



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

Mount Carmel Health Plan, Inc

NAIC Group Code 2838 (Current Period) , NAIC Company Code 95655 (Prior Period) Employer's ID Number 311471229

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

Country of Domicile US

Licensed as business type:

Life, Accident and Health [ ] Property/Casualty [ ] Hospital, Medical and Dental Service or Indemnity [ ]  
Dental Service Corporation [ ] Vision Service Corporation [ ] Other [ ]  
Health Maintenance Organization [ X ] Is HMO Federally Qualified? Yes (X) No ( )

Incorporated/Organized August 6, 1996 Commenced Business April 1, 1997

Statutory Home Office 6150 East Broad Street, EE320, Columbus, Ohio 43213 (Street and Number, City or Town, State and Zip Code)

Main Administrative Office 6150 East Broad Street, EE320, Columbus, Ohio 43213 6145463211 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 6150 East Broad Street, EE320, Columbus, Ohio 43213 (Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 6150 East Broad Street, EE320, Columbus, Ohio 43213 (Street and Number, City or Town, State and Zip Code)  
6145463211 (Area Code) (Telephone Number)

Internet Website Address www.medigold.com

Statutory Statement Contact Veronica Szydowski 6145463211 (Name) (Area Code) (Telephone Number) (Extension)  
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OFFICERS

Jacqueline Primeau (Chairperson)  
Greg Wise (Interim President & CEO)  
Veronica Szydowski (COO/CFO)

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Sister Barbara Hahl, CSC  
Claus von Zychlin  
Paula Autry  
Daniel Wendorff, MD  
Barry Fagan, MD

State of Ohio }  
County of Franklin } 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.

Jacqueline Primeau Chairperson Greg Wise Interim President & CEO Veronica Szydowski COO/CFO

Subscribed and sworn to before me this day of  
a. Is this an original filing? Yes (X) No ( )  
b. If no: 1. State the amendment number  
2. Date filed  
3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Column 1 minus Column 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	95,174,882		95,174,882	87,214,200
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common stocks .....	50,748,126		50,748,126	48,483,021
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 \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 39,231 , Schedule E - Part 1) , cash equivalents (\$ ..... 56,523,611 , Schedule E - Part 2) and short-term investments (\$ ..... 52,284,451 , Schedule DA) .....	108,847,293		108,847,293	77,883,695
6. Contract loans (including \$ ..... premium notes) .....				
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 (Line 1 through Line 11) .....	254,770,301		254,770,301	213,580,916
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	880,945		880,945	640,965
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	2,655,190		2,655,190	3,156,546
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
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 .....				
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. Receivables from parent, subsidiaries and affiliates .....	48,327		48,327	74,936
24. Health care (\$ ..... 947,877 ) and other amounts receivable .....	3,767,699	2,819,822	947,877	880,312
25. Aggregate write-ins for other than invested assets .....	442,291	442,291		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....	262,564,753	3,262,113	259,302,640	218,333,675
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Line 26 and Line 27) .....	262,564,753	3,262,113	259,302,640	218,333,675
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above) .....				
2501. Misc Receivable .....				
2502. Leasehold Improvements .....	7,804	7,804		
2503. Prepaid Expenses .....	434,487	434,487		
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	442,291	442,291		

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	21, 197, 158		21, 197, 158	18, 747, 825
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....	160, 214		160, 214	141, 632
4. Aggregate health policy reserves, including the liability of \$ ..... for medical loss ratio rebate per the Public Health Service Act .....				
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	526, 034		526, 034	550, 562
9. General expenses due or accrued .....	3, 187, 077		3, 187, 077	1, 292, 134
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	1, 502, 075		1, 502, 075	2, 048, 457
16. Derivatives .....				
17. Payable for securities .....	1, 158, 013		1, 158, 013	
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 .....	2, 500, 000		2, 500, 000	
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....				
24. Total liabilities (Line 1 to Line 23) .....	30, 230, 571		30, 230, 571	22, 780, 610
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		
26. Common capital stock .....	X X X	X X X	100	100
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	42, 422, 434	42, 422, 434
29. Surplus notes .....	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	186, 649, 535	153, 130, 531
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	X X X	X X X		
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	X X X	X X X		
33. Total capital and surplus (Line 25 to Line 31 minus Line 32) .....	X X X	X X X	229, 072, 069	195, 553, 065
34. Total liabilities, capital and surplus (Line 24 and Line 33) .....	X X X	X X X	259, 302, 640	218, 333, 675
DETAILS OF WRITE-INS				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above) .....				
2501. ....	X X X	X X X		
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. Totals (Line 2301 through Line 2503 plus Line 2598) (Line 25 above) .....	X X X	X X X		
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. Totals (Line 3001 through Line 3003 plus Line 3098) (Line 30 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	350,259	329,050
2. Net premium income (including \$ non-health premium income)	X X X	343,840,775	309,514,518
3. Change in unearned premium reserves and reserve for rate credits	X X X	(2,976,828)	734,717
4. Fee-for-service (net of \$ medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X		
7. Aggregate write-ins for other non-health revenues	X X X		
8. Total revenues (Line 2 to Line 7)	X X X	340,863,947	310,249,235
Hospital and Medical:			
9. Hospital/medical benefits		153,534,725	144,002,578
10. Other professional services		86,931,862	79,605,199
11. Outside referrals			
12. Emergency room and out-of-area			
13. Prescription drugs		43,390,894	37,323,736
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments, and bonus amounts			
16. Subtotal (Line 9 to Line 15)		283,857,481	260,931,513
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Line 16 minus Line 17)		283,857,481	260,931,513
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 2,050,637 cost containment expenses		6,215,298	5,505,407
21. General administrative expenses		19,621,718	17,671,639
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			
23. Total underwriting deductions (Line 18 through Line 22)		309,694,497	284,108,559
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	31,169,450	26,140,676
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		4,013,438	3,769,536
26. Net realized capital gains (losses) less capital gains tax of \$		854,524	3,691,114
27. Net investment gains (losses) (Line 25 plus Line 26)		4,867,962	7,460,650
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		642,830	1,048,731
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Line 24 plus Line 27 plus Line 28 plus Line 29)	X X X	36,680,242	34,650,057
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Line 30 minus Line 31)	X X X	36,680,242	34,650,057
DETAILS OF WRITE-INS			
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X		
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X		
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)			
2901. Other Contractual Revenue		642,547	700,312
2902. Other Income		283	348,419
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)		642,830	1,048,731

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year	Prior Year
33. Capital and surplus prior reporting year .....	195,553,065	166,491,571
34. Net income or (loss) from Line 32 .....	36,680,242	34,650,058
35. Change in valuation basis of aggregate policy and claims reserves .....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	(2,646,906)	2,873,607
37. Change in net unrealized foreign exchange capital gain or (loss) .....		
38. Change in net deferred income tax .....		
39. Change in nonadmitted assets .....	(514,332)	(2,562,171)
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 .....		
45.2 Transferred to capital (Stock Dividend) .....		
45.3 Tranferred from capital .....		
46. Dividends to stockholders .....		(5,900,000)
47. Aggregate write-ins for gains or (losses) in surplus .....		
48. Net change in capital and surplus (Line 34 to Line 47) .....	33,519,004	29,061,494
49. Capital and surplus end of reporting year (Line 33 plus Line 48) .....	229,072,069	195,553,065
DETAILS OF WRITE-INS		
4701. ....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....		
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above) .....		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	343,840,775	309,514,518
2. Net investment income	6,652,451	(29,226,457)
3. Miscellaneous income	642,830	1,048,731
4. Total (Line 1 through Line 3)	351,136,056	281,336,792
5. Benefit and loss related payments	281,457,131	262,398,480
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	22,784,060	22,996,491
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		
10. Total (Line 5 through Line 9)	304,241,191	285,394,971
11. Net cash from operations (Line 4 minus Line 10)	46,894,865	(4,058,179)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	21,955,096	18,609,166
12.2 Stocks	30,547,853	32,142,906
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	52,502,949	50,752,072
13. Cost of investments acquired (long-term only):		
13.1 Bonds	30,099,818	20,484,752
13.2 Stocks	40,495,567	27,365,209
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)	70,595,385	47,849,961
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)	(18,092,436)	2,902,111
Cash from Financing and Miscellaneous Sources		
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		5,900,000
16.6 Other cash provided (applied)	2,161,169	5,487,131
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	2,161,169	(412,869)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	30,963,598	(1,568,937)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	77,883,695	79,452,632
19.2 End of year (Line 18 plus Line 19.1)	108,847,293	77,883,695
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	343,840,775						343,840,775			
2. Change in unearned premium reserves and reserve for rate credit	(2,976,828)						(2,976,828)			
3. Fee-for-service (net of \$ medical expenses)										XXX
4. Risk revenue										XXX
5. Aggregate write-ins for other health care related revenues										XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Line 1 through Line 6)	340,863,947						340,863,947			
8. Hospital/medical benefits	153,534,725						153,534,725			XXX
9. Other professional services	86,931,862						86,931,862			XXX
10. Outside referrals										XXX
11. Emergency room and out-of-area										XXX
12. Prescription drugs	43,390,894						43,390,894			XXX
13. Aggregate write-ins for other hospital and medical										XXX
14. Incentive pool, withhold adjustments, and bonus amounts										XXX
15. Subtotal (Line 8 through Line 14)	283,857,481						283,857,481			XXX
16. Net reinsurance recoveries										XXX
17. Total hospital and medical (Line 15 minus Line 16)	283,857,481						283,857,481			XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 2,050,637 cost containment expenses	6,215,298						6,215,298			
20. General administrative expenses	19,621,718						19,621,718			
21. Increase in reserves for accident and health contracts										XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Line 17 through Line 22)	309,694,497						309,694,497			
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	31,169,450						31,169,450			
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page										XXX
0599. Total (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)										XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. Total (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page										XXX
1399. Total (Line 1301 through Line 1303 plus Line 1398) (Line 13 above)										XXX

UNDERWRITING AND INVESTMENT EXHIBIT

Part 1 - Premiums

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Column 1 plus Column 2 minus Column 3)
1. Comprehensive (hospital and medical) .....				
2. Medicare Supplement .....				
3. Dental only .....				
4. Vision only .....				
5. Federal Employees Health Benefits Plan .....				
6. Title XVIII - Medicare .....	343,840,775			343,840,775
7. Title XIX - Medicaid .....				
8. Other health .....				
9. Health subtotal (Line 1 through Line 8) .....	343,840,775			343,840,775
10. Life .....				
11. Property/casualty .....				
12. Totals (Line 9 to Line 11) .....	343,840,775			343,840,775



**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2 - Claims Incurred During the Year**

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct .....	281,408,148						281,408,148			
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	281,408,148						281,408,148			
2. Paid medical incentive pools and bonuses .....										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	21,197,158						21,197,158			
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....	21,197,158						21,197,158			
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 .....	18,747,825						18,747,825			
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....										
8.4 Net .....	18,747,825						18,747,825			
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 .....	283,857,481						283,857,481			
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....										
12.4 Net .....	283,857,481						283,857,481			
13. Incurred medical incentive pools and bonuses .....										

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

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	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 .....	21,197,158						21,197,158			
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....										
2.4 Net .....	21,197,158						21,197,158			
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....										
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....										
4. TOTALS:										
4.1 Direct .....	21,197,158						21,197,158			
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....	21,197,158						21,197,158			

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	Claims Incurred in Prior Years (Column 1 plus Column 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical) .....						
2. Medicare Supplement .....						
3. Dental Only .....						
4. Vision Only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....	17,950,128	263,458,020		21,197,158	17,950,128	18,747,825
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Line 1 through Line 8) .....	17,950,128	263,458,020		21,197,158	17,950,128	18,747,825
10. Healthcare receivables (a) .....						
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....						
13. Totals (Line 9 minus Line 10 plus Line 11 plus Line 12) .....	17,950,128	263,458,020		21,197,158	17,950,128	18,747,825

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital and Medical)

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims - Comprehensive (Hospital and Medical)

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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital and Medical)

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

**(000 Omitted)**

**Section A - Paid Health Claims - Medicare Supplement**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims - Medicare Supplement**

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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement**

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , 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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**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 Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

**(000 Omitted)**

**Section A - Paid Health Claims - Vision Only**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims - Vision 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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only**

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS  
(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefit Plan

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims - Federal Employees Health Benefit Plan

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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefit Plan

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										



UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XVIII Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior					(1,416)
2. 2007	145,231,002	12,040,529	37,037	111,339	(1,141)
3. 2008	X X X	174,745,507	14,681,992	137,480	(10,973)
4. 2009	X X X	X X X	199,261,694	17,403,158	(1,165)
5. 2010	X X X	X X X	X X X	243,773,396	16,317,869
6. 2011	X X X	X X X	X X X	X X X	221,660,811

Section B - Incurred Health Claims - Title XVIII Medicare

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					(1,416)
2. 2007	169,984,508	12,040,529	37,037	111,339	(1,141)
3. 2008	X X X	174,745,507	14,681,992	137,480	(10,973)
4. 2009	X X X	X X X	199,261,694	17,403,158	(1,165)
5. 2010	X X X	X X X	X X X	243,148,404	16,317,869
6. 2011	X X X	X X X	X X X	X X X	224,143,413

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII Medicare

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007	237,186,982	187,468,101			187,468,101	79.038			187,468,101	79.038
2. 2008	270,517,443	233,011,334			233,011,334	86.135			233,011,334	86.135
3. 2009	310,643,115	262,528,478			262,528,478	84.511			262,528,478	84.511
4. 2010	310,249,235	261,556,505			261,556,505	84.305			261,556,505	84.305
5. 2011	340,863,947	281,408,148	6,215,298	2.209	287,623,446	84.381	21,197	160	287,644,803	84.387

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims - Title XIX Medicaid

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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX Medicaid

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

**(000 Omitted)**

**Section A - Paid Health Claims - Other**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims - Other**

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 .....					
2. 2007 .....					
3. 2008 .....	X X X				
4. 2009 .....	X X X	X X X			
5. 2010 .....	X X X	X X X	X X X		
6. 2011 .....	X X X	X X X	X X X	X X X	

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

Years in Which Premiums Were Earned and Claims Were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007 .....										
2. 2008 .....										
3. 2009 .....										
4. 2010 .....										
5. 2011 .....										

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					(1,416)
2. 2007	145,231,002	12,040,529	37,037	111,339	(1,141)
3. 2008	X X X	174,745,507	14,681,992	137,480	(10,973)
4. 2009	X X X	X X X	199,261,694	17,403,158	(1,165)
5. 2010	X X X	X X X	X X X	243,773,396	16,317,869
6. 2011	X X X	X X X	X X X	X X X	221,660,811

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					(1,416)
2. 2007	169,984,508	12,040,529	37,037	111,339	(1,141)
3. 2008	X X X	174,745,507	14,681,992	137,480	(10,973)
4. 2009	X X X	X X X	199,261,694	17,403,158	(1,165)
5. 2010	X X X	X X X	X X X	243,148,404	16,317,869
6. 2011	X X X	X X X	X X X	X X X	224,143,413

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 Payments	3 Claim Adjustment Expense Payments	4 (Column 3 divided by Column 2) Percent	5 Claim and Claim Adjustment Expense Payments (Columns 2 + 3)	6 (Column 5 divided by Column 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Columns 5 + 7 + 8)	10 (Column 9 divided by Column 1) Percent
1. 2007	237,186,982	187,468,101			187,468,101	79.038			187,468,101	79.038
2. 2008	270,517,443	233,011,334			233,011,334	86.135			233,011,334	86.135
3. 2009	310,643,115	262,528,478			262,528,478	84.511			262,528,478	84.511
4. 2010	310,249,235	261,556,505			261,556,505	84.305			261,556,505	84.305
5. 2011	340,863,947	281,408,148	6,215,298	2.209	287,623,446	84.381	21,197	160	287,644,803	84.387

**Page 13**

Underwriting and Investment Exhibit , Part 2D

**NONE**

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$ ..... for occupancy of own building) .....		941	12,230		13,171
2. Salaries, wages and other benefits .....	1,962,438	367,592	3,833,470		6,163,500
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....					
4. Legal fees and expenses .....					
5. Certifications and accreditation fees .....					
6. Auditing, actuarial and other consulting services .....			484,970		484,970
7. Traveling expenses .....	1,352	8,194	34,747		44,293
8. Marketing and advertising .....			1,232,248		1,232,248
9. Postage, express, and telephone .....		52,605	683,871		736,476
10. Printing and office supplies .....		1,367	17,770		19,137
11. Occupancy, depreciation and amortization .....		24,850	323,045		347,895
12. Equipment .....		3,088	40,146		43,234
13. Cost or depreciation of EDP equipment and software .....					
14. Outsourced services including EDP, claims, and other services .....	86,847	3,701,868	12,776,512		16,565,227
15. Boards, bureaus and association fees .....			59,234		59,234
16. Insurance, except on real estate .....		4,156	54,031		58,187
17. Collection and bank service charges .....					
18. Group service and administration fees .....					
19. Reimbursements by uninsured accident and health 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 .....					
23.3 Regulator authority licenses and fees .....					
23.4 Payroll taxes .....					
23.5 Other (excluding federal income and real estate taxes) .....			69,444		69,444
24. Investment expenses not included elsewhere .....				677,111	677,111
25. Aggregate write-ins for expenses .....					
26. Total expenses incurred (Line 1 to Line 25) .....	2,050,637	4,164,661	19,621,718	677,111	(a) 26,514,127
27. Less expenses unpaid December 31, current year .....			3,187,077		3,187,077
28. Add expenses unpaid December 31, prior year .....			1,292,134		1,292,134
29. Amounts receivable relating to uninsured accident and health plans, prior year .....					
30. Amounts receivable relating to uninsured accident and health plans, current year .....					
31. Total expenses paid (Line 26 minus Line 27 plus Line 28 minus Line 29 plus Line 30) .....	2,050,637	4,164,661	17,726,775	677,111	24,619,184
DETAILS OF WRITE-INS					
2501. ....					
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page .....					
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....					

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

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 2,215,495	2,721,221
1.1 Bonds exempt from U. S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 819,817	1,067,271
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	769,454	807,768
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 4,838	94,289
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	3,809,604	4,690,549
11. Investment expenses		(g) 677,111
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 (Line 11 through Line 15)		677,111
17. Net investment income (Line 10 minus Line 16)		4,013,438
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		
(a) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(f) Includes \$ accrual of discount less \$ amortization of premium.	
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.	(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(h) Includes \$ interest on surplus notes and \$ interest on capital notes.	
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.	(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.	
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Cols. 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U. S. Government bonds	109,238		109,238		
1.1 Bonds exempt from U. S. tax					
1.2 Other bonds (unaffiliated)	7,184		7,184		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	6,113,651	(5,375,549)	738,102	(2,645,297)	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	6,230,073	(5,375,549)	854,524	(2,645,297)	
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	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. Receivable for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Line 1 to Line 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 .....			
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 .....			
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....		911	911
21. Furniture and equipment, including health care delivery assets .....		10,584	10,584
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivable from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....	2,819,822	2,403,564	(416,258)
25. Aggregate write-ins for other than invested assets .....	442,291	332,722	(109,569)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....	3,262,113	2,747,781	(514,332)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Line 26 and Line 27) .....	3,262,113	2,747,781	(514,332)
DETAILS OF WRITE-INS .....			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above) .....			
2501. Prepaid expenses .....	434,487	319,065	(115,422)
2502. Leasehold Improvements .....	7,804	13,657	5,853
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	442,291	332,722	(109,569)



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 .....	27,286	29,219	29,098	29,168	29,213	350,259
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business .....						
7. Total .....	27,286	29,219	29,098	29,168	29,213	350,259
<b>DETAILS OF WRITE-INS</b>						
0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....						
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above) .....						

## NOTES TO FINANCIAL STATEMENTS

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### MOUNT CARMEL HEALTH PLAN, INC.

(A Wholly Owned Subsidiary of Mount Carmel Health System)

#### NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization and Business** — Mount Carmel Health Plan, Inc. (the “Plan”) was incorporated on August 7, 1996, as a subsidiary of Mount Carmel Health System (the “Corporation”). The Plan was organized as a for-profit network model health maintenance organization (HMO) to provide healthcare services to enrolled subscribers (“enrollees”) for a fixed premium. The product being offered is MediGold, which is a Medicare Advantage contract with the Centers for Medicare & Medicaid Services (CMS). Enrollment in the Plan began on April 1, 1997. As of December 31, 2011 and 2010, all enrollees to date have been participants in the MediGold program. The Plan has contracted with various health care providers, including hospitals, freestanding facilities, and physician practices owned and/or operated by the Corporation or its subsidiaries as well as independent physicians, hospitals, multi-specialty group practices, and ancillary providers. The Corporation owns and operates four acute care hospitals and a surgical hospital in Columbus, Ohio (Mount Carmel West, Mount Carmel East, St. Ann’s Hospital, and Mount Carmel New Albany Surgical Hospital). These Hospitals are major providers of service to subscribers of the Plan. On January 23, 2007, the Internal Revenue Service (IRS) granted the Plan exemption from income taxation under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(4) effective retroactively to April 1, 2004.

The accompanying statutory basis financial statements present the financial position, results of operations and changes in capital and surplus and cash flows for the Plan and are not necessarily indicative of what the financial position, results of operations and changes in capital and surplus and cash flows would have been if the Plan had been operated as an unaffiliated corporation during the periods presented.

**Basis of Presentation** — The accompanying statutory basis financial statements have been prepared in conformity with the National Association of Insurance Commissioners (NAIC) *Annual Statement Instructions and Accounting Practices and Procedures Manual* and the permitted practices of the Ohio Department of Insurance (ODI), which vary in some respects from accounting principles generally accepted in the United States of America (GAAP). The significant departures from GAAP include the following:

- a. Investments in bonds are reported at amortized cost or market value based on their National Association of Insurance Commissioners (NAIC) rating; for GAAP, such fixed maturity investments would be designated at purchase as held-to-maturity, trading, or available-for-sale. Held-to-maturity fixed investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of member’s equity for those designated as available-for-sale.

## NOTES TO FINANCIAL STATEMENTS

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- b. Certain assets designated as “nonadmitted,” are excluded from the accompanying Statement of Admitted Assets, Liabilities, Capital and Surplus and are charged directly to retained surplus. At December 31, 2011 and 2010, the Plan’s nonadmitted assets consisted of healthcare receivables aged in excess of 90 days, building improvements, nonoperating software, prepaid assets, and furniture and fixtures not used in the direct delivery of care. The Plan had nonadmitted assets of \$3,262,113 and \$2,747,780 as of December 31, 2011 and 2010, respectively.
- c. Outstanding checks in excess of cash balances are required to be presented as cash overdrafts in the statutory basis financial statements as opposed to being reflected as other liabilities under GAAP.
- d. The presentation in the statement of cash flows differs from GAAP.
- e. Under NAIC SAP, EDP equipment and operating systems are admitted but are limited to three percent of a company’s adjusted capital and surplus. Furniture and fixtures not used in the direct delivery of care are considered nonadmitted assets under NAIC SAP. The Plan’s capitalization policy has not changed from prior periods.

**Use of Estimates** — The preparation of financial statements in conformity with accounting practices prescribed or permitted by the ODI requires management to make estimates and assumptions that affect amounts reported in the financial statements — statutory basis and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein.

**Cash, Cash Equivalents, and Short Term Investments** — The Plan considers all highly liquid instruments with maturities of three months or less at date of purchase to be cash equivalents. Short-term investments are all investments with remaining maturities of one year or less at the time of acquisition.

**Bonds** — Investments are reported at cost adjusted for amortization of premiums or discounts. Amortization is calculated using the effective yield method. Realized gains and losses, determined on the specific identification basis, are included in investment income.

**Loan-backed Securities** — are reported at amortized cost. For loan-backed securities, if the Plan has the ability and intent to hold the security to maturity, but does not expect recovery of the carrying value, the credit portion of the decline is recognized as an impairment loss retrospectively. Interest related impairments are not recognized as an impairment loss.

**Common and Preferred Stocks** — Common Stock investments are reported at fair value. Fair values for publicly traded common stock are the values listed on New York stock Exchange, the American Stock Exchange, and NASDAQ of the National Market System. The Plan did not hold any Preferred Stock at December 31, 2011.

**Furniture and Equipment** — Furniture and equipment is depreciated on a straight-line basis over 3 to 5 years. Depreciation expense was \$17,348 and \$49,895 for 2011 and 2010, respectively.

**Mortgage and Mezzanine Real Estate Loans** — The Plan does not issue mortgage or mezzanine real estate loans.

**CMS Payable** — Beginning January 1, 2006, the Plan began serving as a plan sponsor offering Medicare Part D prescription drug insurance coverage under a contract with the Centers for Medicare &

## NOTES TO FINANCIAL STATEMENTS

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Medicaid Services (CMS). In general, pharmacy benefits under Part D plans may vary in terms of coverage levels and out-of-pocket costs for beneficiary premiums, deductibles and co-insurance. However, all Part D plans must offer either “standard coverage” or its actuarial equivalent (with out-of-pocket threshold and deductible amounts that do not exceed those of standard coverage). These “defined standard” benefits represent the minimum level of benefits required under law. In addition to defined standard plans, the Plan offers other prescription drug plans containing benefits in excess of the standard coverage limits, in many cases for an additional beneficiary premium.

Under the Medicare Part D program, there are six separate elements of payment received by the Plan during the plan year. These payment elements are as follows:

*CMS Premium* — CMS pays a fixed monthly premium per member to the Plan for the entire plan year.

*Member Premium* — Additionally, each member pays a fixed monthly premium to the Plan for the entire plan year.

*Low-Income Premium Subsidy* — For qualifying low-income members, CMS pays some portion or all of the member’s monthly premiums to the Plan on the member’s behalf.

*Catastrophic Reinsurance Subsidy* — CMS pays the Plan a cost reimbursement estimate monthly to fund the CMS obligation to pay approximately 80% of the costs incurred by individual members in excess of the individual annual out-of-pocket maximum of \$4,500. A settlement is made based on actual cost experience subsequent to the end of the plan year.

*Low-Income Member Cost Sharing Subsidy* — For qualifying low-income members, CMS pays on the member’s behalf, some portion or all of a member’s cost sharing amounts, such as deductibles and coinsurance. The cost sharing subsidy is funded by CMS through monthly payments to the Plan. The Plan administers and pays the subsidized portion of claims on behalf of CMS and a settlement payment is made between CMS and Plan based on actual claims subsequent to the end of the plan year.

*CMS Risk Share* — The Plan has settlements with CMS based on whether the ultimate per member per month benefit costs of any Medicare Part D regional plan varies more than 2.5 percentage points above or below the level estimated in the original bid submitted by the Plan and approved by CMS in 2011 and 2010. The estimated risk share adjustment of \$(2,500,000) and \$225,000 in 2011 and 2010, respectively, is recorded as a change in unearned premium in the statutory basis statements of operation and amounts held under uninsured health plans in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

The CMS Premium, the Member Premium, and the Low-Income Premium Subsidy represent payments for the Plan’s insurance risk coverage under the Medicare Part D program and therefore are recorded as net premium revenue in the Statement of Operations, Capital and Surplus. Net premium revenue is recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits. The Plan records premium payments received in advance of the applicable service period as unearned premium revenue.

The Catastrophic Reinsurance Subsidy and the Low-Income Member Cost Sharing Subsidies represent cost reimbursements under the Medicare Part D program. The Plan is fully reimbursed by CMS for costs incurred for these contract elements and, accordingly, there is no insurance risk to the Plan. Amounts received for these subsidies are considered liabilities until settlements are calculated, based on claim payments. At the time of settlement amounts are then recorded as net premium revenue and/or a

## NOTES TO FINANCIAL STATEMENTS

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portion may remain in liabilities when the claims incurred are less than expected. Payments received in advance are held as deposit liabilities recorded in liabilities for amounts held under uninsured accident and health plan in the Statement of Admitted Assets, Liabilities, Capital and Surplus.

Pharmacy benefit costs and administrative costs under the contract are expensed as incurred and are recognized in health care benefit expenses and operating expenses, respectively, in the Statement of Operations, Capital and Surplus. Pharmacy benefit costs are recognized net of rebates.

**Risk Adjustment Data Validation Audits (“RADV audits”)** — CMS adjusts capitation payments to Medicare Advantage and Medicare Part D plans according to the predicted health status of each beneficiary, as supported by data provided by health care providers. The Plan collects claim and encounter data from providers, who the Plan generally relies on to appropriately code their claim submissions and document their medical records. CMS then determines the risk score and payment amount for each enrolled member based on the health care data submitted by the Plan and member demographic information.

CMS performs RADV audits of selected Medicare Advantage health plans each year to validate the coding practices of and supporting documentation maintained by health care providers. These audits involve a review of medical records maintained by providers and may result in retrospective adjustments to payments made to health plans. To date, the Plan has not been selected for audit by CMS. Payment years open for audit include 2007 to 2011.

In December 2010, CMS published for public comment a new proposed RADV audit and payment adjustment methodology. The proposed methodology contains provisions allowing retroactive contract level payment adjustments for the year audited using an extrapolation of the “error rate” identified in audit samples. CMS also indicated that it anticipated the final methodology would be issued in the near future. Depending on the methodology utilized, potential payment adjustments could have a material adverse effect on the Plan’s results of operations, financial position and cash flows.

**Minimum Security Requirements** — Under the laws of the State of Ohio, the Plan is required to provide a minimum security deposit of \$400,000. As additional insolvency protection against uncovered balances, CMS’s Office of Managed Care has required that the Plan’s restricted reserves held in trust total \$1,460,000. CMS has allowed the deposit to be held by the state in a similar manner to the statutory security deposit required by the State of Ohio. The Plan has satisfied both requirements by depositing \$2,855,485 and \$2,761,492 in a trustee account in 2011 and 2010, respectively. These deposits are included in bonds in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

**Minimum Net Worth** — Under the laws of the State of Ohio, the Plan is required at all times to maintain total admitted assets equal to at least one hundred and ten percent of its liabilities. The required minimum net worth is \$1,200,000. The Plan has satisfied the minimum net worth requirements for 2011.

**Subscriber Premiums** — Subscriber premiums are included in income in the period earned. The unearned portion of premiums are recorded as unearned premiums and subsequently credited to income as earned during the coverage period.

**Member Premiums** — The Plan charges a monthly premium to the individual members enrolled under its Medicare Advantage contract. Member premiums are included in income in the period earned.

## NOTES TO FINANCIAL STATEMENTS

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**Claims** — Claims are charged to income based upon the date services are rendered and represent the estimated remaining ultimate net cost of unpaid claims, both reported and unreported, during the year. The Plan does not discount claim reserves. The reserves for unpaid claims are estimated using an actuarially determined cost model. Those estimates are subject to the effects of trends in claim severity and frequency. Although considerable variability is inherent in such estimates, management believes that the reserves for claims are adequate. The estimates are reviewed and adjusted, as necessary, as experience develops or new information becomes known; such adjustments are reflected in operating results in the period in which the change in estimate is identified.

**Risk Based Capital Requirements** — Health insurance companies are subject to certain Risk Based Capital (RBC) requirements as specified by the NAIC. Under these requirements, the amount of capital and surplus maintained by a health insurance company is to be determined based on the various risk factors. Beginning January 1, 2001, the Plan was required by the State of Ohio to comply with the RBC requirements and maintain at least two hundred percent of the authorized control level. At December 31, 2011 and 2010, the Plan was in compliance with the RBC requirements.

**New Accounting Standards** — In December 2010, the NAIC issued revisions to SSAP No. 100, *Fair Value Measurements* (SSAP No. 100). SSAP No. 100 established a framework for measuring fair value and establishes disclosure requirements about fair value. The original statement was early adopted for December 31, 2009, with interim and annual financial statement reporting thereafter. The 2011 revisions to SSAP No. 100 relate to the reporting and disclosure of investments measured and reported at fair value and are effective for December 31, 2011 annual financial statements. The Plan adopted the revisions to SSAP No. 100 as of December 31, 2010, and the related disclosure requirements are outlined in Note 5 — Cash Equivalents and Investments.

In October 2010, the NAIC issued SSAP No. 5R, *Liabilities, Contingencies and Impairments of Assets — Revised* (SSAP No. 5R), effective for all guarantees issued or outstanding as of December 31, 2011. The revised standard requires entities to recognize, at the inception of a guarantee, a liability for the obligations it has undertaken in issuing the guarantee, even if the likelihood of having to make payments under the guarantee is remote. The Plan has preliminarily assessed the impact of the pending adoption, the results of which are expected to be immaterial to the overall financial condition, results of operations and cash flows of the Plan.

In October 2010, the NAIC issued SSAP No. 35R, *Guaranty Fund and Other Assessments — Revised* (SSAP No. 35R) which contains substantive revisions to certain paragraphs of SSAP No. 35 and is initially effective for the reporting period beginning January 1, 2011. The result of applying this revised statement shall be considered a change in accounting principle in accordance with SSAP No. 3, *Accounting Changes and Corrections of Errors* (SSAP No. 3). The revised standard modifies the conditions required before recognizing liabilities for insurance-related assessments. Under SSAP No. 35R, the liability is not recognized until an assessment has been imposed or is probable and the event obligating an entity to pay an imposed or probable assessment has occurred and can be reasonably estimated. Additionally, under this revised standard an asset relating to future premium tax offsets or policy surcharges shall be recognized at the time the liability is recorded, considering expected future premiums on in-force policies for long-term contracts. The Plan has assessed the impact of the pending adoption and believes the related impact will be immaterial to the overall financial condition, results of operations and cash flows of the Plan.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , Inc

NOTES TO FINANCIAL STATEMENTS

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Plan had no accounting changes or corrections of errors during 2011 and 2010.

3. BUSINESS COMBINATIONS AND GOODWILL

The Plan was not party to a business combination during the years ended December 31, 2011 and 2010, and does not carry goodwill on its statutory basis statements of admitted assets, liabilities, and capital and surplus.

4. DISCONTINUED OPERATIONS

The Plan did not discontinue any operations during 2011 and 2010.

5. CASH EQUIVALENTS AND INVESTMENTS

As of December 31, 2011 and 2010, the amortized cost, fair value, and gross unrealized holding gains and losses of the Plan’s cash equivalents and investments, excluding (overdrafts) cash of approximately \$39,231 and \$(3,125,558), respectively, are as follows:

	Amortized	Gross	Gross	Fair	Statutory
	Cost	Unrealized	Unrealized	Value	Statement
2011		Gains	Losses		Value
U.S. Treasury and agency securities	\$ 79,836,242	\$ 3,005,184	\$ (560)	\$ 82,840,867	\$ 79,836,242
Mortgage-backed securities	19,668,464	1,357,654	(6,683)	21,019,435	19,668,464
Fixed income bonds	23,732,157	2,042,246	(481)	25,773,922	23,732,157
Common stock	41,109,070	9,639,056		50,748,126	50,748,126
Commercial paper, repurchase agreements and money market funds	80,746,081			80,746,081	80,746,081
Total marketable securities	\$ 245,092,014	\$ 16,044,140	\$ (7,724)	\$ 261,128,430	\$ 254,731,070
2010					
U.S. Treasury and agency securities	\$ 67,363,592	\$ 1,924,650	\$ (46,056)	\$ 69,242,186	\$ 67,363,592
Mortgage-backed securities	19,524,906	1,144,228		20,669,134	19,524,906
Fixed income bonds	19,072,419	1,345,683	(85,075)	20,333,027	19,072,419
Common stock	36,536,906	11,946,115		48,483,021	48,483,021
Commercial paper, repurchase agreements and money market funds	62,262,536			62,262,536	62,262,536
Total marketable securities	\$ 204,760,359	\$ 16,360,676	\$ (131,131)	\$ 220,989,904	\$ 216,706,474

Gross realized gains on sales of marketable securities were \$6,973,141 and \$6,070,138 in 2011 and 2010, respectively. Gross realized losses on sales of marketable securities were \$743,069 and \$610,466 in 2011 and 2010, respectively.

NOTES TO FINANCIAL STATEMENTS

A summary of the fair value and statutory statement value of the Plan’s investments in U.S. Treasury and agency, mortgage-backed securities, and fixed income bonds at December 31, 2011, by contractual maturity, is as follows:

	Fair	Statutory
	Value	Statement
	Value	Value
Due one year or less	\$ 55,340,983	\$ 55,098,580
Due after one year through five years	22,242,484	21,246,365
Due after five years through ten years	33,303,353	29,430,280
Due after ten years through twenty years	275,837	261,983
Due after twenty years	<u>18,471,566</u>	<u>17,199,656</u>
Total	<u>\$129,634,223</u>	<u>\$123,236,864</u>

The expected maturities in the foregoing table may differ from the contractual maturities because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties. For the years ended December 31, 2011 and 2010, all of the Plan’s investment income was comprised of interest and dividend income.

In accordance with the Plan’s impairment policy, securities that have a fair market value that is below amortized cost are considered impaired and are analyzed and reviewed by management to determine if the impairment is other-than-temporary (OTTI).

For debt securities, an OTTI exists when a credit loss is determined to exist for the underlying security or the Plan has the intent to sell the security before anticipated recovery. A credit loss for impairment purposes occurs when the Plan does not anticipate the full recovery of amortized cost. Specific criteria for evaluating debt securities for impairment include length of time and extent to which the fair market value was below carrying value, NAIC ratings, interest coverage ratios, and ratings outlook. The write-down to fair market value of debt securities resulted in \$0 in 2011 and 2010 of OTTI losses.

For equity securities, the Plan evaluates whether it has the intent and ability to hold the security for a sufficient period of time to allow for a full recovery in value. The OTTI write-downs to fair market value for equity securities resulted in \$5,375,549 and \$1,768,557 in 2011 and 2010, respectively, of losses.

For loan-backed securities, if the Plan has the ability and intent to hold the security to maturity, but does not expect recovery of the carrying value, the credit portion of the decline is recognized as an impairment loss. Interest related impairments are not recognized as an impairment loss.

For investments with market values below cost that were determined not to have OTTI, at December 31, 2011, the Plan regularly monitors the existing unrealized losses and evaluates potential impairments to determine if OTTI needs to be recorded. For interest related securities excluding loan-backed securities for which declines in market value related to general market movement in interest rates, securities are not considered impaired, unless the Plan has the positive intent to sell the security as of the reporting date.



NOTES TO FINANCIAL STATEMENTS

The following table illustrates the fair value and gross unrealized losses, aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position as of December 31, 2011 and 2010:

	< 1 year		> 1 year			
		Gross		Gross		
		Unrealized		Unrealized	Total	Unrealized
	Fair	Holding	Fair	Holding	Fair	Holding
	Value	Losses	Value	Losses	Value	Losses
2011						
U.S. Treasury and agency	\$ 3,047,197	\$ (560)		\$ (922)	\$ 3,047,197	\$ (1,482)
Mortgage-backed securities	933,193	(6,683)			933,193	(6,683)
Fixed income bonds	499,415			(481)	499,415	(481)
Common stocks						
Totals	\$ 4,479,805	\$ (7,243)	\$	\$ (1,403)	\$ 4,479,805	\$ (8,646)

	< 1 year		> 1 year			
		Gross		Gross		
		Unrealized		Unrealized	Total	Unrealized
	Fair	Holding	Fair	Holding	Fair	Holding
	Value	Losses	Value	Losses	Value	Losses
2010						
U.S. Treasury and agency	\$ 14,004,952	\$ (45,134)	\$ 3,499,078	\$ (922)	\$ 17,504,030	\$ (46,056)
Mortgage-backed securities						
Fixed income bonds	3,638,628	(56,056)	556,220	(29,019)	4,194,848	(85,075)
Common stocks						
Totals	\$ 17,643,580	\$ (101,190)	\$ 4,055,298	\$ (29,941)	\$ 21,698,878	\$ (131,131)

The unrealized losses on investments in U.S. Treasury and agency obligations at December 31, 2011 and 2010 were mainly caused by interest rate increases and not by unfavorable changes in the credit ratings associated with these securities. The contractual cash flows of the U.S. government and agency obligations are either guaranteed by the U.S. government or an agency of the U.S. government. It is expected that the securities would not be settled at a price less than the cost of the investment, and the Plan does not intend to sell the investment until the unrealized loss is fully recovered. Additionally, the Plan evaluated its intent and ability to retain mortgage-backed securities for a period of time sufficient to recover the amortized cost.

Loan-backed securities are stated at amortized cost. Premiums and discounts on loan-backed bonds and structured securities are amortized using the retrospective method based on anticipated prepayments at the date of purchase. Prepayment assumptions are obtained from broker dealer survey values or internal estimates. Changes in estimated cash flows from original purchase assumptions are accounted for using the prospective method.

The Plan recognized impairment of \$0 on securities within the scope of SSAP No. 43R, *Loan-Backed and Structured Securities*, for the years ended December 31, 2011 and 2010, respectively.

NOTES TO FINANCIAL STATEMENTS

The following table illustrates the fair value, gross unrealized losses, and length of time that mortgage-backed securities have been in a continuous unrealized loss position at December 31, 2011:

	< 1 year		> 1 year			
		Gross		Gross		
		Unrealized		Unrealized	Total	Unrealized
	Fair	Holding	Fair	Holding	Fair	Holding
	Value	Losses	Value	Losses	Value	Losses
Fixed income — mortgage	\$ 933,193	\$(6,683)	\$ -	\$ -	\$ 933,193	\$(6,683)

The Plan does not issue mortgages or reverse-mortgages. The plan does not invest in real estate, Low Income Housing Tax Credit Properties, or mezzanine real estate loans.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Plan has no investments in joint ventures, partnerships, or limited liability companies.

7. INVESTMENT INCOME

Investment income is recorded as it becomes due and payable. Realized gains and losses, determined on the specific identification basis, are included in investment income.

The components of net investment income earned at December 31, 2011 and 2010, are as follows:

	2011	2010
Interest	\$ 3,882,781	\$ 3,649,208
Dividends	807,768	642,126
Realized gains	6,230,073	5,459,672
Impairments	<u>(5,375,550)</u>	<u>(1,768,557)</u>
Total investment income	5,545,072	7,982,449
Investment management fees	<u>677,111</u>	<u>521,798</u>
Net investment income	<u>\$ 4,867,961</u>	<u>\$ 7,460,651</u>

8. DERIVATIVE INSTRUMENTS

The Plan has no derivative instruments.

9. INCOME TAXES

The Plan was incorporated on August 7, 1996, to hold a health insuring corporation (also referred to as an HMO) certificate of authority with the State of Ohio. On January 17, 2007, the Plan amended its articles of incorporation to be a non-profit corporation in Ohio under Ohio Revised Code Section 1751. On January 23, 2007, the IRS granted the Plan exemption from income taxation under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(4) effective retroactively to April 1, 2004.

**NOTES TO FINANCIAL STATEMENTS**

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**10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES**

The Plan leases the services of certain employees and its office space from the Corporation (Parent). Additionally, the Corporation also provides certain management, administrative, and marketing services to the Plan. Expenses related to services provided by the Corporation were \$6,960,053 and \$6,868,733 in 2011 and 2010, respectively. Medical expenses incurred by the Plan provided by the Corporation were \$84,639,058 and \$82,429,757 in 2011 and 2010, respectively. The Plan owed the Corporation \$1,502,075 and \$2,048,457 at December 31, 2011 and 2010, respectively.

The Plan also leases certain management, administrative and marketing services to an Affiliate Corporation, Mount Carmel Health Insurance Company. Revenues related to services provided by the Plan to the Affiliate were \$642,547 and \$700,312 in 2011 and 2010, respectively.

The Plan settles its obligations to the Corporation by bank transfer on a monthly basis.

The Plan does not guarantee any obligation of the Corporation, nor does it hold any investment in other subsidiaries, controlled and affiliated entities of the Corporation.

**11. DEBT**

The Plan had no outstanding debt with third parties during 2011 and 2010.

**12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POST RETIREMENT BENEFIT PLANS**

The Plan has no retirement plan, deferred compensation, or other benefit plans.

**13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS**

The Plan does not have any special surplus funds, shareholders' dividend restrictions, and quasi-reorganizations as of December 31, 2011 and 2010.

The Plan paid a dividend to the Corporations of \$5,900,000 in 2010, which was subject to the prior approval by the ODI and recorded as a reduction to capital and surplus in the accompanying statutory basis statements of admitted assets, liabilities, and capital and surplus.

**14. CONTINGENCIES**

The Plan has no contingencies as of December 31, 2011 and 2010.

**15. OPERATING LEASES**

The Plan is leasing Postage Mail Equipment that was placed in service during 2011. The full obligation of the Plan is \$42,822 and is payable in thirteen quarterly installments. The Plan paid 9,882 and \$0 for operating leases in 2011 and 2010. The balance of collective lease payments is \$32,940 and \$0 at December 31, 2011 and 2010.

**NOTES TO FINANCIAL STATEMENTS**

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**16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK**

The Plan does not hold any financial instruments with off-balance-sheet risk or concentrations of credit risk.

**17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES**

The Plan did not participate in any transfer of receivables, financial assets, or wash sales.

**18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS**

Medicare Part D is a partially insured plan. The Plan recorded a payable of \$2,500,000 at December 31, 2011 and a receivable of \$225,000 at December 31, 2010, for cost reimbursements under the Medicare Part D program for the catastrophic reinsurance and low-income member cost-sharing subsidies as described in Note 1, *CMS Payable*.

**19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS**

The Plan did not have any direct premiums written or produced by managing general agents or third-party administrators.

**20. FAIR VALUE MEASUREMENT**

The Plan adopted SSAP No. 100 as of December 31, 2010. SSAP No. 100 defines fair value for certain financial instruments and establishes a framework for measuring and reporting fair value according to hierarchy inputs assigned as Level 1, Level 2, and Level 3.

The Plan and its investment managers determine fair values by applying the following guidelines. If available, the Plan uses market prices in active markets for identical assets and classifies these assets as Level 1. When market prices for identical financial instruments in an active market are not available, the Plan estimates fair value based on quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets and/or inputs derived from observable market data and classifies these assets as Level 2. In situations where there is little or no market activity for the same or similar financial instruments, the Plan estimates fair value using its own assumptions about future cash flows and appropriate risk-adjusted discount rates and classifies these assets as Level 3. The Plan does not have any financial assets with a fair value hierarchy of Level 3.

The following table sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2011 and 2010:

NOTES TO FINANCIAL STATEMENTS

		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2011	Total			
Common stocks	\$ 50,748,126	\$ 50,748,126	\$ -	\$ -
Commercial paper, repurchase agreements and money market funds	80,746,081	80,746,081		
Totals	\$131,494,207	\$ 131,494,207	\$ -	\$ -
2010				
Common stocks	\$ 48,483,021	\$ 48,483,021	\$ -	\$ -
Commercial paper, repurchase agreements and money market funds	62,262,536	62,262,536		
Totals	\$110,745,557	\$ 110,745,557	\$ -	\$ -

The Plan had no investments measured at fair value on a nonrecurring basis at December 31, 2011 and 2010.

21. OTHER ITEMS

The Plan did not encounter any extraordinary items during 2011.

The Plan has no troubled debt restructuring.

The Plan did not have any assets pledged to others as collateral, or segregated funds held for others, or forward commitments.

The Plan routinely evaluates the collectability of all receivable amounts included within the statutory basis statements of admitted assets, liabilities, and capital and surplus. Reserves are established for those amounts where collectability is uncertain. Based on the Plan’s past experience, exposure related to uncollectible balances and the potential of loss for those balances not currently reserved for is not material to the Plan’s financial condition.

The Plan does not have any retrospectively rated contracts.

The Plan does not have any Transferable State Tax Credits.

The Plan does not have any direct investment in subprime mortgage loans, hedge funds, credit default swaps, or special investment vehicles.

22. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through the filing date of March 1, 2012 and did not have any have any subsequent events that impacted these statutory basis financial statements.

NOTES TO FINANCIAL STATEMENTS

23. REINSURANCE

The Plan does not have any reinsurance agreements in place as of December 31, 2011 or 2010.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

Estimated accrued retrospective premiums due to (from) the Plan are recorded in uncollected premiums and considerations or aggregate health policy reserves on the statutory basis statements of admitted assets, liabilities, and capital and surplus and as an adjustment to change in unearned premium reserves or net premium income on the statutory basis statements of operations.

The Plan does not have any other retrospectively rated contracts subject to redetermination as of December 31, 2011 or 2010.

25. CHANGE IN INCURRED LOSSES

The Plan provided for claims incurred but unreported and the cost of settling these claims based on the actuarially determined cost model. Estimates are adjusted as changes in these factors occur and such adjustments are reported in the period of determination. Activity in the estimated claim liability as of December 31, 2011 and 2010, is summarized as follows:

	2011	2010
Unpaid claims liabilities — beginning of a year	\$ 18,747,825	\$ 19,372,817
Claims incurred related to:		
Current year	267,554,307	243,872,394
Prior years	16,303,174	17,059,119
Total claims incurred during the current year	283,857,481	260,931,513
Paid claims related to:		
Current year	263,458,020	243,773,396
Prior years	17,950,128	17,783,109
Total claims paid during the current year	281,408,148	261,556,505
Unpaid claim liabilities — end of year	\$ 21,197,158	\$ 18,747,825

Claims incurred and claims paid include amounts incurred and amounts paid under the Plan’s Medicare Part D program described in Footnote 1 – Summary of Significant Accounting Policies. The Plan uses member months, hospitalization utilization, paid claims and completion factors based on historical payment patterns to estimate incurred claims. Changes in payment patterns and claims trends can result in changes to prior years’ claims estimates. Changes in estimates of unpaid claims reported as “incurred related to prior years” in the schedule above reflect revisions in estimates of medical cost trends and changes in claims processing patterns.

## NOTES TO FINANCIAL STATEMENTS

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### 26. INTERCOMPANY POOLING ARRANGEMENTS

The Plan did not have any intercompany pooling arrangements in 2011 or 2010.

### 27. STRUCTURED SETTLEMENTS

The Plan did not have structured settlements in 2011 or 2010.

### 28. HEALTH CARE RECEIVABLES

The Plan had admitted pharmacy rebate receivables of \$932,477 and \$870,204 as of December 31, 2011 and 2010 as confirmed in writing.

The Plan did not have any material risk sharing receivables as of December 31, 2011 or 2010.

### 29. PARTICIPATING POLICIES

The Plan did not have any participating contracts in 2011 or 2010.

### 30. PREMIUM DEFICIENCY RESERVES

The Plan did not have a liability for premium deficiency reserves, as of December 31, 2011 and 2010, respectively. Premium deficiency reserves are included in aggregate health policy reserves in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The Plan did consider anticipated investment income when calculating its premium deficiency reserves.

### 31. ANTICIPATED SALVAGE AND SUBROGATIONS

Due to the type of business being written, the Plan has no salvage. As of December 31, 2011 and 2010, the Plan had no specific accruals established for outstanding subrogation, as it is considered a component of the actuarial calculations used to develop the estimates of claims unpaid and aggregate health claim reserves.

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**SUPPLEMENTAL SCHEDULES**



NOTES TO FINANCIAL STATEMENTS

MOUNT CARMEL HEALTH PLAN, INC.  
(A Wholly Owned Subsidiary of Mount Carmel Health System)

STATUTORY BASIS SUPPLEMENTAL SCHEDULE OF INVESTMENT RISK INTERROGATORIES  
AS OF DECEMBER 31, 2011

The Plan’s total admitted assets were \$259,302,640 at December 31, 2011.

1. The 10 largest exposures to a single issuer/borrower/investment, by investment category, excluding (i) U.S. Government, U.S. Government agency securities and those U.S. Government money market funds listed in the Appendix to the SVO Purposes and Procedures Manual as exempt, at December 31, 2011, are as follows:

		Percentage of	
		Total Admitted	
Amount		Assets	
\$5,762,069	PNC Funds — International Equity Fund I	2.222 %	
2,497,821	Blackrock Liquidity	0.963	
1,849,945	Proctor & Gamble Company	0.713	
1,799,299	HSBC USA Inc.	0.694	
1,799,168	Barclays US Funding Corp.	0.694	
1,698,949	Bank of Nova Scotia	0.655	
1,599,076	MetLife Short Term Fund	0.617	
1,499,800	Johnson and Johnson	0.578	
1,399,286	Rabobank USA Financials	0.540	
1,308,408	Microsoft Corp.	0.504	

2. The amounts and percentages of the Plan’s total admitted assets held in bonds by NAIC rating are as follows:

	Gross	Percentage of	
	Investment	Total Admitted	
Investment Category	Holdings	Assets	
NAIC-1	\$ 69,442,088	26.78 %	
NAIC- IFE	25,732,794	9.92	

All other interrogatories in Appendix A-001 of the NAIC *Accounting Practices and Procedures Manual* are not included herein as they are not applicable.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan , Inc

NOTES TO FINANCIAL STATEMENTS

MOUNT CARMEL HEALTH PLAN, INC.				
(A Wholly Owned Subsidiary of Mount Carmel Health System)				
STATUTORY BASIS SUPPLEMENTAL SUMMARY OF INVESTMENTS SCHEDULE				
AS OF DECEMBER 31, 2011				
			Admitted Assets	
	Gross		as Reported in the	
	Investment Holdings*		Annual Statement	
Investment Categories	Amount	Percent	Amount	Percent
Bonds:				
U.S. treasury securities	\$ 32,198,033	12.64 %	\$ 32,198,033	12.64 %
U.S. Government agency and corporate obligations (excluding mortgage-backed securities) — issued by U.S. Government agencies	43,308,385	17.00	43,308,385	17.00
Mortgage-backed securities (includes residential and commercial MBS) — pass-through securities issued by FNMA and FHLMC	17,667,827	6.93	17,667,827	6.93
Mortgage-backed securities (includes residential and commercial MBS) — CMOs and REMICs issued by FHLMC	2,000,637	0.79	2,000,637	0.79
Other debt and other fixed income securities — unaffiliated domestic securities				
Equity interests:				
Publically traded equity securities (excluding preferred stocks)	50,748,126	19.92	50,748,126	19.92
Other Equity Securities				
Receivables for securities				
Cash, cash equivalents, and short-term investments	108,847,293	42.72	108,847,293	42.72
Total investments	\$254,770,301	100.00 %	\$254,770,301	100.00 %
* Gross Investment Holdings as valued in compliance with NAIC SAP.				

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 ( ) No (X)
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 ( ) No ( ) N/A (X)
1.3	State Regulating?	.....
2.1	Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?	Yes ( ) No (X)
2.2	If yes, date of change:	.....
3.1	State as of what date the latest financial examination of the reporting entity was made or is being made.	12/31/2008
3.2	State the as of date of the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.	12/31/2008
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).	06/12/2009
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 ( ) No ( ) N/A (X)
3.6	Have all of the recommendations within the latest financial examination report been complied with?	Yes (X) No ( ) N/A ( )
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 ( ) No (X)
	4.12 renewals?	Yes ( ) No (X)
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 ( ) No (X)
	4.22 renewals?	Yes ( ) No (X)

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ( ) No (X)

5.2 If yes, provide the name of entity, the NAIC company code, and state of domicile for any entity that has ceased to exist as a result of the merger or consolidation.

<sup>1</sup> Name of Entity	<sup>2</sup> NAIC Company Code	<sup>3</sup> 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 ( ) No ( )

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 ( ) No ( )

7.2 If yes, 7.21 State the percentage of foreign control; .....%

7.22 State the nationality(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, government, manager or attorney-in-fact).

<sup>1</sup> Nationality	<sup>2</sup> Type of Entity
-----------------------------	--------------------------------

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes ( ) No ( )

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 ( )

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any 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.

<sup>1</sup> Affiliate Name	<sup>2</sup> Location (City, State)	<sup>3</sup> FRB	<sup>4</sup> OCC	<sup>5</sup> OTS	<sup>6</sup> FDIC	<sup>7</sup> SEC
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GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES  
GENERAL

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Deloitte & Touche LLP, 600 Renaissance Center, Suite 900, Detroit, MI 48243

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 Model 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 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?

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 (X)

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?  
(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.

Yes (X) No ( )

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 ( ) No (X)

14.21

If the response to 14. 2 is Yes , provide information related to amendment(s) .

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) .

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON 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, indicated the American Bankers Association (ABA) Routing Number and the name of 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
--	--	--	-----------------

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES

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 or is likely to 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 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:

\$ ..... 48,327

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES

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 the 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 16 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 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 security 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)

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 (X)

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 securities restricted as to sale

\$ .....

25.28

On deposit with state or other regulatory body

\$ .....

25.29

Other

\$ .....



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

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 (X)

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes ( ) No ( ) N/A (X)

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 (X)

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

\$ .....

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES  
INVESTMENT

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 (X) No ( )

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

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
--	---

PNC Institutional Invesments ..... Cleveland, OH .....

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:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>3</div> <div>Complete Explanation(s)</div>
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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:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
---------------------------------------	---------------------------------------	--	--------------------------------

28.05 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>3</div> <div>Address</div>
---	------------------------------	---------------------------------

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

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:

<sup>1</sup> CUSIP Number	<sup>2</sup> Name of Mutual Fund	<sup>3</sup> Book/Adjusted Carrying Value
------------------------------	-------------------------------------	--

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

<sup>1</sup> Name of Mutual Fund (from question 29.2)	<sup>2</sup> Name of Significant Holding of the Mutual Fund	<sup>3</sup> Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	<sup>4</sup> Date of Valuation
---	---	--	-----------------------------------

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES  
INVESTMENT

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) , or Fair Value over Statement (+)
30.1 Bonds .....	\$ ..... 123,236,864	\$ ..... 129,634,223	\$ ..... 6,397,359
30.2 Preferred stocks .....	\$ .....	\$ .....	\$ .....
30.3 Totals .....	\$ ..... 123,236,864	\$ ..... 129,634,223	\$ ..... 6,397,359

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

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 ( ) No (X)

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 ( ) 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  
PART 1 - COMMON INTERROGATORIES  
OTHER

33.1 Amount of payments to Trade Associations , service organizations and statistical or Rating Bureaus , if any? \$ ..... 66,581

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
Health Plan Alliance .....	\$ ..... 28,288
Ohio Association of Health Plans .....	\$ ..... 25,000
America's Health Insurance Plans .....	\$ ..... 13,293
.....	\$ .....

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
.....	\$ .....
.....	\$ .....
.....	\$ .....
.....	\$ .....

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
.....	\$ .....
.....	\$ .....
.....	\$ .....
.....	\$ .....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes ( ) No (X)

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:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$ ..... 343,840,775

\$ ..... 309,514,518

2.2

Premium Denominator

\$ ..... 343,840,775

\$ ..... 309,514,518

2.3

Premium Ratio (2.1 / 2.2)

..... 1.000

..... 1.000

2.4

Reserve Numerator

\$ ..... 21,197,158

\$ ..... 18,747,825

2.5

Reserve Denominator

\$ ..... 21,197,158

\$ ..... 18,747,825

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 ( ) No (X)

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 (X) No ( )

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes (X) No ( )

5.1

Does the reporting entity have stop-loss reinsurance?

Yes ( ) No (X)

5.2

If no, explain:

.....

.....

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:

The Plan contains hold harmless provisions to protect members, as well as, agreements with providers to continue rendering service to members.

.....

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes (X) No ( )

7.2

If no, give details:

.....

.....

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

..... 3,967

8.2

Number of providers at end of reporting year

..... 4,096

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes ( ) No (X)

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

.....

9.22

Business with rate guarantees over 36 months

.....

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH 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

11.4

If yes, show the amount required.

\$ ..... 1,200,000

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

.....

.....

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

1
Name of Service Area
Central Ohio and surrounding counties
Greater Dayton, Ohio area
.....

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 the funds administered as of the reporting date.

\$ .....

GENERAL INTERROGATORIES - Line 12 (continued)

1
Name of Service Area

Name of Service Area  
Central Ohio and surrounding Counties .....  
Greater Dayton , Ohio area .....  
12 - Name of Service Area



FIVE - YEAR HISTORICAL DATA

	1	2	3	4	5
	2011	2010	2009	2008	2007
BALANCE SHEET (Page 2 and Page 3)					
1. Total admitted assets (Page 2, Line 28)	259,302,640	218,333,675	190,260,214	152,877,115	150,581,532
2. Total liabilities (Page 3, Line 24)	30,230,571	22,780,610	23,768,643	24,831,647	28,689,563
3. Statutory surplus	1,200,000	1,200,000			
4. Total capital and surplus (Page 3, Line 33)	229,072,069	195,553,065	166,491,571	128,045,468	121,891,968
INCOME STATEMENT (Page 4)					
5. Total revenues (Line 8)	340,863,947	310,249,235	312,634,972	270,518,443	237,186,982
6. Total medical and hospital expenses (Line 18)	283,857,481	260,931,513	262,528,478	233,011,333	184,561,965
7. Claims adjustment expenses (Line 20)	6,215,298	5,505,407	5,255,814	4,755,110	3,750,001
8. Total administrative expenses (Line 21)	19,621,718	17,671,639	18,602,366	18,690,135	14,578,714
9. Net underwriting gain (loss) (Line 24)	31,169,450	26,140,676	26,248,314	14,061,865	34,296,302
10. Net investment gain (loss) (Line 27)	4,867,962	7,460,650	4,017,719	(9,739,357)	4,445,203
11. Total other income (Line 28 plus Line 29)	642,830	1,048,731	351,587		(144,845)
12. Net income or (loss) (Line 32)	36,680,242	34,650,057	30,617,620	4,375,330	38,596,660
CASH FLOW (Page 6)					
13. Net cash from operations (Line 11)	46,894,865	(4,058,179)	29,382,214	(5,438,563)	42,738,495
RISK-BASED CAPITAL ANALYSIS					
14. Total adjusted capital	229,072,069	195,553,065	165,938,505	128,045,468	121,891,968
15. Authorized control level risk-based capital	13,863,906	14,244,374	12,146,612	10,864,108	10,858,471
ENROLLMENT (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	29,213	27,286	27,721	24,963	21,885
17. Total members months (Column 6, Line 7)	350,259	329,050	330,421	295,572	259,973
OPERATING PERCENTAGE (Page 4) (Item divided by Page 4, sum of Line 2, Line 3, and Line 5) X 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Line 3 plus Line 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	83.3	84.1	84.0	86.1	77.8
20. Cost containment expenses	0.6	0.6	0.6	0.5	
21. Other claims adjustment expenses	1.2	1.2	1.1	1.2	1.6
22. Total underwriting deductions (Line 23)	90.9	91.6	91.6	94.8	85.5
23. Total underwriting gain (loss) (Line 24)	9.1	8.4	8.4	5.2	14.5
UNPAID CLAIMS ANALYSIS (U and I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Column 5)	17,950,128	17,783,109	16,396,079	12,974,248	17,410,699
25. Estimated liability of unpaid claims of prior year (Line 13, Column 6)	18,747,825	19,372,817	19,724,302	17,107,668	19,940,910
INVESTMENTS IN PARENT, SUBSIDIARIES, AND AFFILIATES					
26. Affiliated bonds (Schedule D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Line 26 to Line 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		Direct Business Only Year to Date							
	Active Status		2	3	4	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Column 2 Through Column 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	N								
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		343,840,775					343,840,775	
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	X X X								
59. Subtotal .....		X X X		343,840,775					343,840,775	
60. Reporting entity contributions for Employee Benefit Plans .....		X X X								
61. Total (Direct Business) .....	(a)	..... 1		343,840,775					343,840,775	

DETAILS OF WRITE-INS

5801. ....										
5802. ....										
5803. ....										
5898. Summary of remaining write-ins for Line 58 from overflow page .....										
5899. Total (Line 5801 through Line 5803 plus Line 5898) (Line 58 above) .....										

(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 .

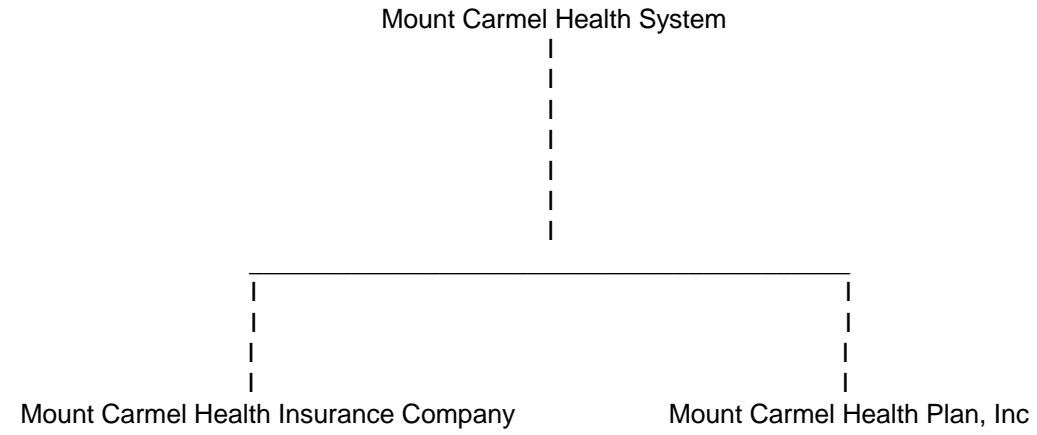
Explanation of basis of allocation by states, premiums by state, etc.

The company only has business in the State of Ohio.

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

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Mount Carmel Health Plan, Inc  
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

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Health

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