Consolidated Balance Sheets

December 31	2003	2002
	(in thousands, except share and per share data)	
Assets		
Investments:		
Fixed maturities, at fair value (amortized cost: $1,036,747 and $846,617)	**$1,037,255**	$ 863,290
Marketable equity securities, at fair value (cost: $52,890 and $47,022)	**60,414**	44,548
Short-term investments	**232,474**	359,490
Other long-term equity investments	**31,686**	28,220
Total investments	**1,361,829**	1,295,548
Cash and cash equivalents	**697,518**	487,431
Total investments and cash and cash equivalents	**2,059,347**	1,782,979
Receivables:		
Billed premiums, net	**92,399**	111,082
Accrued premiums	**285,773**	247,729
Other amounts due from customers, net	**107,062**	94,475
Notes receivable, net	**12,410**	12,059
Advances to hospitals, net	**10,788**	124
Accrued investment income	**9,613**	9,829
Miscellaneous, net	**51,333**	70,644
Total receivables	**569,378**	545,942
Property, equipment and information systems, net of accumulated depreciation	**113,526**	100,790
Prepaid pension expense	**53,515**	45,209
Deferred taxes, net	**216,534**	268,948
Other	**30,693**	33,587
Total assets	**$3,042,993**	$2,777,455

See notes to consolidated financial statements.

December 31	2003	2002
	(in thousands, except share and per share data)	
Liabilities and stockholders' equity		
Liabilities:		
Unpaid claims and claims adjustment expense	$ 609,491	$ 559,924
Unearned premium income	134,174	127,503
Managed cash overdrafts	197,995	170,270
Accounts payable and accrued expenses	104,526	111,842
Advance deposits	113,843	137,762
Group and other contract liabilities	112,204	112,870
Postretirement benefits other than pensions	142,743	143,736
Obligations under capital lease	48,345	47,700
Other	147,315	129,586
Total liabilities	1,610,636	1,541,193
Stockholders' equity:		
Class A common stock, $0.01 per share value, 225,000,000 shares authorized; shares issued and outstanding: 2003—83,676,446; 2002—83,490,477	837	835
Class B common stock, $0.01 per share value, one share authorized; one share issued and outstanding	—	—
Preferred stock, $0.01 per share value, 25,000,000 shares authorized; none issued and outstanding	—	—
Additional paid-in capital	1,262,222	1,255,566
Retained earnings (deficit)	162,584	(38,542)
Unearned restricted stock compensation	(6,027)	—
Accumulated other comprehensive income	12,741	18,403
Total stockholders' equity	1,432,357	1,236,262
Total liabilities and stockholders' equity	$3,042,993	$2,777,455

See notes to consolidated financial statements.

balance