOENNING & SCATTERGOOD		105,100	100,000	99,637	99,668	.0	.6	.0	.6	.0	99,674	.0	5,426	5,426	1,347	12/01/2020	1FE
79548C-CQ-7	SALOMON BROS MTG 7 2002-KEY2		03/20/2012	VARIOUS		449,109	450,000	438,785	447,623	.0	1,890	.0	1,890	.0	449,513	.0	(404)	(404)	5,097	03/18/2036	1FM
80282G-AB-1	SANTANDER DRIVE AUTO 2010-2		03/20/2012	VARIOUS		194,355	194,923	194,909	194,927	.0	(2)	.0	(2)	.0	194,925	.0	(570)	(570)	424	08/15/2013	1FE
80281U-AB-1	SANTANDER DRIVE AUTO 2010-B		03/20/2012	VARIOUS		98,766	99,824	99,822	99,826	.0	(1)	.0	(1)	.0	99,824	.0	(1,059)	(1,059)	224	07/15/2013	1FE
80281U-AC-9	SANTANDER DRIVE AUTO 2010-B		03/20/2012	BOENNING & SCATTERGOOD		174,563	175,000	174,994	175,007	.0	(2)	.0	(2)	.0	175,004	.0	(442)	(442)	624	02/15/2014	1FE
80282P-AB-1	SANTANDER DRIVE AUTO 2011-1		03/20/2012	VARIOUS		448,306	450,000	449,972	450,016	.0	(6)	.0	(6)	.0	450,010	.0	(1,704)	(1,704)	1,072	02/18/2014	1FE
80282R-AB-7	SANTANDER DRIVE AUTO 2011-2		03/20/2012	VARIOUS		947,874	950,000	949,946	950,057	.0	(21)	.0	(21)	.0	950,036	.0	(2,162)	(2,162)	2,667	04/15/2014	1FE
80705T-AA-4	SCHOLAR FDG TR 2011-A		01/29/2012	PRINCIPAL RECEIPT		22,056	22,056	21,620	21,647	.0	409	.0	409	.0	22,056	.0	.0	.0	.0	10/28/2043	1FE
84422G-PZ-3	SLM STUDENT LOAN TR 2005-6		03/16/2012	OF		1,992,500	2,000,000	2,020,000	2,014,497	.0	(1,870)	.0	(1,870)	.0	2,012,627	.0	(20,127)	(20,127)	13,747	07/25/2026	1FE
842400-RR-9	SOUTHERN CALIF EDISON CO		03/15/2012	Merrill Lynch		384,110	355,000	353,729	353,794	.0	22	.0	22	.0	353,816	.0	30,294	30,294	4,165	06/01/2021	1FE
854616-AM-1	STANLEY WKS FLTR		03/07/2012	VARIOUS		1,259,365	1,075,000	1,155,575	1,090,981	.0	(7,787)	.0	(7,787)	.0	1,083,193	.0	176,171	176,171	.0	05/17/2012	2FE
867914-BE-2	SUNTRUST BKS INC		02/23/2012	VARIOUS		1,427,676	1,400,000	1,398,264	1,398,318	.0	33	.0	33	.0	1,398,351	.0	29,325	29,325	14,131	01/20/2017	2FE
883556-AZ-5	THERMO FISHER SCIENTIFIC INC		01/09/2012	CHASE SECURITIES		366,557	350,000	349,332	349,353	.0	1	.0	1	.0	349,354	.0	17,203	17,203	5,091	08/15/2021	1FE
88732J-AV-0	TIME WARNER CABLE IN 3.500%		03/15/2012	BOENNING & SCATTERGOOD		264,250	250,000	249,933	249,957	.0	3	.0	3	.0	249,960	.0	14,290	14,290	5,566	02/01/2015	2FE
88732J-AQ-1	TIME WARNER CABLE INC		03/14/2012	BOENNING & SCATTERGOOD		220,545	195,000	194,706	194,866	.0	12	.0	12	.0	194,877	.0	25,668	25,668	9,608	02/14/2014	2FE
88732J-BB-3	TIME WARNER CABLE INC		03/16/2012	BOENNING & SCATTERGOOD		148,988	145,000	142,413	142,424	.0	7	.0	7	.0	142,431	.0	6,556	6,556	4,187	09/01/2041	2FE

E05.7

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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)
..887317-AL-9	TIME WARNER INC		03/16/2012	BOENNING & SCATTERGOOD IN		197,575	175,000	177,984	177,957	0	(8)	0	(8)	0	177,949	0	19,626	19,626	5,226	03/29/2041	2FE
..887317-AN-5	TIME WARNER INC		01/10/2012	RBC CAPITAL MARKETS CORP		206,437	200,000	196,594	196,653	0	6	0	6	0	196,659	0	9,778	9,778	1,897	01/15/2022	2FE
..889175-BD-6	TOLEDO EDISON CO		03/16/2012	BOENNING & SCATTERGOOD IN		86,438	75,000	74,888	74,895	0	0	0	0	0	74,895	0	11,542	11,542	1,614	05/15/2037	2FE
..907833-AF-4	UNION PACIFIC RR		01/02/2012	Sink PMT @ 100.0000000		59,372	59,372	59,372	59,372	0	0	0	0	0	59,372	0	0	0	0	01/02/2019	1FE
..907833-AH-0	UNION PACIFIC RR		01/02/2012	Sink PMT @ 100.0000000		20,659	20,659	20,776	20,747	0	(88)	0	(88)	0	20,659	0	0	0	0	01/02/2020	1FE
..907833-AJ-6	UNION PACIFIC RR CO 2000-1		01/10/2012	PRINCIPAL RECEIPT		23,561	23,561	28,772	26,456	0	(2,895)	0	(2,895)	0	23,561	0	0	0	942	01/10/2021	1FE
..907833-AA-9	UNION PACIFIC RR CO 2007-3		01/19/2012	PRINCIPAL RECEIPT		17,097	17,097	17,097	17,097	0	0	0	0	0	17,097	0	0	0	528	01/02/2031	1FE
..902973-AV-8	US BANCORP DEL		03/15/2012	BOENNING & SCATTERGOOD IN		411,000	400,000	400,901	400,747	0	(35)	0	(35)	0	400,712	0	10,288	10,288	8,758	02/01/2016	1FE
..91913Y-AR-1	VALERO ENERGY CORP NEW		03/15/2012	BOENNING & SCATTERGOOD IN		800,450	700,000	790,454	0	0	(1,290)	0	(1,290)	0	789,164	0	11,286	11,286	27,273	02/01/2020	1FE
..929770-AD-0	WACHOVIA CMBS 2006-C27		03/20/2012	BOENNING & SCATTERGOOD IN		444,000	400,000	401,997	400,532	0	(78)	0	(78)	0	400,454	0	43,546	43,546	7,174	07/15/2045	1FM
..94973V-AR-8	WELLPPOINT INC		03/15/2012	Morgan Keegan		335,340	270,000	308,340	301,922	0	(73)	0	(73)	0	301,148	0	34,192	34,192	11,288	02/15/2019	2FE
..94974B-FC-9	WELLS FARGO & CO 3.500% 3/08/		03/16/2012	BOENNING & SCATTERGOOD IN		142,100	145,000	144,684	0	0	1	0	1	0	144,685	0	(2,585)	(2,585)	183	03/08/2022	1FE
..96950F-AG-9	WILLIAMS PARTNERS L P		03/15/2012	BOENNING & SCATTERGOOD IN		153,600	150,000	149,987	149,988	0	0	0	0	0	149,988	0	3,612	3,612	2,148	11/15/2020	2FE
..96950F-AH-7	WILLIAMS PARTNERS L P		03/15/2012	Merrill Lynch		232,070	230,000	229,064	229,074	0	16	0	16	0	229,090	0	2,980	2,980	3,143	11/15/2021	2FE
..055650-BU-1	BP CAP MKTS P L C	R	03/13/2012	CHASE SECURITIES		950,213	910,000	910,000	910,000	0	0	0	0	0	910,000	0	40,213	40,213	12,152	11/01/2021	1FE
..136385-AK-7	CANADIAN NAT RES LTD	I	03/15/2012	Morgan Keegan		618,188	525,000	553,003	546,887	0	(747)	0	(747)	0	546,140	0	72,048	72,048	10,391	05/15/2017	2FE
..46131N-AA-2	INVERSIONES CIMC S A	R	03/14/2012	BOENNING & SCATTERGOOD IN		208,000	200,000	199,048	199,159	0	24	0	24	0	199,184	0	8,816	8,816	6,333	01/19/2018	2FE
..71645W-AT-8	PETROBRAS INTL FIN 3.875% 1/27/	R	03/15/2012	BOENNING & SCATTERGOOD IN		181,650	175,000	174,410	174,511	0	23	0	23	0	174,534	0	7,116	7,116	4,389	01/27/2016	2FE
..03938L-AX-2	ARCELORMITTAL SA LUXEMBOURG	R	03/16/2012	VARIOUS		376,875	375,000	379,296	0	0	(20)	0	(20)	0	379,276	0	(2,401)	(2,401)	1,497	02/25/2022	1FE
..04271G-AA-6	ARRAN RES MTG FDG 2011-1	R	03/15/2012	VARIOUS		1,283,334	1,287,781	1,287,781	1,287,781	0	0	0	0	0	1,287,781	0	(4,446)	(4,446)	6,967	11/19/2047	1FE
..06415C-AC-3	BANK NOVA SCOTIA 144A 18	I	03/15/2012	BOENNING & SCATTERGOOD IN		503,000	500,000	509,979	0	0	(102)	0	(102)	0	509,877	0	(6,877)	(6,877)	1,354	01/30/2018	1FE
..063679-ZT-4	BANK OF MONTREAL 144A	I	03/15/2012	VARIOUS		502,750	500,000	511,951	0	0	(185)	0	(185)	0	511,766	0	(9,016)	(9,016)	1,354	01/30/2018	1FE
..06739G-AR-0	BARCLAYS BANK PLC	R	02/23/2012	HSBC Securities		420,160	400,000	396,457	396,943	0	44	0	44	0	396,987	0	23,173	23,173	13,097	01/08/2020	1FE
..055650-BH-0	BP CAP MKTS P L C	R	03/14/2012	VARIOUS		1,334,361	1,243,000	1,258,137	1,257,938	0	(971)	0	(971)	0	1,256,967	0	77,393	77,393	25,287	03/10/2015	1FE
..055650-BL-1	BP CAP MKTS PLC 3.625% 5/08/2014	R	03/14/2012	VARIOUS		514,990	490,000	449,981	464,383	0	2,059	0	2,059	0	466,442	0	48,548	48,548	6,464	05/08/2014	1FE
..110709-BZ-8	BRITISH COLUMBIA PROV CDA	I	03/15/2012	First Clearing Corp.		651,563	625,000	624,881	624,895	0	5	0	5	0	624,900	0	26,663	26,663	4,448	05/18/2016	1FE
..136385-AL-5	CANADIAN NAT RES LTD	I	03/16/2012	VARIOUS		217,620	180,000	191,917	191,768	0	(42)	0	(42)	0	191,726	0	25,894	25,894	5,813	03/15/2038	2FE
..136375-BL-5	CANADIAN NATL RY CO	I	03/16/2012	BOENNING & SCATTERGOOD IN		93,900	75,000	82,655	81,858	0	(32)	0	(32)	0	81,825	0	12,075	12,075	2,995	08/01/2034	1FE
..15135U-AD-1	CENOVUS ENERGY INC	I	03/15/2012	BOENNING & SCATTERGOOD IN		296,000	250,000	263,880	261,632	0	(254)	0	(254)	0	261,378	0	34,622	34,622	6,135	10/15/2019	2FE
..15135U-AF-6	CENOVUS ENERGY INC	I	03/16/2012	VARIOUS		320,750	250,000	302,584	301,590	0	(171)	0	(171)	0	301,419	0	19,331	19,331	5,906	11/15/2039	2FE
..21987B-AN-8	CODELCO INC 3.750% 11/04/	R	03/15/2012	BOENNING & SCATTERGOOD IN		225,900	225,000	221,038	221,421	0	70	0	70	0	221,491	0	4,409	4,409	3,188	11/04/2020	1FE
..21686C-AD-2	COOPERATIVE CENTRALE RAIFFEIS	R	03/14/2012	BOENNING & SCATTERGOOD IN		1,080,140	1,060,000	1,059,078	0	0	29	0	29	0	1,059,107	0	21,033	21,033	5,963	01/19/2017	1FE
..225448-AL-3	CREDIT SUISSE GUERNS 1.625%	R	03/14/2012	BOENNING & SCATTERGOOD IN		994,000	1,000,000	996,740	0	0	38	0	38	0	996,778	0	(2,778)	(2,778)	587	03/06/2015	1FE
..22546Q-AD-9	CREDIT SUISSE NEW YORK BRANCH	R	03/14/2012	VARIOUS		202,800	200,000	194,701	194,850	0	102	0	102	0	194,952	0	7,848	7,848	7,350	01/14/2020	1FE
..29358Q-AA-7	ENSCO PLC SN	R	03/15/2012	BOENNING & SCATTERGOOD IN		805,875	750,000	735,188	736,110	0	249	0	249	0	736,359	0	69,516	69,516	18,115	03/15/2021	2FE
..34988W-AF-1	FOSSE MASTER 2011-1-144-A	R	03/20/2012	BOENNING & SCATTERGOOD IN		891,000	891,000	891,000	891,000	0	0	0	0	0	891,000	0	0	0	7,270	10/18/2054	1FE
..449786-AQ-5	ING BANK NV	R	03/15/2012	BOENNING & SCATTERGOOD IN		323,375	325,000	323,330	0	0	13	0	13	0	323,343	0	32	32	440	03/07/2017	1FE
..500769-EX-8	KREDITANSTALT FUR WIEDERAUFBAU	R	03/16/2012	BOENNING & SCATTERGOOD IN		461,225	475,000	474,501	0	0	7	0	7	0	474,508	0	(13,283)	(13,283)	1,940	01/25/2022	1FE

E05.8

STATEMENT AS OF MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22			
										11	12	13	14	15										
CUSIP Identification	Description	For-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)			
..891145-TN-4	TORONTO DOMINION BK ONT CVD BD 144	I.....	03/15/2012 ..	BOENNING & SCATTERGOOD		782,000	800,000	797,280	0	0	14	0	14	0	797,294	0	(15,294)	(15,294)	233	03/13/2017	1FE.....			
..92769X-AC-9	VIRGIN MEDIA SECD FIN PLC	R.....	03/15/2012 ..	VARIOUS		865,600	800,000	867,388	0	0	(2,511)	0	(2,511)	0	864,877	0	723	723	13,722	01/15/2018	2FE.....			
..98372P-AM-0	XL GROUP PLC	R.....	03/15/2012 ..	First Clearing Corp.		75,810	70,000	73,609	73,559	0	(59)	0	(59)	0	73,500	0	2,310	2,310	1,901	10/01/2021	2FE.....			
Canada Total						13,223,028	12,771,781	12,893,352	6,985,728	0	(1,717)	0	(1,717)	0	12,903,553	0	319,475	319,475	142,026		XXX	XXX		
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						78,771,748	75,308,002	77,122,551	53,836,541	267,807	(61,129)	0	206,678	0	76,570,276	0	2,201,465	2,201,465	1,015,014		XXX	XXX		
8399997. Total - Bonds - Part 4						500,148,585	486,401,204	497,078,887	181,422,643	267,807	(1,023,139)	0	(755,332)	0	495,493,492	0	4,655,091	4,655,091	3,481,046		XXX	XXX		
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX	
8399999. Total - Bonds						500,148,585	486,401,204	497,078,887	181,422,643	267,807	(1,023,139)	0	(755,332)	0	495,493,492	0	4,655,091	4,655,091	3,481,046		XXX	XXX		
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0		XXX	XXX	
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0		XXX	XXX	
..921909-82-6	VANGUARD DEVELOPED MKTS INDEX INST		03/02/2012 ..	VANGUARD GROUP	116,353.067	1,090,228		1,150,732	979,693	171,039	0	0	171,039	0	1,150,732	0	(60,504)	(60,504)	0					
..922908-88-4	VANGUARD EXTENDED MKT INDEX INSTL		03/14/2012 ..	VANGUARD GROUP	529,240.540	23,667,637		20,000,000	20,820,323	(820,323)	0	0	(820,323)	0	20,000,000	0	3,667,637	3,667,637	0					
..922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		03/02/2012 ..	VANGUARD GROUP	39,758.269	5,000,000		3,422,392	4,573,791	(1,151,399)	0	0	(1,151,399)	0	3,422,392	0	1,577,608	1,577,608	0					
9299999. Subtotal - Common Stocks - Mutual Funds						29,757,865	XXX	24,573,124	26,373,807	(1,800,683)	0	0	0	(1,800,683)	0	24,573,124	0	5,184,741	5,184,741	0		XXX	XXX	
9799997. Total - Common Stocks - Part 4						29,757,865	XXX	24,573,124	26,373,807	(1,800,683)	0	0	0	(1,800,683)	0	24,573,124	0	5,184,741	5,184,741	0		XXX	XXX	
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX	
9799999. Total - Common Stocks						29,757,865	XXX	24,573,124	26,373,807	(1,800,683)	0	0	0	(1,800,683)	0	24,573,124	0	5,184,741	5,184,741	0		XXX	XXX	
9899999. Total - Preferred and Common Stocks						29,757,865	XXX	24,573,124	26,373,807	(1,800,683)	0	0	0	(1,800,683)	0	24,573,124	0	5,184,741	5,184,741	0		XXX	XXX	
9999999 - Totals						529,906,450	XXX	521,652,011	207,796,450	(1,532,876)	(1,023,139)	0	(2,556,015)	0	520,066,616	0	9,839,832	9,839,832	3,481,046		XXX	XXX		

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

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

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

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

N O N E

Schedule DB - Part D - 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

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due and Accrued	8 Amount Received During Year
NONE							
8699999 - Total Cash Equivalents							



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2012 OF THE Group Hospitalization & Medical Services, Inc.

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code 0380

NAIC Company Code 53007

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected	2,160,967	XXX	0	XXX	2,160,967
2. Earned Premiums	2,160,967	XXX	0	XXX	XXX
3. Claims Paid	1,703,424	XXX	0	XXX	1,703,424
4. Claims Incurred	1,748,967	XXX	0	XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	XXX	0	XXX	0	0
6. Aggregate Policy Reserves - Change	0	XXX	0	XXX	XXX
7. Expenses Paid	379,851	XXX	0	XXX	379,851
8. Expenses Incurred	379,851	XXX	0	XXX	XXX
9. Underwriting Gain or Loss	32,149	XXX	0	XXX	XXX
10. Cash Flow Result	XXX	XXX	XXX	XXX	77,692

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$0 due from CMS or \$0 due to CMS