



**HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2002**
OF THE CONDITION AND AFFAIRS OF THE
QCC INSURANCE COMPANY

NAIC Group Code 0936 0936 NAIC Company Code 93688 Employer's ID Number 23-2184623
(Current Period) (Prior Period)

Organized under the Laws of Pennsylvania, State of Domicile or Port of Entry Pennsylvania
Country of Domicile United States of America

Licensed as business type: Life, Accident & Health [] Property/Casualty [] Dental Service Corporation []
Vision Service Corporation [] Other [] Health Maintenance Organization []
Hospital, Medical & Dental Service or Indemnity [] Is HMO, Federally Qualified? Yes [] No []
Incorporated 05/13/1981 Commenced Business 12/21/1981

Statutory Home Office 1901 MARKET STREET, PHILADELPHIA, PA 19103-1480
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1901 MARKET STREET
PHILADELPHIA, PA 19103-1480 215-241-2400
(City or Town, State and Zip Code) (Street and Number) (Area Code) (Telephone Number)

Mail Address 1901 MARKET STREET, PHILADELPHIA, PA 19103-1480
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1901 MARKET STREET
PHILADELPHIA, PA 19103-1480 215-241-2529
(City or Town, State and Zip Code) (Street and Number) (Area Code) (Telephone Number)

Internet Website Address www.ibx.com

Statement Contact Kevin Deal 215-241-2529
(Name) (Area Code) (Telephone Number) (Extension)
kevin.deal@ibx.com 215-241-0406
(E-mail Address) (FAX Number)

Policyowner Relations Contact 1901 MARKET STREET
PHILADELPHIA, PA 19103-1480 215-241-2400
(City or Town, State and Zip Code) (Street and Number) (Area Code) (Telephone Number) (Extension)

OFFICERS

President G. Fred DiBona, Jr. Secretary Paul Andrew Tufano
Treasurer John George Foos

VICE PRESIDENTS

<u>Christopher Desmond Butler, C.M.E.</u>	<u>John Christopher Cashman, SR. V.P.</u>	<u>John Allen Daddis, SR. V.P.</u>
<u>Robert Joseph Fascia, SR. V.P.</u>	<u>Joseph Anthony Frick, SR. V.P.</u>	<u>Michael Anthony Green, SR. V.P.</u>
<u>William Frederick Haggett, SR. V.P.</u>	<u>Robert Allan McKeown, SR. V.P.</u>	<u>Richard Joseph Neeson, SR. V.P.</u>
<u>Thomas Francis Pappalardo, SR. V.P.</u>	<u>Rosemary Anne Park, SR. V.P.</u>	<u>Ian Steven Udvarhelyi, M.D., SR. V.P., C.M.O.</u>
<u>John Charles Zamzow, SR. V.P.</u>		

DIRECTORS OR TRUSTEES

<u>G. Fred DiBona, Jr.</u>	<u>John Allen Daddis</u>	<u>Robert Joseph Fascia</u>
<u>John George Foos</u>	<u>Joseph Anthony Frick</u>	<u>Richard Joseph Neeson</u>
<u>Daniel John Pedriani</u>		

State of Pennsylvania }
County of Philadelphia } ss

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.

G. Fred DiBona, Jr. Paul Andrew Tufano John George Foos
President Secretary Treasurer

Subscribed and sworn to before me this
28 day of February, 2003

Linda J. Pratt
Senior Administrative Assistant
03/10/03

- 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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT 8 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total	3 Total Members Covered	4 Column 3 as a % of Total	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups .....	.0	.0.0		.0.0		
2. Intermediaries .....	.0	.0.0		.0.0		
3. All other providers	211,910	.0.0		.0.0	211,910	
4. Total capitation payments	211,910	.0.0	0	.0.0	211,910	0
Other Payments:						
5. Fee-for-service	43,001,421	2.4	XXX	XXX	43,001,421	
6. Contractual fee payments	1,729,463,939	97.1	XXX	XXX	1,729,463,939	
7. Bonus/withhold arrangements - fee-for-service .....	.0	.0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments .....	.0	.0.0	XXX	XXX		
9. Non-contingent salaries .....	.0	.0.0	XXX	XXX		
10. Aggregate cost arrangements .....	.0	.0.0	XXX	XXX		
11. All other payments	9,255,510	.0.5	XXX	XXX	9,255,510	
12. Total other payments	1,781,720,870	100.0	XXX	XXX	1,781,720,870	0
13. TOTAL (Line 4 plus Line 12)	1,781,932,780	100 %	XXX	XXX	1,781,932,780	0

EXHIBIT 8 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	6 Intermediary's Total Adjusted Capital	7 Intermediary's Authorized Control Level RBC
NONE					
9999999 Totals			XXX	XXX	XXX

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EXHIBIT 9 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment	NONE					
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total						



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Arizona

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Colorado

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

QCC INSURANCE COMPANY

2. DIVISION

(LOCATION)

NAIC Group Code 0936

BUSINESS IN THE STATE OF Delaware

DURING THE YEAR 2002

NAIC Company Code 93688

	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	2,463		1,811		652					
2. First Quarter	2,468		1,804		664					
3. Second Quarter	2,497		1,848		649					
4. Third Quarter	1,668		1,475		193					
5. Current Year	1,648		1,448		200					
6. Current Year Member Months	25,791		20,123		5,668					
Total Member Ambulatory Encounters for Year:										
7. Physician	17,980		17,980							
8. Non-Physician	1,715		1,715							
9. Total	19,695	0	19,695	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	865		865							
11. Number of Inpatient Admissions	153		153							
12. Premiums Collected	5,295,199		5,281,539		13,660					
13. Premiums Earned	5,140,190		5,126,530		13,660					
14. Amount Paid for Provision of Health Care Services	4,424,895		4,418,165		6,730					
15. Amount Incurred for Provision of Health Care Services	4,164,465		4,157,735		6,730					

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF District of Columbia

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.DC



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

QCC INSURANCE COMPANY

2. DIVISION

(LOCATION)

NAIC Group Code 0936

BUSINESS IN THE STATE OF Florida

DURING THE YEAR 2002

NAIC Company Code 93688

	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	0		0							
2. First Quarter	0									
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	0									
Total Member Ambulatory Encounters for Year:										
7. Physician	0									
8. Non-Physician	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Premiums Collected	0									
13. Premiums Earned	0									
14. Amount Paid for Provision of Health Care Services	1,080		1,080							
15. Amount Incurred for Provision of Health Care Services	0									

34.FL



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

NAIC Group Code

BUSINESS IN THE STATE OF Georgia

DURING THE YEAR 2002

(LOCATION)

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.GA



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Indiana

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.IN



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Kansas

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.KS



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Massachusetts

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.MA



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Mississippi

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.MS



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Montana

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.MT



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Nebraska

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.NE



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

NAIC Group Code

BUSINESS IN THE STATE OF Nevada

DURING THE YEAR 2002

(LOCATION)

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.NV



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

NAIC Group Code	BUSINESS IN THE STATE OF New Mexico			DURING THE YEAR 2002							(LOCATION)
	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other	
Total Members at end of:											
1. Prior Year											
2. First Quarter											
3. Second Quarter											
4. Third Quarter											
5. Current Year											
6. Current Year Member Months											
Total Member Ambulatory Encounters for Year:											
7. Physician											
8. Non-Physician											
9. Total											
10. Hospital Patient Days Incurred											
11. Number of Inpatient Admissions											
12. Premiums Collected											
13. Premiums Earned											
14. Amount Paid for Provision of Health Care Services											
15. Amount Incurred for Provision of Health Care Services											

NONE

34.NM



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF North Dakota

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

NAIC Group Code

BUSINESS IN THE STATE OF Ohio

DURING THE YEAR 2002

(LOCATION)

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Oklahoma

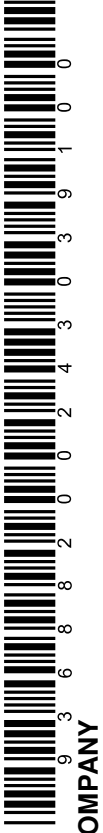
DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.OK



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION 0936 QCC INSURANCE COMPANY 2. DIVISION

NAIC Group Code 0936 BUSINESS IN THE STATE OF Pennsylvania DURING THE YEAR 2002 NAIC Company Code 93688

	1 Total	2 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
		Individual	Group							
Total Members at end of:										
1. Prior Year	792,610	35,068	732,897		6,393			18,252		
2. First Quarter	793,479	35,205	730,324		6,457			21,493		
3. Second Quarter	786,463	32,889	724,756		6,678			22,140		
4. Third Quarter	785,852	34,722	721,715		6,646			22,769		
5. Current Year	780,641	32,689	717,793		6,546			23,613		
6. Current Year Member Months	9,467,329	423,948	8,698,098		78,359			266,924		
Total Member Ambulatory Encounters for Year:										
7. Physician	10,147,097	504,659	8,885,265					757,173		
8. Non-Physician	1,298,177	63,227	1,118,636					116,314		
9. Total	11,445,274	567,886	10,003,901	0	0	0	0	873,487	0	0
10. Hospital Patient Days Incurred	457,954	22,164	333,941					101,849		
11. Number of Inpatient Admissions	84,593	4,473	67,375					12,745		
12. Premiums Collected	2,300,461,995	86,472,274	2,018,103,246		314,902			193,605,581		1,965,992
13. Premiums Earned	2,217,932,619	86,436,417	1,942,023,891		314,902			187,191,417		1,965,992
14. Amount Paid for Provision of Health Care Services	1,775,954,673	78,450,662	1,525,169,752		205,180			162,873,569		9,255,510
15. Amount Incurred for Provision of Health Care Services	1,862,656,574	79,773,613	1,580,849,798		205,180			177,828,032		23,999,951



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF South Carolina

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.SC



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF South Dakota

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.SD



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Tennessee

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.TN



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

QCC INSURANCE COMPANY

2. DIVISION

(LOCATION)

NAIC Group Code 0936

BUSINESS IN THE STATE OF Texas

DURING THE YEAR 2002

NAIC Company Code 93688

	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	0									
2. First Quarter	0									
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	0									
Total Member Ambulatory Encounters for Year:										
7. Physician	0									
8. Non-Physician	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Premiums Collected	65,473		65,473							
13. Premiums Earned	65,473		65,473							
14. Amount Paid for Provision of Health Care Services	249,611		249,611							
15. Amount Incurred for Provision of Health Care Services	230,817		230,817							

34.TX



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

QCC INSURANCE COMPANY

2. DIVISION

(LOCATION)

NAIC Group Code 0936

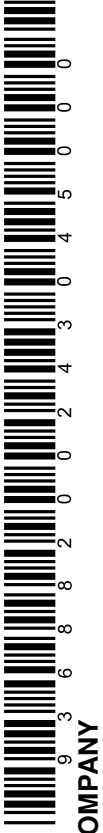
BUSINESS IN THE STATE OF U.S. Virgin Islands

DURING THE YEAR 2002

NAIC Company Code 93688

	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	0									
2. First Quarter	0									
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	0									
Total Member Ambulatory Encounters for Year:										
7. Physician	0									
8. Non-Physician	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Premiums Collected	757,101		757,101							
13. Premiums Earned	757,101		757,101							
14. Amount Paid for Provision of Health Care Services	1,302,521		1,302,521							
15. Amount Incurred for Provision of Health Care Services	4,459,296		4,459,296							

34.VI



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

	BUSINESS IN THE STATE OF Utah		DURING THE YEAR 2002				(LOCATION)			
	1	2	3	4	5	6	7	8	9	10
	Total	Individual	Comprehensive (Hospital & Medical) Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Vermont

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.VT



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF Washington

DURING THE YEAR 2002

NAIC Company Code

	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		NONE								
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

34.WA



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

2. DIVISION

(LOCATION)

NAIC Group Code

BUSINESS IN THE STATE OF West Virginia

DURING THE YEAR 2002

NAIC Company Code

	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										
2. First Quarter										
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months										
Total Member Ambulatory Encounters for Year:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected										
13. Premiums Earned										
14. Amount Paid for Provision of Health Care Services										
15. Amount Incurred for Provision of Health Care Services										

NONE

34.WV



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

REPORT FOR: 1. CORPORATION

QCC INSURANCE COMPANY

2. DIVISION

(LOCATION)

NAIC Group Code 0936

BUSINESS IN THE STATE OF Consolidated

DURING THE YEAR 2002

NAIC Company Code 93688

	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	795,073	35,068	734,708	.0	7,045	.0	.0	18,252	.0	.0
2. First Quarter	795,947	35,205	732,128	.0	7,121	.0	.0	21,493	.0	.0
3. Second Quarter	788,960	32,889	726,604	.0	7,327	.0	.0	22,140	.0	.0
4. Third Quarter	787,520	34,722	723,190	.0	6,839	.0	.0	22,769	.0	.0
5. Current Year	782,289	32,689	719,241	0	6,746	0	0	23,613	0	0
6. Current Year Member Months	9,493,120	423,948	8,718,221	0	84,027	0	0	266,924	0	0
Total Member Ambulatory Encounters for Year:										
7. Physician	10,165,077	504,659	8,903,245	.0	.0	.0	.0	757,173	.0	.0
8. Non-Physician	1,299,892	63,227	1,120,351	0	0	0	0	116,314	0	0
9. Total	11,464,969	567,886	10,023,596	0	0	0	0	873,487	0	0
10. Hospital Patient Days Incurred	458,819	22,164	334,806	0	0	0	0	101,849	0	0
11. Number of Inpatient Admissions	84,746	4,473	67,528	0	0	0	0	12,745	0	0
12. Premiums Collected	2,306,579,768	86,472,274	2,024,207,359	.0	328,562	.0	.0	193,605,581	.0	1,965,992
13. Premiums Earned	2,223,895,383	86,436,417	1,947,972,995	0	328,562	0	0	187,191,417	0	1,965,992
14. Amount Paid for Provision of Health Care Services	1,781,932,780	78,450,662	1,531,141,129	.0	211,910	.0	.0	162,873,569	.0	9,255,510
15. Amount Incurred for Provision of Health Care Services	1,871,511,152	79,773,613	1,589,697,646	0	211,910	0	0	177,828,032	0	23,999,951

34.GT

SCHEDULE A VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value, December 31, prior year (prior year statement).....	
2. Increase (decrease) by adjustment:	
2.1 Totals, Part 1, Column 10.....	
2.2 Totals, Part 3, Column 7.....	
3. Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances, Column 7) and net of additions and permanent improvements (Column 9).....	
4. Cost of additions and permanent improvements:	
4.1 Totals, Part 1, Column 13.....	
4.2 Totals, Part 3, Column 9.....	
5. Total profit (loss) on sales, Part 3, Column 14.....	
6. Increase (decrease) by foreign exchange adjustment:	
6.1 Totals, Part 1, Column 11.....	
6.2 Totals, Part 3, Column 8.....	
7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 12.....	
8. Book/adjusted carrying value at end of current period.....	
9. Total valuation allowance.....	
10. Subtotal (Lines 8 plus 9).....	
11. Total nonadmitted amounts.....	
12. Statement value, current period (Page 2, real estate lines, current period).....	

NONE

SCHEDULE B VERIFICATION BETWEEN YEARS

1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year.....	
2. Amount loaned during year:	
2.1 Actual cost at time of acquisitions.....	
2.2 Additional investment made after acquisitions.....	
3. Accrual of discount and mortgage interest points and commitment fees.....	
4. Increase (decrease) by adjustment.....	
5. Total profit (loss) on sale.....	
6. Amounts paid on account or in full during the year.....	
7. Amortization of premium.....	
8. Increase (decrease) by foreign exchange adjustment.....	
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	
10. Total valuation allowance.....	
11. Subtotal (Lines 9 plus 10).....	
12. Total nonadmitted amounts.....	
13. Statement value of mortgages owned at end of current period.....	

NONE

SCHEDULE BA VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....		.0
2. Cost of acquisitions during year:		
2.1 Actual cost at time of acquisitions.....	10,500,000	
2.2 Additional investment made after acquisitions.....		10,500,000
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the year.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book/adjusted carrying value of long-term invested assets at end of current period.....		10,500,000
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....		10,500,000
12. Total nonadmitted amounts.....		10,500,000
13. Statement value of long-term invested assets at end of current period.....		.0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 1

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

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Class 1	2,872,458	29,067,439	14,375,759	12,039,447	4,420,220	62,775,323	13.9	225,773,219	59.9	62,775,323	.0
1.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	2,872,458	29,067,439	14,375,759	12,039,447	4,420,220	62,775,323	13.9	225,773,219	59.9	62,775,323	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 1 (continued)

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

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.3 Class 3	.0	333,415	.0	.0	.0	333,415	0.1	1,658,422	0.4	333,415	.0
6.4 Class 4	.0	184,000	423,750	.0	.0	607,750	0.1	374,488	0.1	607,750	.0
6.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	0	517,415	423,750	0	0	941,165	0.2	2,032,910	0.5	941,165	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1	7,851,812	16,455,978	241,109,518	2,762,014	746,920	268,926,242	59.6	68,919,722	18.3	268,926,242	.0
7.2 Class 2	903,807	8,109,883	25,361,253	3,939,269	1,633	38,315,845	8.5	28,941,156	7.7	38,315,845	.0
7.3 Class 3	492,109	8,230,135	27,243,238	195,000	.0	36,160,482	8.0	24,404,754	6.5	36,160,482	.0
7.4 Class 4	.0	10,210,147	31,649,546	868,000	488,857	43,216,550	9.6	24,132,225	6.4	43,216,550	.0
7.5 Class 5	.0	311,500	542,005	.0	.0	853,505	0.2	2,559,706	0.7	853,505	.0
7.6 Class 6	184,000	30,997	80,171	0	0	295,168	0.1	151,030	0.0	295,168	.0
7.7 Totals	9,431,728	43,348,640	325,985,731	7,764,283	1,237,410	387,767,792	85.9	149,108,593	39.6	387,767,792	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 1 (continued)

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

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	10,724,270	45,523,417	255,485,277	14,801,461	5,167,140	331,701,565	73.5	XXX	XXX	331,701,565	.0
10.2 Class 2	903,807	8,109,883	25,361,253	3,939,269	1,633	38,315,845	8.5	XXX	XXX	38,315,845	.0
10.3 Class 3	492,109	8,563,550	27,243,238	195,000	.0	36,493,897	8.1	XXX	XXX	36,493,897	.0
10.4 Class 4	.0	10,394,147	32,073,296	868,000	488,857	43,824,300	9.7	XXX	XXX	43,824,300	.0
10.5 Class 5	.0	311,500	542,005	.0	.0	853,505	0.2	XXX	XXX	853,505	.0
10.6 Class 6	184,000	30,997	80,171	.0	.0	295,168	0.1	XXX	XXX	295,168	.0
10.7 Totals	12,304,186	72,933,494	340,785,240	19,803,730	5,657,630	451,484,280	100.0	XXX	XXX	451,484,280	.0
10.8 Line 10.7 as a % of Col. 6	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1	196,014,670	26,048,439	53,953,199	13,243,727	5,432,905	XXX	XXX	294,692,940	78.2	294,692,941	.0
11.2 Class 2	724,208	2,957,860	20,895,777	4,137,596	225,715	XXX	XXX	28,941,156	7.7	28,941,156	.0
11.3 Class 3	.0	7,322,414	18,740,762	.0	.0	XXX	XXX	26,063,176	6.9	26,063,176	.0
11.4 Class 4	.0	6,921,910	17,107,885	476,919	.0	XXX	XXX	24,506,714	6.5	24,506,713	.0
11.5 Class 5	.0	705,585	1,854,121	.0	.0	XXX	XXX	2,559,706	0.7	2,559,706	.0
11.6 Class 6	.0	.0	151,030	.0	.0	XXX	XXX	151,030	0.0	151,030	.0
11.7 Totals	196,738,878	43,956,208	112,702,774	17,858,242	5,658,620	XXX	XXX	376,914,722	100.0	376,914,722	.0
11.8 Line 11.7 as a % of Col. 8	52.2	11.7	29.9	4.7	1.5	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1	10,724,270	45,523,417	255,485,277	14,801,461	5,167,140	331,701,565	73.5	294,692,941	78.2	331,701,565	XXX
12.2 Class 2	903,807	8,109,883	25,361,253	3,939,269	1,633	38,315,845	8.5	28,941,156	7.7	38,315,845	XXX
12.3 Class 3	492,109	8,563,550	27,243,238	195,000	.0	36,493,897	8.1	26,063,176	6.9	36,493,897	XXX
12.4 Class 4	.0	10,394,147	32,073,296	868,000	488,857	43,824,300	9.7	24,506,713	6.5	43,824,300	XXX
12.5 Class 5	.0	311,500	542,005	.0	.0	853,505	0.2	2,559,706	0.7	853,505	XXX
12.6 Class 6	184,000	30,997	80,171	.0	.0	295,168	0.1	151,030	0.0	295,168	XXX
12.7 Totals	12,304,186	72,933,494	340,785,240	19,803,730	5,657,630	451,484,280	100.0	376,914,722	100.0	451,484,280	XXX
12.8 Line 12.7 as a % of Col. 6	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.6 Class 6	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.7 Totals	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$.0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
 (b) Includes \$.0 current year, \$.0 prior year of bonds with Z designations and \$.0 , current year, \$.0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
 (c) Includes \$.0 current year, \$.0 prior year of bonds with 5* designations and \$.0 , current year, \$.0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2

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

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Issuer Obligations	0	18,940,067	4,538,363	0	0	23,478,430	5.2	181,697,172	48.2	23,478,430	0
1.2 Single Class Mortgage-Backed/Asset-Backed Securities	2,872,458	10,127,372	9,837,396	12,039,447	4,420,220	39,296,893	8.7	44,076,047	11.7	39,296,893	0
1.7 Totals	2,872,458	29,067,439	14,375,759	12,039,447	4,420,220	62,775,323	13.9	225,773,219	59.9	62,775,323	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
2.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories, and Possessions Guaranteed, Schedules D & DA (Group 3)											
3.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
3.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
5.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
5.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2 (continued)

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

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Issuer Obligations	0	517,415	423,750	0	0	941,165	0.2	2,032,910	0.5	941,165	0
6.2 Single Class Mortgage-Backed/Asset-Based Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
6.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
6.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	0	517,415	423,750	0	0	941,165	0.2	2,032,910	0.5	941,165	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations	6,285,849	33,218,113	318,749,540	1,511,010	490,490	360,255,002	79.8	138,974,432	36.9	360,255,002	0
7.2 Single Class Mortgage-Backed/Asset-Based Securities	1,192,548	4,565,400	4,884,967	5,569,019	11,247	16,223,181	3.6	10,134,160	2.7	16,223,181	0
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
7.3 Defined	1,579,934	5,338,936	2,430,031	684,255	735,672	10,768,828	2.4	0	0.0	10,768,828	0
7.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
7.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 Other	253,009	226,192	41,580	0	0	520,781	0.1	0	0.0	520,781	0
7.7 Totals	9,311,340	43,348,641	326,106,118	7,764,284	1,237,409	387,767,792	85.9	149,108,592	39.6	387,767,792	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parents, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
9.2 Single Class Mortgage-Backed/Asset-Based Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
9.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
9.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2 (continued)

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

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	6,285,849	52,675,595	323,711,653	1,511,010	490,490	384,674,597	85.2	XXX	XXX	384,674,597	.0
10.2 Single Class Mortgage-Backed/Asset-Backed Bonds MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	4,065,006	14,692,772	14,722,363	17,608,466	4,431,467	55,520,074	12.3	XXX	XXX	55,520,074	.0
10.3 Defined	1,579,934	5,338,936	2,430,031	684,255	735,672	10,768,828	2.4	XXX	XXX	10,768,828	.0
10.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.5 Defined	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.6 Other	253,009	226,192	41,580	0	0	520,781	0.1	XXX	XXX	520,781	0
10.7 Totals	12,183,798	72,933,495	340,905,627	19,803,731	5,657,629	451,484,280	100.0	XXX	XXX	451,484,280	.0
10.8 Line 10.7 as a % of Col. 6	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	191,774,015	30,313,056	99,658,817	877,294	81,332	XXX	XXX	322,704,514	85.6	322,704,515	.0
11.2 Single Class Mortgage-Backed/Asset-Backed Bonds MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	4,964,863	13,643,153	13,043,956	16,980,948	5,577,288	XXX	XXX	54,210,208	14.4	54,210,207	.0
11.3 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.5 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.6 Other	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.7 Totals	196,738,878	43,956,209	112,702,773	17,858,242	5,658,620	XXX	XXX	376,914,722	100.0	376,914,722	.0
11.8 Line 11.7 as a % of Col. 8	52.2	11.7	29.9	4.7	1.5	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	6,285,849	52,675,595	323,711,653	1,511,010	490,490	384,674,597	85.2	322,704,515	85.6	384,674,597	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Bonds MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	4,065,006	14,692,772	14,722,363	17,608,466	4,431,467	55,520,074	12.3	54,210,207	14.4	55,520,074	XXX
12.3 Defined	1,579,934	5,338,936	2,430,031	684,255	735,672	10,768,828	2.4	.0	0.0	10,768,828	XXX
12.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.5 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.6 Other	253,009	226,192	41,580	0	0	520,781	0.1	0	0.0	520,781	XXX
12.7 Totals	12,183,798	72,933,495	340,905,627	19,803,731	5,657,629	451,484,280	100.0	376,914,722	100.0	451,484,280	XXX
12.8 Line 12.7 as a % of Col. 6	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	2.7	16.2	75.5	4.4	1.3	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.2 Single Class Mortgage-Backed/Asset-Backed Bonds MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.3 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.5 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.6 Other	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.7 Totals	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year	578,360	578,360	0	0	0
2. Cost of short-term investments acquired	814,544,631	814,544,631	0	0	0
3. Increase (decrease) by adjustment	0		0	0	0
4. Increase (decrease) by foreign exchange adjustment	0	0	0	0	0
5. Total profit (loss) on disposal of short-term investments	0		0	0	0
6. Consideration received on disposal of short-term investments	814,544,631	814,544,631	0	0	0
7. Book/adjusted carrying value, current year	578,360	578,360	0	0	0
8. Total valuation allowance	0	0	0	0	0
9. Subtotal (Lines 7 plus 8)	578,360	578,360	0	0	0
10. Total nonadmitted amounts	0	0	0	0	0
11. Statement value (Lines 9 minus 10)	578,360	578,360	0	0	0
12. Income collected during year	119,541	119,541	0	0	0
13. Income earned during year	128,239	128,239	0	0	0

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

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Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed for Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsured	Location	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
54704	23-0370270	01/01/1993	Independence Blue Cross	Pennsylvania	YRT/G	3,232,470	0	0	135,517	0	0
10975	06-1505051	09/01/2000	AmeriHealth Casualty Insurance Company	Delaware	YRT/G	37,941,954	13,839,189	0	20,444,274	0	0
0199999 - Total Affiliates						41,174,424	13,839,189		20,579,791		
24457	23-0580680	09/01/1997	Reliance Insurance Company	Pennsylvania	YRT/G	(189,082)	0	0	4,252,426	0	0
86258	13-2572994	01/01/1997	Cologne Life Reinsurance Company	Connecticut	YRT/G		0	0	41,532	0	0
60410	73-0714500	01/01/2000	American Fidelity Assurance Company	Oklahoma	YRT/G	1,482,749	0	0	754,446	0	0
0299999 - Total - Non-Affiliates						1,293,667			5,048,404		
0399999 Totals						42,468,091	13,839,189		25,628,195		

SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Paid Losses	7 Unpaid Losses
NONE						
0799999 - Totals						

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type	7 Premiums	8 Unearned Premiums (estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
00000	.00-0000000	04/01/2000	QBE	Ireland	YRT/G	177,000	.0	.0	.0	.0	.0	.0
20702	.06-6032187	03/01/2002	Ace Fire Underwriters Insurance Company	Pennsylvania	YRT/G	3,053,314	.0	.0	.0	.0	.0	.0
24457	.23-0580680	09/01/1997	Reliance Insurance Company	Pennsylvania	YRT/G	(17,490)	.0	.0	.0	.0	.0	.0
0299999 - Total - Non-Affiliates						3,212,824						
0399999 Totals						3,212,824						

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Reserve Credit Taken	6 Paid and Unpaid Losses Recoverable (Debit)	7 Other Debits	8 Total Cols. (5+6+7)	9 Letters of Credit	10 Trust Agreements	11 Funds Deposited by and Withheld from Reinsurers	12 Other	13 Miscellaneous Balances (Credit)	14 Sum of Cols. 9+10+11+12+13 But Not in Excess of Col. 8
NONE													
1199999 Totals													

Schedule S-Part 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2002	2 2001	3 2000	4 1999	5 1998
A. OPERATIONS ITEMS					
1. Premiums.....	3,213	818	1,832	1,808	628
2. Title XVIII-Medicare.....	0	0	0	0	0
3. Title XIX-Medicaid.....	0	0	0	0	0
4. Commissions and reinsurance expense allowance.....	0	0	0	0	0
5. Total medical and hospital expenses.....	0	(126)	858	1,300	119
B. BALANCE SHEET ITEMS					
6. Premiums receivable.....	0	0	0	1,249	582
7. Claims payable.....	0	280	985	1,400	121
8. Reinsurance recoverable on paid losses.....	0	0	0	0	0
9. Experience rating refunds due or unpaid.....	0	0	0	0	0
10. Commissions and reinsurance expense allowances unpaid.....	0	0	0	0	0
11. Unauthorized reinsurance offset.....	0	0	0	0	0
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F).....	0	0	0	0	0
13. Letters of credit (L).....	0	0	0	0	0
14. Trust agreements (T).....	0	0	0	0	0
15. Other (O).....	0	0	0	0	0

SCHEDULE S-PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 9)	580,450,043		580,450,043
2. Amounts recoverable from reinsurers (Line 12)	0		0
3. Accident and health premiums due and unpaid (Line 10).....	73,235,628		73,235,628
4. Net credit for ceded reinsurance.....	XXX	0	0
5. All other admitted assets (Balance).....	297,956,155		297,956,155
6. Total assets (Line 23)	951,641,826	0	951,641,826
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	415,533,906	0	415,533,906
8. Accrued medical incentive pool and bonus payments (Line 2).....	0		0
9. Premiums received in advance (Line 6).....	110,614,712		110,614,712
10. Reinsurance in unauthorized companies (Line 14).....	0		0
11. All other liabilities (Balance).....	154,578,637		154,578,637
12. Total liabilities (Line 18).....	680,727,255	0	680,727,255
13. Total capital and surplus (Line 26).....	270,914,571	XXX	270,914,571
14. Total liabilities, capital and surplus (Line 27)	951,641,826	0	951,641,826
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid.....	0		
16. Accrued medical incentive pool.....	0		
17. Premiums received in advance	0		
18. Reinsurance recoverable on paid losses	0		
19. Other ceded reinsurance recoverables	0		
20. Total ceded reinsurance recoverables	0		
21. Premiums receivable	0		
22. Unauthorized reinsurance	0		
23. Other ceded reinsurance payables/offsets	0		
24. Total ceded reinsurance payable/offsets	0		
25. Total net credit for ceded reinsurance	0		

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE QCC INSURANCE COMPANY

SCHEDULE Y (continued)
PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
54704	23-0370270	Independence Blue Cross	30,877,769				410,624,213	(947,615)		38,939,000	479,493,367	(13,934,483)
93688	23-2184623	QCC Insurance Company					(291,543,670)	141,477			(291,402,193)	(34,418,980)
	23-2425461	AmeriHealth, Inc.	11,150,000	(2,250,000)			(1,965,064)			6,573,000	13,507,936	
95056	23-2405376	Keystone health Plan East, Inc.	(30,000,000)				(196,316,170)			43,682,500	(182,633,670)	
60061	22-3338404	AmeriHealth insurance Company of New Jersey					(16,755,746)	6,190,027			(10,565,719)	
95044	23-2314460	AmeriHealth HMO, Inc. (New Jersey Division)					(20,532,297)	(6,190,027)			(26,722,324)	
95044	23-2314460	AmeriHealth HMO, Inc. (Delaware Division)					(3,683,061)				(3,683,061)	
95262	74-2439056	AmeriHealth of Florida, Inc.					158,000			(3,616,000)	(3,458,000)	
95768	06-1500463	AmeriHealth Health Plans, Inc.					(36,000)			(7,180,000)	(7,216,000)	
	23-2800586	AmeriHealth Agency, Inc.					(259,246)				(259,246)	
	23-2522508	AmeriHealth Administrators	(12,027,769)				(9,628,255)				(21,656,024)	
	23-2795357	Amerihealth Services, Inc.					5,149,111			(793,000)	4,356,111	
	23-2317715	AmeriHealth Integrated Benefits, Inc.					1,000			(1,000)	0	
10975	06-1505051	Amerihealth Casualty Insurance Company		2,250,000			461,000	162,139			2,873,139	34,283,463
	23-2754696	AmeriHealth Integrated Case Management, Inc.					(994,837)			(3,862,500)	(4,857,337)	
	25-1686685	Compservices, Inc.					(748,046)				(748,046)	
	25-1765486	CSI Services, Inc.					(620,000)				(620,000)	
95794	51-0296135	Healthcare Delaware, Inc.					(10,000)				(10,000)	
	23-2671650	Independence Healthcare Management, Inc.					129,862,956			(14,070,000)	115,792,956	
60254	23-2865349	Independence Insurance, Inc.					(186,389)				(186,389)	
	23-2982367	Independence Holdings, Inc.					484,270			(38,939,000)	(38,454,730)	
		Keystone Benefits										
	23-2864737						(3,637,949)			(10,733,000)	(14,370,949)	
	23-2773183	Keystone Health Systems, Inc.					23,000				23,000	
96660	23-2408039	Vista Health Plan, Inc.					(10,000)				(10,000)	
	23-2723299	AmeriHealth Integrated Workers Compensation Management, Inc.					1,000				1,000	
54763	23-0724427	Inter-County Hospitalization Plan, Inc.						643,999			643,999	14,070,000
53546	66-0195325	La Cruz Azul de Puerto Rico					162,180			(10,000,000)	(9,837,820)	
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual 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 filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

- 1. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?..... Yes [] No [X]
- 2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?..... Yes [X] No []
- 3. Will an actuarial certification be filed by March 1?..... Yes [X] No []
- 4. Will the Risk-based Capital Report be filed with the NAIC by March 1?..... Yes [X] No []
- 5. Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?..... Yes [X] No []
- 6. Will the SVO Compliance Certification be filed by March 1? Yes [X] No []

APRIL FILING

- 7. Will Management's Discussion and Analysis be filed by April 1?..... Yes [X] No []
- 8. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile by April 1?..... Yes [] No [X]
- 9. Will the Investment Risks Interrogatories be filed by April 1? Yes [X] No []

JUNE FILING

- 10. Will an audited financial report be filed by June 1 with the state of domicile? Yes [X] No []

EXPLANATIONS:

BAR CODE:



OVERFLOW PAGE FOR WRITE-INS

M002 Additional Aggregate Lines for Page 02 Line 22.

*ASSETS

2204. Accrued retrospective premiums.....	0		0	6,992,878
2205. Receivable from Pennsylvania Blue Shield.....			0	1,725,434
2206. Miscellaneous receivables.....			0	553,304
2297. Summary of remaining write-ins for Line 22 from Page 2	0	0	0	9,271,616