



## HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

### UDC Ohio, Inc.

NAIC Group Code 0019 0019 NAIC Company Code 52022 Employer's ID Number 74-2609036  
 (Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Licensed as business type: Other

Is HMO Federally Qualified? Yes  No

Incorporated/Organized 04/20/1990 Commenced Business 05/17/1990

Statutory Home Office 312 Elm Street, Suite 1500, Cincinnati, OH 45202  
 (Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 2323 Grand Boulevard, Kansas City, MO 64108  
 (Street and Number) (City or Town, State and Zip Code) 816-474-2345  
 (Area Code) (Telephone Number)

Mail Address P.O. Box 419052, Kansas City, MO 64141-6052  
 (Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 500 Bielenberg Drive, Suite 400, Woodbury, MN 55125  
 (Street and Number) (City or Town, State and Zip Code) 651-361-5286  
 (Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact Amy Bronk, 651-361-5286  
 (Name) amy.bronk@assurant.com, 651-361-5356  
 (E-mail Address) (FAX Number)

#### OFFICERS

President Stacia Nalani Almquist  
 Secretary Kenneth Dale Bowen

Treasurer Amy Jo Goerke

#### OTHER

James Vernon Barrett DMD # Vice President

#### DIRECTORS OR TRUSTEES

Stacia Nalani Almquist

State of Missouri  
 County of Jackson 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. 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.

Stacia Nalani Almquist  
 President

Kenneth Dale Bowen  
 Secretary

Amy Jo Goerke  
 Treasurer

Subscribed and sworn to before me this  
 day of January, 2012

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

Yes [  ] No [  ]

Connie J. Turnipseed  
 Notary Public  
 03/07/2014

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	200,210		200,210	201,316
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....				
4.2 Properties held for the production of income (less \$ <span style="padding-left: 20px;">encumbrances) .....</span>				
4.3 Properties held for sale (less \$ encumbrances) .....				
5. Cash (\$ <span style="padding-left: 20px;">8,010</span> , Schedule E - Part 1), cash equivalents (\$ <span style="padding-left: 20px;">762,000</span> , Schedule E - Part 2) and short-term investments (\$ <span style="padding-left: 20px;">101,856</span> , Schedule DA) .....	871,866		871,866	805,699
6. Contract loans, (including \$ <span style="padding-left: 20px;">premium notes) .....</span>				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....	1,072,076		1,072,076	1,007,015
12. Subtotals, cash and invested assets (Lines 1 to 11) .....				
13. Title plants less \$ <span style="padding-left: 20px;">charged off (for Title insurers only) .....</span>				
14. Investment income due and accrued .....	693		693	2,020
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	17,765	1,581	16,184	21,430
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ <span style="padding-left: 20px;">earned but unbilled premiums) .....</span>				
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....	2,065		2,065	
18.2 Net deferred tax asset .....	45,014	14,236	30,778	30,310
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$ <span style="padding-left: 20px;">) .....</span>				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	15,863		15,863	98,878
24. Health care (\$ <span style="padding-left: 20px;">) and other amounts receivable .....</span>	40,852	40,852		
25. Aggregate write-ins for other than invested assets .....				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,194,328	56,669	1,137,659	1,159,653
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27) .....	1,194,328	56,669	1,137,659	1,159,653
<b>DETAILS OF WRITE-INS</b>				
1101. .....				
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....				
2501. .....				
2502. .....				
2503. .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....				

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	19,415		19,415	17,748
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	210		210	223
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	23,771		23,771	26,003
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance	13,110		13,110	.9,762
9. General expenses due or accrued	132,161		132,161	.115,283
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))				34,389
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittance and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates	403		403	1,542
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)				
20. Reinsurance in unauthorized companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$ current)	25		25	210
24. Total liabilities (Lines 1 to 23)	189,095		189,095	205,160
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	.100	.100
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	.865,537	.865,513
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	.82,927	.88,880
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$ ).	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$ ).	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	.948,564	.954,493
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,137,659	1,159,653
<b>DETAILS OF WRITE-INS</b>				
2301. Unclaimed funds		25		210
2302.				
2303.				
2308. Summary of remaining write-ins for Line 23 from overflow page				
2309. Totals (Lines 2301 thru 2303 plus 2308)(Line 23 above)		25		210
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX		

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX.....	117,333	121,354
2. Net premium income ( including \$ ..... non-health premium income).....	XXX.....	1,109,896	1,121,457
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....	2,232	(490)
4. Fee-for-service (net of \$ ..... medical expenses).....	XXX.....		
5. Risk revenue.....	XXX.....		
6. Aggregate write-ins for other health care related revenues.....	XXX.....		
7. Aggregate write-ins for other non-health revenues.....	XXX.....		
8. Total revenues (Lines 2 to 7).....	XXX.....	1,112,128	1,120,967
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits.....			
10. Other professional services.....		723,719	695,399
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....			
15. Incentive pool, withhold adjustments, and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....		723,719	695,399
<b>Less:</b>			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....		723,719	695,399
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$ ..... 418 cost containment expenses.....		5,425	3,367
21. General administrative expenses.....		383,428	383,330
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....		1,112,572	1,082,096
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	(444)	38,871
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		2,121	3,070
26. Net realized capital gains (losses) less capital gains tax of \$ ..... 7.....		81	
27. Net investment gains (losses) (Lines 25 plus 26).....		2,202	3,070
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )].....			
29. Aggregate write-ins for other income or expenses.....			
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.....	1,758	41,941
31. Federal and foreign income taxes incurred.....	XXX.....	8,726	46,867
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	(6,968)	(4,926)
<b>DETAILS OF WRITE-INS</b>			
0601.....	XXX.....		
0602.....	XXX.....		
0603.....	XXX.....		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....		
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above).....	XXX.....		
0701.....	XXX.....		
0702.....	XXX.....		
0703.....	XXX.....		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....		
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above).....	XXX.....		
1401.....			
1402.....			
1403.....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....			
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....			
2901.....			
2902.....			
2903.....			
2998. Summary of remaining write-ins for Line 29 from overflow page.....			
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above).....			

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

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	954,493	935,083
34. Net income or (loss) from Line 32 .....	(6,968)	(4,926)
35. Change in valuation basis of aggregate policy and claim reserves .....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....		
37. Change in net unrealized foreign exchange capital gain or (loss) .....		
38. Change in net deferred income tax .....	7,562	32,122
39. Change in nonadmitted assets .....	(6,547)	(7,786)
40. Change in unauthorized reinsurance .....		
41. Change in treasury stock .....		
42. Change in surplus notes .....		
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in .....		
44.2 Transferred from surplus (Stock Dividend).....		
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in .....	24	
45.2 Transferred to capital (Stock Dividend) .....		
45.3 Transferred from capital .....		
46. Dividends to stockholders .....		
47. Aggregate write-ins for gains or (losses) in surplus .....		
48. Net change in capital and surplus (Lines 34 to 47) .....	(5,929)	19,410
49. Capital and surplus end of reporting period (Line 33 plus 48)	948,564	954,493
<b>DETAILS OF WRITE-INS</b>		
4701. .....		
4702. .....		
4703. .....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....		
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)		

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	1,117,271	1,123,742
2. Net investment income .....	4,788	8,316
3. Miscellaneous income .....		
4. Total (Lines 1 through 3) .....	1,122,059	1,132,058
5. Benefit and loss related payments .....	722,052	699,181
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	370,212	295,556
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	45,187	3,987
10. Total (Lines 5 through 9) .....	1,137,451	998,724
11. Net cash from operations (Line 4 minus Line 10) .....	(15,392)	133,334
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	140,000	
12.2 Stocks .....		
12.3 Mortgage loans .....		
12.4 Real estate .....		
12.5 Other invested assets .....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	88	
12.7 Miscellaneous proceeds .....		
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	140,088	
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	140,234	
13.2 Stocks .....		
13.3 Mortgage loans .....		
13.4 Real estate .....		
13.5 Other invested assets .....		
13.6 Miscellaneous applications .....		
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	140,234	
14. Net increase (decrease) in contract loans and premium notes .....		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(146)	
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....		
16.3 Borrowed funds .....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5 Dividends to stockholders .....		
16.6 Other cash provided (applied) .....	81,705	(90,624)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	81,705	(90,624)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	66,167	42,710
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	805,699	762,989
19.2 End of year (Line 18 plus Line 19.1) .....	871,866	805,699

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

20.0001. Infusion from parent of deferred tax asset .....	24	
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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1 - PREMIUMS**

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) .....				
2. Medicare Supplement .....				
3. Dental only .....	1,109,896			1,109,896
4. Vision only .....				
5. Federal Employees Health Benefits Plan .....				
6. Title XVIII - Medicare .....				
7. Title XIX - Medicaid .....				
8. Other health .....				
9. Health subtotal (Lines 1 through 8) .....	1,109,896			1,109,896
10. Life .....				
11. Property/casualty .....				
12. Totals (Lines 9 to 11)	1,109,896			1,109,896

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 2 - CLAIMS INCURRED DURING THE YEAR**

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct .....	722,052				722,052					
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	722,052				722,052					
2. Paid medical incentive pools and bonuses .....										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	19,415				19,415					
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....	19,415				19,415					
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....										
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....										
5. Accrued medical incentive pools and bonuses, current year .....										
6. Net healthcare receivables (a) .....										
7. Amounts recoverable from reinsurers December 31, current year .....										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	17,748				17,748					
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....										
8.4 Net .....	17,748				17,748					
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....										
9.2 Reinsurance assumed .....										
9.3 Reinsurance ceded .....										
9.4 Net .....										
10. Accrued medical incentive pools and bonuses, prior year .....										
11. Amounts recoverable from reinsurers December 31, prior year .....										
12. Incurred Benefits:										
12.1 Direct .....	723,719				723,719					
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....										
12.4 Net .....	723,719				723,719					
13. Incurred medical incentive pools and bonuses .....										

(a) Excludes \$ 40,852 loans or advances to providers not yet expensed.

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....										
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....										
2. Incurred but Unreported:										
2.1 Direct .....	5,356				5,356					
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....										
2.4 Net .....	5,356				5,356					
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	14,059				14,059					
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....	14,059				14,059					
4. TOTALS:										
4.1 Direct .....	19,415				19,415					
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....	19,415				19,415					

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....						
2. Medicare Supplement .....						
3. Dental Only .....	5,356	716,696	18	19,397	5,374	17,748
4. Vision Only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....						
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Lines 1 to 8) .....	5,356	716,696	18	19,397	5,374	17,748
10. Healthcare receivables (a) .....						
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....						
13. Totals (Lines 9 - 10 + 11 + 12)	5,356	716,696	18	19,397	5,374	17,748

(a) Excludes \$ 40,852 loans or advances to providers not yet expensed.

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

## Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	5	5	5	5	5
2. 2007 .....	781	784	784	785	785
3. 2008 .....	XXX	724	726	726	727
4. 2009 .....	XXX	XXX	705	709	710
5. 2010 .....	XXX	XXX	XXX	694	697
6. 2011 .....	XXX	XXX	XXX	XXX	717

## Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	5	5	5	5	5
2. 2007 .....	804	784	784	785	785
3. 2008 .....	XXX	747	726	725	727
4. 2009 .....	XXX	XXX	726	709	710
5. 2010 .....	XXX	XXX	XXX	712	697
6. 2011 .....	XXX	XXX	XXX	XXX	736

12.DO

## Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2007 .....	1,390	785	7	.9	792	.57.0			792	57.0
2. 2008 .....	1,281	727	8	1.1	735	.57.4			735	57.4
3. 2009 .....	1,156	710	6	.8	716	.61.9			716	61.9
4. 2010 .....	1,121	697	3	.4	700	.62.4			700	62.4
5. 2011 .....	1,112	717	5	.7	722	.64.9	19		741	66.6

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

**Section A - Paid Health Claims - Grand Total**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	5	5	5	5	5
2. 2007 .....	781	784	784	785	785
3. 2008 .....	XXX	724	726	726	727
4. 2009 .....	XXX	XXX	705	709	710
5. 2010 .....	XXX	XXX	XXX	694	697
6. 2011 .....	XXX	XXX	XXX	XXX	717

**Section B - Incurred Health Claims - Grand Total**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	5	5	5	5	5
2. 2007 .....	804	784	784	785	785
3. 2008 .....	XXX	747	726	725	727
4. 2009 .....	XXX	XXX	726	709	710
5. 2010 .....	XXX	XXX	XXX	712	697
6. 2011 .....	XXX	XXX	XXX	XXX	736

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2007 .....	1,390	785	7	.9	792	.57.0			792	57.0
2. 2008 .....	1,281	727	8	1.1	735	.57.4			735	57.4
3. 2009 .....	1,156	710	6	.8	716	.61.9			716	61.9
4. 2010 .....	1,121	697	3	.4	700	.62.4			700	62.4
5. 2011 .....	1,112	717	5	.7	722	.64.9	19		741	66.6

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY**

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves .....	23,771			23,771					
2. Additional policy reserves (a) .....									
3. Reserve for future contingent benefits .....									
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) .....									
5. Aggregate write-ins for other policy reserves .....									
6. Totals (gross) .....	23,771			23,771					
7. Reinsurance ceded .....									
8. Totals (Net)(Page 3, Line 4) .....	23,771			23,771					
9. Present value of amounts not yet due on claims .....									
10. Reserve for future contingent benefits .....									
11. Aggregate write-ins for other claim reserves .....									
12. Totals (gross) .....									
13. Reinsurance ceded .....									
14. Totals (Net)(Page 3, Line 7) .....									
DETAILS OF WRITE-INS									
0501. ....									
0502. ....									
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page .....									
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) .....									
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page .....									
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) .....									

(a) Includes \$ ..... premium deficiency reserve.

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.**  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ ..... for occupancy of own building) .....		243	8,124		8,367
2. Salary, wages and other benefits .....		3,967	132,886		136,853
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....			101,928		101,928
4. Legal fees and expenses .....		1	33		34
5. Certifications and accreditation fees .....					
6. Auditing, actuarial and other consulting services .....		15	495		510
7. Traveling expenses .....		229	7,747		7,976
8. Marketing and advertising .....		18	594		612
9. Postage, express and telephone .....		235	7,944		8,179
10. Printing and office supplies .....		26	867		893
11. Occupancy, depreciation and amortization .....		5	173		178
12. Equipment .....		13	435		448
13. Cost or depreciation of EDP equipment and software .....		31	34,307		34,338
14. Outsourced services including EDP, claims, and other services .....		179	13,778		13,957
15. Boards, bureaus and association fees .....		15	493		508
16. Insurance, except on real estate .....		4	135		139
17. Collection and bank service charges .....		26	865		891
18. Group service and administration fees .....	418				418
19. Reimbursements by uninsured plans .....					
20. Reimbursements from fiscal intermediaries .....					
21. Real estate expenses .....					
22. Real estate taxes .....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....					
23.2 State premium taxes .....			11,099		11,099
23.3 Regulatory authority licenses and fees .....			35,924		35,924
23.4 Payroll taxes .....			8,018		8,018
23.5 Other (excluding federal income and real estate taxes) .....					
24. Investment expenses not included elsewhere .....				8	8
25. Aggregate write-ins for expenses .....			17,583	1,229	18,812
26. Total expenses incurred (Lines 1 to 25) .....	418	5,007	383,428	1,237	(a) 390,090
27. Less expenses unpaid December 31, current year .....		210	132,161		132,371
28. Add expenses unpaid December 31, prior year .....		223	115,283		115,506
29. Amounts receivable relating to uninsured plans, prior year .....					
30. Amounts receivable relating to uninsured plans, current year .....					
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	418	5,020	366,550	1,237	373,225
<b>DETAILS OF WRITE-INS</b>					
2501. Management fees .....			7,661	1,229	8,890
2502. IT chargebacks .....			6,160		6,160
2503. Miscellaneous expenses .....			3,762		3,762
2598. Summary of remaining write-ins for Line 25 from overflow page .....					
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....			17,583	1,229	18,812

(a) Includes management fees of \$ 239,373 to affiliates and \$ ..... to non-affiliates.

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.**  
**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds .....	(a) 3,152	1,487
1.1 Bonds exempt from U.S. tax .....	(a)	
1.2 Other bonds (unaffiliated) .....	(a)	
1.3 Bonds of affiliates .....	(a)	
2.1 Preferred stocks (unaffiliated) .....	(b)	
2.11 Preferred stocks of affiliates .....	(b)	
2.2 Common stocks (unaffiliated) .....		
2.21 Common stocks of affiliates .....		
3. Mortgage loans .....	(c)	
4. Real estate .....	(d)	
5. Contract Loans .....		
6. Cash, cash equivalents and short-term investments .....	(e) 1,871	1,871
7. Derivative instruments .....	(f)	
8. Other invested assets .....		
9. Aggregate write-ins for investment income .....		
10. Total gross investment income .....	5,023	3,358
11. Investment expenses .....		(g) 1,237
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g)
13. Interest expense .....		(h)
14. Depreciation on real estate and other invested assets .....		(i)
15. Aggregate write-ins for deductions from investment income .....		
16. Total deductions (Lines 11 through 15) .....		1,237
17. Net investment income (Line 10 minus Line 16) .....		2,121
<b>DETAILS OF WRITE-INS</b>		
0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page .....		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page .....		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		

(a) Includes \$ ..... accrual of discount less \$ ..... 1,340 amortization of premium and less \$ ..... 29 paid for accrued interest on purchases.

(b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.

(c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.

(d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.

(e) Includes \$ ..... 1,853 accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.

(f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.

(g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.

(i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....					
1.1 Bonds exempt from U.S. tax .....					
1.2 Other bonds (unaffiliated) .....					
1.3 Bonds of affiliates .....					
2.1 Preferred stocks (unaffiliated) .....					
2.11 Preferred stocks of affiliates .....					
2.2 Common stocks (unaffiliated) .....					
2.21 Common stocks of affiliates .....					
3. Mortgage loans .....					
4. Real estate .....					
5. Contract loans .....					
6. Cash, cash equivalents and short-term investments .....	88		88		
7. Derivative instruments .....					
8. Other invested assets .....					
9. Aggregate write-ins for capital gains (losses) .....					
10. Total capital gains (losses) .....	88		88		
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....					

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

## EXHIBIT OF NON-ADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income .....			
4.3 Properties held for sale .....			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	1,581	362	(1,219)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....	14,236	7,118	(7,118)
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivable from parent, subsidiaries and affiliates .....		14	14
24. Health care and other amounts receivable .....	40,852	42,628	1,776
25. Aggregate write-ins for other than invested assets .....			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	56,669	50,122	(6,547)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Lines 26 and 27) .....	56,669	50,122	(6,547)
<b>DETAILS OF WRITE-INS</b>			
1101. .....			
1102. .....			
1103. .....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....			
2501. .....			
2502. .....			
2503. .....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....			

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations .....						
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business.....	10,185	10,077	9,817	9,707	9,516	117,333
7. Total	10,185	10,077	9,817	9,707	9,516	117,333
<b>DETAILS OF WRITE-INS</b>						
0601. Dental .....	10,185	10,077	9,817	9,707	9,516	117,333
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....						
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	10,185	10,077	9,817	9,707	9,516	117,333

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

**A. Accounting Practices**

The financial statements of UDC Ohio, Inc. (the "Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI recognizes only statutory practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("SAP"), has been adopted as a component of prescribed or permitted practices by the state of Ohio. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. There were no differences between the Company's financial statements prepared according to the NAIC SAP or practices prescribed by the state of Ohio. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

		December 31 2011	December 31 2010
(1)	Net Income Ohio state basis	\$ (6,968)	\$ (4,926)
(2)	State Prescribed Practices (Income) - None	-	-
(3)	State Permitted Practices (Income) - None	-	-
(4)	Net Income, NAIC SAP	<u><u>\$ (6,968)</u></u>	<u><u>\$ (4,926)</u></u>
(5)	Statutory Surplus Ohio basis	\$ 948,564	\$ 954,493
(6)	State Prescribed Practices (Surplus) - None	-	-
(7)	State Permitted Practices (Surplus) - None	-	-
(8)	Statutory Surplus, NAIC SAP	<u><u>\$ 948,564</u></u>	<u><u>\$ 954,493</u></u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the period. Actual results could differ from those estimates.

**C. Accounting Policy**

Premiums billed to individual and group subscribers are recognized as revenue in the month in which subscribers are entitled to receive dental care. Uncollected premiums over 90 days past due are nonadmitted and excluded from surplus. The Company contracts with dentists (providers) for dental services to be provided to its subscribers. Provider capitation consists of monthly fees paid to providers and is expensed in the month in which the provider is obligated to render dental services. Emergency services to members while temporarily out of their provider's area, as well as specialty services not covered by capitation fees, are recorded as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the modified scientific interest method of amortization.
- (3) The Company has no investments in common stocks.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no investments in mortgage loans.
- (6) The Company has no investments in loan-backed securities.
- (7) The Company does not own any shares of an upstream or intermediate parent or affiliate, either directly or indirectly.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no investments in derivative instruments.
- (10) The Company has no premium deficiency reserves.
- (11) The reserve for costs expected to be incurred for services approved during the year, as well as costs incurred but not reported, are actuarial estimates based on historical claims data. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has no fixed assets.
- (13) The Company has no pharmaceutical rebate receivables.

## NOTES TO FINANCIAL STATEMENTS

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

None

**3. Business Combinations and Goodwill**

A. Statutory Purchase Method

None

B. Statutory Merger

None

C. Assumption Reinsurance

None

D. Impairment Loss

None

**4. Discontinued Operations**

None

**5. Investments**

A. Mortgage Loans, including Mezzanine Real Estate Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

None

E. Repurchase Agreements

None

F. Real Estate

None

G. Low-income Housing Tax Credits

None

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

None

**7. Investment Income**

All investment income due and accrued with amounts over 90 days past due is nonadmitted and subsequently excluded from surplus. The Company did not have any nonadmitted due and accrued investment income at December 31, 2011.

**8. Derivative Instruments**

None

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

**9. Income Taxes**

A. (1) The components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs) are as follows:

Description	2011			2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross DTAs	\$ 45,014	\$ -	\$ 45,014	\$ 37,428	\$ -	\$ 37,428	\$ 7,586	\$ -	\$ 7,586
(b) Statutory valuation allowance	-	-	-	-	-	-	-	-	-
(c) Adjusted gross DTAs	45,014	-	45,014	37,428	-	37,428	7,586	-	7,586
(d) Gross DTLs	-	-	-	-	-	-	-	-	-
(e) Net DTA/(DTL)	\$ 45,014	\$ -	\$ 45,014	\$ 37,428	\$ -	\$ 37,428	\$ 7,586	\$ -	\$ 7,586
(f) DTA nonadmitted	(14,236)	-	(14,236)	(7,118)	-	(7,118)	(7,118)	-	(7,118)
(g) Net admitted DTA/(DTL)	\$ 30,778	\$ -	\$ 30,778	\$ 30,310	\$ -	\$ 30,310	\$ 468	\$ -	\$ 468

(2) The Company has not elected to admit DTAs pursuant to paragraph 10.e. for the current and prior reporting periods.

(3) The Company has not made the election under paragraph 10.e. Therefore, there is no increase in net admitted DTAs resulting from its application.

(4) The DTA admission calculation is as follows:

Description	2011			2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation pursuant to para. 10.a.-10.c.:									
(a) Admitted pursuant to para. 10.a.	\$ 30,778	\$ -	\$ 30,778	\$ 30,310	\$ -	\$ 30,310	\$ 468	\$ -	\$ 468
(b) Admitted pursuant to para. 10.b. (lesser of i. or ii.)	-	-	-	-	-	-	-	-	-
(c) Paragraph 10.b.i.	-	-	-	-	-	-	-	-	-
(d) Paragraph 10.b.ii.	92,268	-	92,268	94,868	-	94,868	(2,600)	-	(2,600)
(e) Admitted pursuant to para. 10.c.	-	-	-	-	-	-	-	-	-
(f) Total admitted pursuant to 10.a.-10.c.	30,778	-	30,778	30,310	-	30,310	468	-	468
Gross DTLs	-	-	-	-	-	-	-	-	-
Net admitted DTA pursuant to 10.a.-10.c.	\$ 30,778	\$ -	\$ 30,778	\$ 30,310	\$ -	\$ 30,310	\$ 468	\$ -	\$ 468

(5) The Company has not made the election under paragraph 10.e. Therefore, there is no increase in admitted DTAs, admitted assets, adjusted statutory surplus, and total adjusted capital resulting from its application.

Description	2011			2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation under para. 10.a.-10.c.									
Admitted DTAs	\$ 30,778	\$ -	\$ 30,778	\$ 30,310	\$ -	\$ 30,310	\$ 468	\$ -	\$ 468
Admitted assets			\$ 1,137,659			\$ 1,159,653			\$ (21,994)
Adjusted statutory surplus from most recently filed statement			\$ 922,680			\$ 948,677			\$ (25,997)
Total adjusted capital from DTAs (Item A.(4)(m))			\$ 948,564			\$ 954,493			\$ (5,929)

(6) Tax planning strategies had no impact on the Company's ordinary or capital adjusted gross DTAs and net admitted DTAs as of December 31, 2011 and 2010.

B. All DTLs have been recognized.

C. (1) Current income taxes incurred consist of the following major components:

Description	2011	2010
Current income tax expense - ordinary	\$ 8,726	\$ 46,867
Current income tax expense - capital	7	-
Federal income taxes incurred	\$ 8,733	\$ 46,867

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

(2) The tax effects of temporary differences that give rise to significant DTAs and DTLs are as follows:

Description	December 31,		
	2011	2010	Change
<b>DTAs</b>			
(a) Ordinary			
Unassigned capitation	\$ 4,994	\$ 4,295	\$ 699
Nonadmitted assets	553	131	422
Accrued expenses	39,467	33,002	6,465
Gross DTAs - Ordinary	\$ 45,014	\$ 37,428	\$ 7,586
(b) Statutory valuation allowance - Ordinary	-	-	-
(c) Nonadmitted DTA - Ordinary	(14,236)	(7,118)	(7,118)
(d) Admitted adjusted DTA - Ordinary	\$ 30,778	\$ 30,310	\$ 468
(h) Admitted adjusted DTA - Capital	-	-	-
(i) Admitted adjusted DTA - Total	\$ 30,778	\$ 30,310	\$ 468
<b>DTLs</b>			
(a) Gross DTLs - Ordinary	\$ -	\$ -	\$ -
(b) Gross DTLs - Capital	-	-	-
(c) Gross DTLs - Total	\$ -	\$ -	\$ -
Net admitted adjusted DTA(DTL)	\$ 30,778	\$ 30,310	\$ 468

(3) The change in net deferred income taxes is comprised of the following:

Description	December 31,		
	2011	2010	Change
Gross DTAs	\$ 45,014	\$ 37,428	\$ 7,586
Gross DTLs	-	-	-
Net DTA/(DTL)	45,014	37,428	7,586
Statutory valuation allowance	-	-	-
Adjusted net DTA/(DTL)	\$ 45,014	\$ 37,428	\$ 7,586
Less: Tax effect of change in unrealized gains/losses			-
Less: Tax effect of capital loss transferred from affiliate			(24)
Change in net deferred income tax			\$ 7,562

The company has determined, based on the weight of available evidence, that it is more likely than not that all gross DTAs will be realized and a valuation allowance is not required.

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference are as follows:

	2011	Tax Effect		Effective Tax Rate
		at 35%		
Statutory income before taxes	\$ 1,765	\$ 618		35.0%
Change in nonadmitted assets	571	200		11.3%
Other permanent adjustments	1,010	353		20.1%
Total adjustments	1,581	553		31.4%
Total	\$ 3,346	\$ 1,171		66.4%
Federal income taxes incurred		\$ 8,733		494.8%
Change in deferred income taxes		(7,562)		-428.4%
Total statutory income taxes		\$ 1,171		66.4%

E. (1) As of December 31, 2011, the Company had no net operating or capital loss carryforwards.

(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future losses:

2011	\$ 8,733
2010	\$ 46,867

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

F. (1) The Company files a consolidated federal income tax return with the following entities:

Assurant, Inc., Assurant Service Protection, Inc., American Bankers General Agency, Inc., American Bankers Insurance Co. of Florida, American Bankers Insurance Group, American Bankers Life Assurance Co. of Florida, American Bankers Management Co., Inc., American Memorial Life Insurance Co., American Reliable Insurance Co., American Security Insurance Co., Assurant Reinsurance of Turks & Caicos, Ltd., Bankers Atlantic Reinsurance Co., Consumer Assist Network Association, Inc., Denticare of Alabama, Inc., Disability Reinsurance Management Services, Inc., Family Considerations, Inc., Federal Warranty Service Corp., Florida Office Corp., GP Legacy Place, Inc., Guardian Investment Services, Inc., Guardian Travel, Inc., Insureco Agency and Services, Inc. (CA), Insureco, Inc., Interfinancial, Inc., International Financial Group, Inc., John Alden Financial Corp., John Alden Life Insurance Co., Mortgage Group Reinsurance, Ltd., MS Diversified Corp., National Insurance Agency, Inc., North Star Marketing Corp., NSM Sales Corp., Quail Roost Properties, Reliable Lloyds Insurance Co., SSDC Services Corp. (fka SSDC Corp.), Standard Guaranty Insurance Co., Sureway, Inc., Time Insurance Co., TrackSure Insurance Agency, Inc., TS Holdings, Inc., UDC Dental California, Inc., UDC Ohio, Inc., Union Security DentalCare of Georgia, Inc., Union Security DentalCare of New Jersey, Inc., Union Security Insurance Co., Union Security Life Insurance Co. of New York, United Dental Care of Arizona, Inc., United Dental Care of Colorado, Inc., United Dental Care of Michigan, Inc., United Dental Care of Missouri, Inc., United Dental Care of New Mexico, Inc., United Dental Care of Texas, Inc., United Dental Care of Utah, Inc., US Insurance Services, United Service Protection Corp., United Service Protection, Inc., Voyager Group, Inc., Voyager Indemnity Insurance Co., and Voyager Service Warranties, Inc.

(2) The method of allocation between the companies is subject to a written agreement. Allocation is based on separate return calculations with current credit for net losses. Intercompany tax balances are settled annually within 30 days of the filing of the consolidated federal income tax return. The tax allocation agreement was amended in 2011 to permit utilization of the capital loss of an affiliated entity to offset the Company's net capital gains.

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

A. B & C. The receivable from or payable to affiliates results primarily from premiums collected, net of fees paid to providers and claims paid, by an affiliate, Union Security Insurance Company ("USIC"), on behalf of the Company. The Company records its respective premium revenues for the products it underwrites. The cash remittances related to these transactions are collected or paid by USIC and then settled monthly.

D. Net amounts due to parent and affiliates are \$403 and included on Page 3, line 15 and net amounts receivable from parent and affiliates are \$15,863 and included on Page 2, line 23. The receivable and payable is non-interest bearing and the terms of the agreement require that the amounts are settled within 30 days of each month.

E. The Company has not entered into any guarantees or undertakings for the benefit of an affiliate or others which will result in an actual contingent exposure of the Company's assets to liability, other than insurance contracts entered into in the ordinary course of business as disclosed in Note 14A.

F. The Company has a service agreement with USIC to provide and receive services relating to management, policy administration, provider fees, claims payment, member and client administration, sales and marketing, information technology and actuarial services. The Company also has an investment management agreement and a federal tax allocation agreement with its ultimate parent, Assurant, Inc.

The cost allocation methods and its application utilized by the Company are subject to judgment and interpretation and may vary from year to year. Due to the subjective nature of these expense allocations, the process will be continuously reviewed by management to ensure reasonable results. Any modification in methodology resulting from management's review is considered a change in methodology and any corresponding changes will be applied on a prospective basis.

G. The Company is 100% directly owned by Interfinancial, Inc. which is directly owned by Assurant, Inc., New York, NY, at December 31, 2011. A chart of the current organization is included in Schedule Y, Parts 1 and 1A.

H. The Company does not own any shares of an upstream or intermediate parent, either directly or indirectly.

I. The Company does not own any shares in an affiliate or other related entity.

J. The Company did not recognize any investment impairment.

K. The Company does not own any shares in foreign investments.

L. The Company does not have any investments in downstream non-insurance holding companies.

**11. Debt**

None

**12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

The Company does not have any retirement plans or deferred compensation. The Company does not have employees.

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

(1) The Company has 1,000 shares of common stock authorized and 1,000 shares issued and outstanding at a par value of \$.10.

(2) The Company has no preferred stock outstanding.

(3) Ohio regulations generally do not allow the payment of dividends in any one year to exceed the greater of (a) statutory net income for the preceding year or (b) 10% of statutory net worth as of the preceding December 31.

(4) The Company received an infusion of \$24 from its parent, Interfinancial, Inc. in the form of a deferred tax asset. In addition, there were no dividends paid during 2011.

(5) Within limitation of (3) above, there are no restrictions placed on the portion of the Company profit that may be paid as ordinary dividends to stockholders.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

(6) Under Ohio statute, the Company is required to maintain total admitted assets equal to the greater of (a) 110% of the liabilities of the corporation, or (b) \$250,000. The Company is licensed in Kentucky as a Limited Health Service Organization. The Kentucky Office of Insurance requires the Company to maintain a minimum net worth of \$125,000. The Company was in compliance with both of these requirements at December 31, 2011. Under Ohio statute, the Company is required to have deposited investments with an approved custodian of not less than \$75,000. The Kentucky Office of Insurance requires the Company to maintain a deposit with a trustee acceptable to the executive director of \$50,000. At December 31, 2011 there were investments on deposit to satisfy these statutory deposit requirements.

(7) The Company does not have any advances to surplus.

(8) The Company does not hold any preferred stock, employee stock options or stock purchase warrants.

(9) The Company does not have special surplus funds.

(10) The portion of unassigned funds (surplus) represented or reduced by each item below is follows:

a. Unrealized gains and losses:	\$ 0
b. Nonadmitted asset values:	\$ 56,669
c. Separate account business:	\$ 0
d. Asset valuation reserve:	\$ 0
e. Provision for reinsurance:	\$ 0

(11) The Company did not issue any surplus debenture or similar obligations during the periods covered by this statement.

(12) The quasi-reorganization is not applicable to this Company.

(13) There have been no quasi-reorganizations in the prior 10 years.

**14. Contingencies**

A. Contingent Commitments

(1) None

(2) The Company has made no guarantees on behalf of affiliates or others.

B. Assessments

The Company has not been notified of any insolvency that will result in a guaranty fund assessment against the Company at some future date.

C. Gain Contingencies

None

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming From Lawsuits

There is no litigation pending at this time against the Company.

E. All Other Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Further, the Company is subject to routine examination by state departments of insurance. An assessment of these examinations, contingent liabilities arising from litigation, income taxes and other matters indicate that they are not material in relation to the financial position of the Company.

**15. Leases**

None

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

The Company does not have financial instruments with off-balance sheet risk or with concentrations of credit risk. The Company maintains depository investments with certain financial institutions. Although these investments may exceed federally insured depository limits, the Company has evaluated the credit worthiness of these applicable financial institutions, and determined the risk of material financial loss due to exposure from credit risk to be minimal. The Company is not exposed to any significant credit concentration risk of a single issuer, excluding U.S. Government and government agencies as of December 31, 2011.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales

None

B. Transfer and Servicing of Financial Assets

None

C. Wash Sales

None

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

A. ASO Plans

None

B. ASC Plans

None

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**NOTES TO FINANCIAL STATEMENTS**

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

None

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

None

20. Fair Value Measurement

None

21. Other Items

A. Extraordinary Items

None

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures

The Company had assets with a book value of \$200,210 and \$201,316 at December 31, 2011 and 2010, respectively, on deposit with government authorities or trustees as required by law.

D. Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers

None

E. Business Interruption Insurance Recoveries

None

F. State Transferable Tax Credits

None

G. Sub-prime Mortgage Related Risk Exposure

None

H. Retained Assets

None

22. Events Subsequent

None

23. Reinsurance

None

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

None

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2010 were \$17,971. As of December 31, 2011, \$5,424 has been paid in 2011 for incurred claims and claim adjustment expenses attributable to insured events of 2010 and prior years. Reserves remaining for prior years are now \$18 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$12,529 favorable prior-year development from December 31, 2010 to December 31, 2011.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

None

B. Risk Sharing Receivables

None

29. Participating Policies

None

30. Premium Deficiency Reserves

None

31. Anticipated Salvage and Subrogation

None

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES  
GENERAL**

1.1	Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? .....	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]			
1.2	If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? .....	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] N/A [ <input type="checkbox"/> ]			
1.3	State Regulating? .....	Ohio			
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 [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
2.2	If yes, date of change: .....				
3.1	State as of what date the latest financial examination of the reporting entity was made or is being made. ....	12/31/2010			
3.2	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. ....	12/31/2005			
3.3	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). ....	02/15/2007			
3.4	By what department or departments? Ohio Department of Insurance .....				
3.5	Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] N/A [ <input checked="" type="checkbox"/> ]			
3.6	Have all of the recommendations within the latest financial examination report been complied with? .....	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] N/A [ <input type="checkbox"/> ]			
4.1	During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of: 4.11 sales of new business? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
	4.12 renewals? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
4.2	During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of: 4.21 sales of new business? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
	4.22 renewals? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
5.1	Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
5.2	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.				
<table border="1" style="width: 100%;"><tr><td style="width: 33.33%;">1 Name of Entity</td><td style="width: 33.33%;">2 NAIC Company Code</td><td style="width: 33.33%;">3 State of Domicile</td></tr></table>		1 Name of Entity	2 NAIC Company Code	3 State of Domicile	
1 Name of Entity	2 NAIC Company Code	3 State of Domicile			
6.1	Has the 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 [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
6.2	If yes, give full information: .....				
7.1	Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]			
7.2	If yes, 7.21 State the percentage of foreign control; .....	%			
	7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).				
<table border="1" style="width: 100%;"><tr><td style="width: 50%;">1 Nationality</td><td style="width: 50%;">2 Type of Entity</td></tr></table>		1 Nationality	2 Type of Entity		
1 Nationality	2 Type of Entity				

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**GENERAL INTERROGATORIES**

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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC
.....	.....	.....	.....	.....	.....	.....

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 PricewaterhouseCoopers, LLP, 300 Madison Avenue, New York, NY 10017-6204

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption: .....  
 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption: .....  
 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain: .....  
 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Eric S. Vandenberg, FSA, MAAA is an employee of Union Security Insurance Company, an affiliate company, 2323 Grand Boulevard, Kansas City, MO 64108-2670

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]  
 12.11 Name of real estate holding company ....  
 12.12 Number of parcels involved .....  
 12.13 Total book/adjusted carrying value ..... \$ .....

12.2 If, yes provide explanation: .....  
 13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity? .....  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]  
 14.1 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 [ X ] 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.  
 14.11 If the response to 14.1 is No, please explain: .....  
 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ X ] No [ ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 1. Improved readability and tone. 2. Promoted Helpline reporting tools and resources for domestic and international employees. 3. Improved and added new sections to address risks. ....  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s). ....

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.**  
**GENERAL INTERROGATORIES**

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? ..... Yes [ ] No [ X ]  
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

**BOARD OF DIRECTORS**

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? ..... Yes [ X ] No [ ]  
 17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? ..... Yes [ X ] No [ ]  
 18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? ..... Yes [ X ] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]  
 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.11 To directors or other officers ..... \$ .....  
 20.12 To stockholders not officers ..... \$ .....  
 20.13 Trustees, supreme or grand (Fraternal Only) ..... \$ .....  
 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.21 To directors or other officers ..... \$ .....  
 20.22 To stockholders not officers ..... \$ .....  
 20.23 Trustees, supreme or grand (Fraternal Only) ..... \$ .....  
 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]  
 21.2 If yes, state the amount thereof at December 31 of the current year:  
 21.21 Rented from others ..... \$ .....  
 21.22 Borrowed from others ..... \$ .....  
 21.23 Leased from others ..... \$ .....  
 21.24 Other ..... \$ .....  
 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]  
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ .....  
 22.22 Amount paid as expenses ..... \$ .....  
 22.23 Other amounts paid ..... \$ .....  
 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ X ] No [ ]  
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....

**INVESTMENT**

24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) ..... Yes [ X ] No [ ]  
 24.2 If no, give full and complete information relating thereto .....  
 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) .....  
 24.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? ..... Yes [ ] No [ ] N/A [ X ]  
 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. ..... \$ .....  
 24.6 If answer to 24.4 is no, report amount of collateral for other programs. ..... \$ .....  
 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ ] No [ ] N/A [ X ]  
 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]  
 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**GENERAL INTERROGATORIES**

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3). ..... Yes [  ] No [  ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements .....	\$ .....
25.22 Subject to reverse repurchase agreements .....	\$ .....
25.23 Subject to dollar repurchase agreements .....	\$ .....
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....
25.25 Pledged as collateral .....	\$ .....
25.26 Placed under option agreements .....	\$ .....
25.27 Letter stock or other securities restricted as to sale .....	\$ .....
25.28 On deposit with state or other regulatory body .....	\$ .....
25.29 Other .....	\$ .....

200,210

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [  ] No [  ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [  ] No [  ] N/A [  ]  
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [  ] No [  ]

27.2 If yes, state the amount thereof at December 31 of the current year. .... \$ .....

28. 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 [  ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Marshall & Ilsley Trust Company .....	111 East Kilbourn Ave, Ste 200, Milwaukee, WI 53202 .....

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? ..... Yes [  ] No [  ]

28.04 If yes, give full and complete information relating thereto:

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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 Number(s)	2 Name	3 Address
Not a registered advisor .....	Assurant Asset Management .....	One Chase Manhattan Plaza, New York, NY 10005 .....

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**GENERAL INTERROGATORIES**

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	1,064,066	1,065,081	1,015
30.2 Preferred stocks .....			
30.3 Totals .....	1,064,066	1,065,081	1,015

30.4 Describe the sources or methods utilized in determining the fair values:

Fair Values are obtained from third party pricing services. For those that are not available from a third party pricing service, fair values were obtained from a broker or internal analysis or the NAIC Securities Valuation Office.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? ..... Yes [ X ] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? ..... Yes [ X ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D: .....

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? ..... Yes [ X ] No [ ]

32.2 If no, list exceptions: .....

**GENERAL INTERROGATORIES****OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
None .....	.....

34.1 Amount of payments for legal expenses, if any? .....\$ .....

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
None .....	.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
None .....	.....

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**GENERAL INTERROGATORIES****PART 2 - HEALTH INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]																					
1.2	If yes, indicate premium earned on U.S. business only. ....	\$ .....																					
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....	\$ .....																					
1.31	Reason for excluding																						
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above .....	\$ .....																					
1.5	Indicate total incurred claims on all Medicare Supplement Insurance. ....	\$ .....																					
1.6	Individual policies:	Most current three years: 1.61 Total premium earned .....\$ ..... 1.62 Total incurred claims .....\$ ..... 1.63 Number of covered lives ..... All years prior to most current three years: 1.64 Total premium earned .....\$ ..... 1.65 Total incurred claims .....\$ ..... 1.66 Number of covered lives .....																					
1.7	Group policies:	Most current three years: 1.71 Total premium earned .....\$ ..... 1.72 Total incurred claims .....\$ ..... 1.73 Number of covered lives ..... All years prior to most current three years: 1.74 Total premium earned .....\$ ..... 1.75 Total incurred claims .....\$ ..... 1.76 Number of covered lives .....																					
2.	Health Test:	<table border="0"> <thead> <tr> <th></th> <th style="text-align: center;">1 Current Year</th> <th style="text-align: center;">2 Prior Year</th> </tr> </thead> <tbody> <tr> <td>2.1 Premium Numerator .....</td> <td style="text-align: right;">1,109,896</td> <td style="text-align: right;">1,121,457</td> </tr> <tr> <td>2.2 Premium Denominator .....</td> <td style="text-align: right;">1,109,896</td> <td style="text-align: right;">1,121,457</td> </tr> <tr> <td>2.3 Premium Ratio (2.1/2.2) .....</td> <td style="text-align: right;">1.000</td> <td style="text-align: right;">1.000</td> </tr> <tr> <td>2.4 Reserve Numerator .....</td> <td style="text-align: right;">43,186</td> <td style="text-align: right;">43,751</td> </tr> <tr> <td>2.5 Reserve Denominator .....</td> <td style="text-align: right;">43,186</td> <td style="text-align: right;">43,751</td> </tr> <tr> <td>2.6 Reserve Ratio (2.4/2.5) .....</td> <td style="text-align: right;">1.000</td> <td style="text-align: right;">1.000</td> </tr> </tbody> </table>		1 Current Year	2 Prior Year	2.1 Premium Numerator .....	1,109,896	1,121,457	2.2 Premium Denominator .....	1,109,896	1,121,457	2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000	2.4 Reserve Numerator .....	43,186	43,751	2.5 Reserve Denominator .....	43,186	43,751	2.6 Reserve Ratio (2.4/2.5) .....	1.000	1.000
	1 Current Year	2 Prior Year																					
2.1 Premium Numerator .....	1,109,896	1,121,457																					
2.2 Premium Denominator .....	1,109,896	1,121,457																					
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000																					
2.4 Reserve Numerator .....	43,186	43,751																					
2.5 Reserve Denominator .....	43,186	43,751																					
2.6 Reserve Ratio (2.4/2.5) .....	1.000	1.000																					
3.1	Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]																					
3.2	If yes, give particulars:																						
4.1	Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? .....	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]																					
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]																					
5.1	Does the reporting entity have stop-loss reinsurance? .....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]																					
5.2	If no, explain: Entity operates a prepaid dental plan and does not retain claim risk.																						
5.3	Maximum retained risk (see instructions)	5.31 Comprehensive Medical .....\$ ..... 5.32 Medical Only .....\$ ..... 5.33 Medicare Supplement .....\$ ..... 5.34 Dental & Vision .....\$ ..... 5.35 Other Limited Benefit Plan .....\$ ..... 5.36 Other .....\$ .....																					
6.	Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements: Entity does not retain claim risk and providers are required by contract to provide services to active members. ....																						
7.1	Does the reporting entity set up its claim liability for provider services on a service date basis?.....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]																					
7.2	If no, give details Not applicable since the entity operates a prepaid dental plan.																						
8.	Provide the following information regarding participating providers:	8.1 Number of providers at start of reporting year .....391 8.2 Number of providers at end of reporting year .....427																					
9.1	Does the reporting entity have business subject to premium rate guarantees? .....	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]																					
9.2	If yes, direct premium earned:	9.21 Business with rate guarantees between 15-36 months...\$ .....37,569 9.22 Business with rate guarantees over 36 months .....\$ .....																					

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

**GENERAL INTERROGATORIES**

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? ..... Yes [ ] No [ X ]

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ .....  
10.22 Amount actually paid for year bonuses.....\$ .....  
10.23 Maximum amount payable withholds.....\$ .....  
10.24 Amount actually paid for year withholds.....\$ .....

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, ..... Yes [ ] No [ X ]  
11.13 An Individual Practice Association (IPA), or, ..... Yes [ ] No [ X ]  
11.14 A Mixed Model (combination of above)? ..... Yes [ ] No [ X ]11.2 Is the reporting entity subject to Minimum Net Worth Requirements? ..... Yes [ X ] No [ ]  
11.3 If yes, show the name of the state requiring such net worth. ..... Ohio/Kentucky  
11.4 If yes, show the amount required. ..... \$ 250,000  
11.5 Is this amount included as part of a contingency reserve in stockholder's equity? ..... Yes [ ] No [ X ]  
11.6 If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
State of Ohio .....
State of Kentucky .....

13.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. ..... \$ .....

13.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

13.4 If yes, please provide the balance of funds administered as of the reporting date. ..... \$ .....

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.**

**FIVE-YEAR HISTORICAL DATA**

	1 2011	2 2010	3 2009	4 2008	5 2007
<b>Balance Sheet (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28)	1,137,659	1,159,653	1,017,088	1,028,823	977,062
2. Total liabilities (Page 3, Line 24)	189,095	205,160	82,005	125,839	159,029
3. Statutory surplus	250,000	250,000	250,000	250,000	250,000
4. Total capital and surplus (Page 3, Line 33)	948,564	954,493	935,083	902,984	818,033
<b>Income Statement (Page 4)</b>					
5. Total revenues (Line 8)	1,112,128	1,120,967	1,156,134	1,280,881	1,390,381
6. Total medical and hospital expenses (Line 18)	723,719	695,399	705,261	727,378	784,617
7. Claims adjustment expenses (Line 20)	5,425	3,367	5,676	7,707	6,855
8. Total administrative expenses (Line 21)	383,428	383,330	398,619	439,876	476,384
9. Net underwriting gain (loss) (Line 24)	(444)	38,871	46,578	105,920	122,525
10. Net investment gain (loss) (Line 27)	2,202	3,070	5,835	19,160	34,871
11. Total other income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	(6,968)	(4,926)	35,520	77,679	98,868
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11)	(15,392)	133,334	22,828	39,365	161,591
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	948,564	954,493	935,083	902,984	818,033
15. Authorized control level risk-based capital	30,739	31,405	31,368	32,602	33,399
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7)	9,516	10,185	10,133	11,114	12,164
17. Total members months (Column 6, Line 7)	117,333	121,354	125,767	138,234	152,755
<b>Operating Percentage (Page 4)</b> (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	65.1	62.0	61.0	56.8	56.4
20. Cost containment expenses	0.0	0.0	0.0	0.0	0.1
21. Other claims adjustment expenses	0.5	0.3	0.5	0.6	0.4
22. Total underwriting deductions (Line 23)	100.0	96.5	96.0	91.7	91.2
23. Total underwriting gain (loss) (Line 24)	0.0	3.5	4.0	8.3	8.8
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	5,374	5,419	3,967	3,622	4,892
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	17,748	21,530	23,809	23,706	24,607
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? \_\_\_\_\_

Yes  No

If no, please explain: \_\_\_\_\_

**SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS****Allocated by States and Territories**

States, etc.	1 Active Status	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama .....	AL	N							
2. Alaska .....	AK	N							
3. Arizona .....	AZ	N							
4. Arkansas .....	AR	N							
5. California .....	CA	N							
6. Colorado .....	CO	N							
7. Connecticut .....	CT	N							
8. Delaware .....	DE	N							
9. District of Columbia .....	DC	N							
10. Florida .....	FL	N							
11. Georgia .....	GA	N							
12. Hawaii .....	HI	N							
13. Idaho .....	ID	N							
14. Illinois .....	IL	N							
15. Indiana .....	IN	N							
16. Iowa .....	IA	N							
17. Kansas .....	KS	N							
18. Kentucky .....	KY	L							
19. Louisiana .....	LA	N							
20. Maine .....	ME	N							
21. Maryland .....	MD	N							
22. Massachusetts .....	MA	N							
23. Michigan .....	MI	N							
24. Minnesota .....	MN	N							
25. Mississippi .....	MS	N							
26. Missouri .....	MO	N							
27. Montana .....	MT	N							
28. Nebraska .....	NE	N							
29. Nevada .....	NV	N							
30. New Hampshire .....	NH	N							
31. New Jersey .....	NJ	N							
32. New Mexico .....	NM	N							
33. New York .....	NY	N							
34. North Carolina .....	NC	N							
35. North Dakota .....	ND	N							
36. Ohio .....	OH	L	1,109,896					1,109,896	
37. Oklahoma .....	OK	N							
38. Oregon .....	OR	N							
39. Pennsylvania .....	PA	N							
40. Rhode Island .....	RI	N							
41. South Carolina .....	SC	N							
42. South Dakota .....	SD	N							
43. Tennessee .....	TN	N							
44. Texas .....	TX	N							
45. Utah .....	UT	N							
46. Vermont .....	VT	N							
47. Virginia .....	VA	N							
48. Washington .....	WA	N							
49. West Virginia .....	WV	N							
50. Wisconsin .....	WI	N							
51. Wyoming .....	WY	N							
52. American Samoa .....	AS	N							
53. Guam .....	GU	N							
54. Puerto Rico .....	PR	N							
55. U.S. Virgin Islands .....	VI	N							
56. Northern Mariana Islands .....	MP	N							
57. Canada .....	CN	N							
58. Aggregate other alien .....	OT	XXX							
59. Subtotal .....		XXX	1,109,896					1,109,896	
60. Reporting entity contributions for Employee Benefit Plans .....		XXX							
61. Total (Direct Business) .....	(a)	2	1,109,896					1,109,896	
DETAILS OF WRITE-INS									
5801. ....		XXX							
5802. ....		XXX							
5803. ....		XXX							
5898. Summary of remaining write-ins for Line 58 from overflow page .....		XXX							
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above) .....		XXX							

(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.

Explanation of basis of allocation by states, premiums by state, etc.

Premiums are assigned to the state based on the situs of contract.

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

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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

Assurant, Inc.

Owns 100% of Family Considerations, Inc.	FEI 58-2315775 - GA
Owns 100% of FamilySide, Inc.	CANADA
Owns 100% of Florida Office Corp.	FEI 13-3896525 - DE
Owns 100% of GP Legacy Place, Inc.	FEI 13-3882719 - DE
Owns 100% of Insureco, Inc.	FEI 33-0658229 - CA
Owns 100% of Interfinancial Inc.	FEI 13-3036467 - GA
Owns 100% of Union Security Life Insurance Company of New York	FEI 13-2699219; NAIC 81477 - NY

Insureco, Inc.

Owns 100% of Assurant Reinsurance of Turks & Caicos, Ltd.	FEI 03-0387721 - TURKS & CAICOS
Owns 100% of Insureco Agency & Insurance Services, Inc. (CA)	FEI 95-3097622 - CA

Interfinancial Inc.

Owns 100% of ALOC Holdings ULC	CANADA
Owns 100% of American Bankers Insurance Group	FEI 59-1985922- FL
Owns 100% of American Memorial Life Insurance Company	FEI 46-0260270; NAIC 67989 - SD
Owns 100% of American Security Insurance Company	FEI 58-1529575; NAIC 42978 - DE
Owns 100% of Denticare of Alabama, Inc.	FEI 59-3063687; NAIC 12880 - AL
Owns 100% of Disability Reinsurance Management Services, Inc.	FEI 01-0483086 - DE
Owns 100% of Guardian Travel, Inc.	FEI 59-2519974 - FL
Owns 100% of John Alden Financial Corporation	FEI 59-2840712 - DE
Owns 100% of Mortgage Group Reinsurance, Ltd.	FEI 20-0101110 - BERMUDA
Owns 100% of SSDC Services Corp.	FEI 38-3357459 - DE
Owns 100% of Time Insurance Company	FEI 39-0658730; NAIC 69477 - WI
Owns 100% of TrackSure Insurance Agency, Inc.	FEI 33-0388029 - CA
Owns 100% of UDC Dental California, Inc.	FEI 33-0360239; NAIC 52031 - CA
Owns 100% of UDC Ohio, Inc.	FEI 74-2609036; NAIC 52022 - OH
Owns 100% of Union Security DentalCare of Georgia, Inc.	FEI 58-1909945 - GA
Owns 100% of Union Security DentalCare of New Jersey, Inc.	FEI 52-1565653; NAIC 11244 - NJ
Owns 100% of Union Security Insurance Company	FEI 81-0170040; NAIC 70408 - KS
Owns 100% of United Dental Care of Arizona, Inc.	FEI 86-0517444; NAIC 47708 - AZ
Owns 100% of United Dental Care of Colorado, Inc.	FEI 86-0631335; NAIC 52032 - CO
Owns 100% of United Dental Care of Michigan, Inc.	FEI 38-2833988; NAIC 11111 - MI
Owns 100% of United Dental Care of Missouri, Inc.	FEI 75-2481527; NAIC 47044 - MO
Owns 100% of United Dental Care of New Mexico, Inc.	FEI 86-0384270; NAIC 47042 - NM
Owns 100% of United Dental Care of Texas, Inc.	FEI 75-2076282; NAIC 95142 - TX

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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

ALOC Holdings ULC	Owns 100% of United Dental Care of Utah, Inc.	FEI 75-2635404; NAIC 95450 - UT
American Security Insurance Company	Owns 100% of Assurant Life of Canada	CANADA
John Alden Financial Corporation	Owns 100% of Standard Guaranty Insurance Company	FEI 58-1529579; NAIC 42986 - DE
John Alden Life Insurance Company	Owns 100% of John Alden Life Insurance Company Owns 100% of NSM Sales Corporation	FEI 41-0999752; NAIC 65080 - WI FEI 65-0416844 - NV
Time Insurance Company	Owns 100% of North Star Marketing Corporation	FEI 59-2394561 - OH
Union Security Insurance Company	Owns 100% of National Insurance Institute, LLC	FEI 83-0408679 - WI
American Bankers Insurance Group, Inc.	Owns 100% of Dental Health Alliance, L.L.C.	FEI 13-3830846 - DE
	Owns 100% of ABI International Owns 100% of American Bankers Dominicana, S.A. Owns 100% of American Bankers Insurance Company of Florida Owns 100% of American Bankers Life Assurance Company of Florida Owns 100% of American Bankers Management Company, Inc Owns 100% of American Reliable Insurance Company Owns 100% of Assurant Service Protection, Inc. Owns 100% of Assurant Services Canada Inc. Owns 100% of Bankers Atlantic Reinsurance Company Owns 100% of Federal Warranty Service Corporation Owns 100% of Guardian Investment Services, Inc. Owns 100% of International Financial Group, Inc. Owns 100% of MSDiversified Corp. Owns 100% of National Insurance Agency Owns 100% of Assurant Payment Services, Inc. (fka Quail Roost Properties, Inc.)	CAYMAN ISLANDS DOMINICAN REPUBLIC FEI 59-0593886; NAIC 10111 - FL FEI 59-0676017; NAIC 60275 - FL FEI 65-0597010 - FL FEI 41-0735002; NAIC 19615 - AZ FEI 26-3914986 - OK CANADA FEI 98-0152782 - TURKS & CAICOS FEI 36-3596362 - IL FEI 59-2720545 - FL FEI 75-2533456 - TX FEI 64-0660045 - MS FEI 59-1357775 - FL FEI 59-1414202 - FL

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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

	Owns 49% of Signal Holdings LLC Owns 100% of Sureway, Inc. Owns 100% of TS Holdings, Inc. Owns 100% of Voyager Group, Inc. Owns 100% of Voyager Service Warranties, Inc.	FEI 47-0876083 - PA FEI 59-1532747 - DE FEI 30-0080387 - DE FEI 59-1236556 - FL FEI 59-2675787 - FL
ABIG Holding de Espana, S.L.	Owns 96.986% of Assurant Argentina Compania de Seguros Sociedad Anonima Owns 95% of Assurant Services Argentina, S.A. Owns 100% of Assurant Holding de Puerto Rico, Inc. Owns 99% of Assurant Seguradora S.A. Owns 99% of Assurant Services Brasil, Limitada Owns 100% of Assurant Services de Chile, SpA Owns 98% of Assurant Servicios de Mexico, S.A. de CV Owns 99% of Rolim Consult S.A.	ARGENTINA ARGENTINA PUERTO RICO BRASIL BRASIL CHILE MEXICO BRASIL
ABI International	Owns 100% of Assurant Group, Limited Owns 100% of American Bankers International Division, Inc. Owns 100% of Solutions Holdings Owns 100% of Protection Holding Cayman	UNITED KINGDOM FEI 66-0568288 - PR CAYMAN ISLANDS CAYMAN ISLANDS
American Bankers General Agency, Inc.	Controls thru a management agreement - Reliable Lloyds Insurance Company	FEI 74-2289453; NAIC 28843 - TX
American Bankers Insurance Company of Florida	Owns 100% of American Bankers General Agency, Inc.	FEI 74-2135158 - TX
American Bankers International Division, Inc.	Owns 3.014% of Assurant Argentina Compania de Seguros Sociedad Anonima Owns 5% of Assurant Services Argentina, S.A. Owns 49% of Assurant Danos Mexico S.A. Owns 1% of Assurant Seguradora S.A. Owns 1% of Assurant Services Brasil, Limitada Owns 2% of Assurant Servicios de Mexico, S.A. de CV Owns 100% of Assurant Services of Puerto Rico, Inc. Owns 49% of Assurant Vida Mexico S.A.	ARGENTINA ARGENTINA MEXICO BRASIL BRASIL MEXICO FEI 66-0520042 - PR MEXICO

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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

American Bankers Management Company, Inc.	Owns 74% of Caribbean American Property Insurance Company Owns 100% of ABIG Holding de Espana, S.L. Owns 100% of Caribbean American Life Assurance Company Owns 1% of Rolim Consult S.A.	FEI 66-0481184; NAIC 30590 - PR SPAIN FEI 66-0448783; NAIC 73156 - PR BRASIL
American Reliable Insurance Company	Owns 100% of Consumer Assist Network Association, Inc.	FEI 65-0597011 - DE
Assuant Group LTD	Owns 100% of U.S. Insurance Services, Inc.	FEI 59-3717622 - FL
Assuant Holding de Puerto Rico, Inc.	Owns 100% of Assuant Direct Limited Owns 100% of Assuant General Insurance Limited Owns 100% of Assuant Life Limited Owns 100% of Assuant Services (UK) Limited Owns 100% of Assuant Intermediary Ltd. Owns 100% of Assuant Deutschland GmbH Owns 100% of Assuant Italia Agenzia di Assicurazioni s.r.l. Owns 100% of Assuant Services Italia s.r.l. Owns 100% of Assuant Solutions Spain, S.A. Owns 100% of Assuant Services Limited	UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM GERMANY ITALY ITALY SPAIN IRELAND
Caribbean American Life Assurance Company	Owns 51% of Assuant Danos Mexico S.A. Owns 51% of Assuant Vida Mexico S.A.	MEXICO MEXICO
Federal Warranty Service Corporation	Owns 26% of Caribbean American Property Insurance Company	FEI 66-0481184; NAIC 30590 - PR
MS Diversified Corp.	Owns 80% of Service Delivery Advantage, LLC Owns 100% of United Service Protection Corporation Owns 100% of United Service Protection, Inc.	FEI 61-1455870; IL FEI 64-0906751 - DE FEI 59-1794848 - FL

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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

Signal Holdings LLC	Owns 99.9% of CWork Solutions, LP Owns 100% of Signal GP LLC Owns 100% of Signal Northwest LLC Owns 99.9% of The Signal LP Owns 100% of TeleCom Re, Inc.	FEI 04-3706805 - PA FEI 47-0876082 - DE FEI 36-4553652 - DE FEI 22-2623205 - PA FEI 23-3055804 - FL
CWork Solutions, LP	Owns 100% of CWork Financial Management LLC	FEI 20-3810453 - DE
Signal GP LLC	Owns 0.1% of CWork Solutions, LP Owns 0.1% of The Signal LP	FEI 04-3706805 - PA FEI 22-2623205 - PA
Sureway, Inc.	Owns 100% of Assurant Consulting Company, Limited	CHINA
The Signal LP	Owns 100% of Signal Financial Management LLC	FEI 20-3810532 - DE
Telecom Re, Inc.	Owns 51% of Signal Holdings LLC	FEI 47-0876083 - PA
Voyager Group Inc.	Owns 100% of Voyager Indemnity Insurance Company	FEI 58-1455416; NAIC 40428 - GA
Solutions Holdings	Owns 100% of Solutions Cayman	CAYMAN ISLANDS

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE UDC OHIO, INC.

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