

Amended Explanation Page**Page
March**

- 3 Liabilities, Capital and Surplus
- 4 Statement of Revenue and Expenses
- 5 Statement of Revenue and Expenses (con't)
- 6 Cash Flow
- 7 Analysis of Operations
- 8 U&I Exh Pr 1-Premiums
- 12 U&I Exh Pt 2C Sn C
- 23 Exhibit 7 - Pt1-Summary Trans With Prov
- 25 Notes To Financial Statements 1, 9, 10, 22 electronic notes 1 & 9
- 27 General Interrogatory Part 2
- 28 Five Year Historical Data
- 29 State Page
- 35 Schedule S-Part 6
- 36 Schedule T -Premiums and Other Considerations
- 41 Supplemental Interrogatories

Adjustment

- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Reclass payments
- Tax provision and Ohio Health Alliance reserve adjustment
- Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Ohio Health Alliance reserve adjustment

April

- Supp9 A H Policy Experience Exhibit (Individual 9-18)
- Supp10 A H Policy Experience Exhibit (Group)
- Supp11 A H Policy Experience Exhibit Part 1 Summary
- Supp11 A H Policy Experience Exhibit Part 4 Summary

- Ohio Health Alliance reserve adjustment

RBC

- XR012 Underwriting Risk-Experience Fluctuation
- XR017 Underwriting Risk-Managed Care
- XR021 Business Risk
- XR022 Calculation of Total RBC After Covariance-A
- XR023 Calculation of Total RBC After Covariance-B
- XR024 Calculation of Total Adjusted Capital
- XR025 Comparison of Total Adjusted Capital to RBC
- XR025 Trend Test
- ScenAdj Scenario Adj. of XR022-23 Calc. of RBC After Cov
- ScenAdj Scenario Adj. of XR024 Calc. of Total Adj. Cap.

- Ohio Health Alliance reserve adjustment
- Reclass payments
- Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment
- Tax provision and Ohio Health Alliance reserve adjustment

Adjustment Tax provision adjustment

Ohio Health Alliance reserve adjustment



12353201120100105

2011

Document Code: 201

12335201120100105

ANNUAL STATEMENT

For the Year Ending December 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Paramount Advantage

NAIC Group Code	1212 (Current Period)	1212 (Prior Period)	NAIC Company Code	12353	Employer's ID Number	20-3376102
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		Ohio	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health <input type="checkbox"/>	Property/Casualty <input type="checkbox"/>	Hospital, Medical & Dental Service or Indemnity <input type="checkbox"/>			
	Dental Service Corporation <input type="checkbox"/>	Vision Service Corporation <input type="checkbox"/>	Health Maintenance Organization <input checked="" type="checkbox"/>			
	Other <input type="checkbox"/>	Is HMO Federally Qualified? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>				
Incorporated/Organized	08/10/2005		Commenced Business	12/01/2005		
Statutory Home Office	1901 Indian Wood Circle (Street and Number)		Maumee, OH 43537 (City or Town, State and Zip Code)			
Main Administrative Office	1901 Indian Wood Circle (Street and Number)		Maumee, OH 43537 (City or Town, State and Zip Code)			
Mail Address	P.O. Box 928 (Street and Number or P.O. Box)		(419)887-2500 (Area Code) (Telephone Number)			
Primary Location of Books and Records	1901 Indian Wood Circle (Street and Number)		Toledo, OH 43697-0928 (City or Town, State and Zip Code)			
	Maumee, OH 43537 (City or Town, State and Zip Code)		(419)887-2500 (Area Code) (Telephone Number)			
Internet Website Address	www.paramounthealthcare.com					
Statutory Statement Contact	Mary Kathereen Siefke, Mrs. (Name)		(419)887-2909 (Area Code)(Telephone Number)(Extension)			
	mary.siefke@promedica.org (E-Mail Address)		(419)887-2020 (Fax Number)			

OFFICERS

Name	Title
John Charles Randolph Mr.	President
Jeffrey Craig Kuhn Mr.	Secretary
Kathleen Sheline Hanley Mrs.	Treasurer
Harold Lee Dunn Mr.	Chairman

OTHERS

Jeffrey William Martin Mr.
Mark Henry Moser Mr. John David Meier M.D.

DIRECTORS OR TRUSTEES

Russel Leo Dempsey Mr.
John Charles Randolph Mr.
Steven R. Zirkel Mr.
Timothy Ingraham Martindale Mr.
Deborah Anne Dickenson Peters Ms.
James Frederick Weber Mr.
Richard Dean Heltzel Mr.
Harold Lee Dunn Mr.
Calvin Joseph Lawshe Mr.
Garry Walter Roberts Mr.

State of Ohio
County of Lucas ss

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

(Signature)
John Charles Randolph
(Printed Name)
1.
President
(Title)

(Signature)
Jeffrey Craig Kuhn

(Printed Name)
3.
Secretary

(Title)

Subscribed and sworn to before me this
____ day of _____, 2012

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

Yes [] No [X]
1

33

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

David Scott Hickman Mr. #
Timothy Bublick Mr. #
Thomas Phillip Cox M.D. #
Richard Lawrence Munk M.D. #

Dale Joseph Seymour Mr. #
Mark Leslie Ferris Mr. #
Cathy Lynn Cantor M.D. #

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups .....	.....	.....	.....	.....	.....	.....
2. Intermediaries .....	.....	.....	.....	.....	.....	.....
3. All other providers .....	.....	.....	.....	.....	.....	.....
4. TOTAL Capitation Payments .....	.....	.....	.....	.....	.....	.....
Other Payments:						
5. Fee-for-service	70,848,048	37.095	XXX	XXX	27,510,451	43,337,597
6. Contractual fee payments	120,140,502	62.905	XXX	XXX	54,365,890	65,774,612
7. Bonus/withhold arrangements - fee-for-service .....	.....	.....	XXX	XXX	.....	.....
8. Bonus/withhold arrangements - contractual fee payments .....	.....	.....	XXX	XXX	.....	.....
9. Non-contingent salaries .....	.....	.....	XXX	XXX	.....	.....
10. Aggregate cost arrangements .....	.....	.....	XXX	XXX	.....	.....
11. All other payments .....	.....	.....	XXX	XXX	.....	.....
12. TOTAL Other Payments	190,988,550	100.000	XXX	XXX	81,876,341	109,112,209
13. TOTAL (Line 4 plus Line 12)	190,988,550	100.000	XXX	XXX	81,876,341	109,112,209

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
		N O N E			
9999999 Totals			XXX	XXX	XXX



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION: 2. LOCATION:
BUSINESS IN THE STATE OF OHIO DURING THE YEAR

NAIC Group Code 1212

NAIC Company Code 12353

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
TOTAL Members at end of:										
1. Prior Year	90,799								90,799	
2. First Quarter	92,463								92,463	
3. Second Quarter	92,319								92,319	
4. Third Quarter	95,675								95,675	
5. Current Year	94,188								94,188	
6. Current Year Member Months	1,114,225								1,114,225	
TOTAL Member Ambulatory Encounters for Year:										
7. Physician	27,211								27,211	
8. Non-Physician	53,302								53,302	
9. TOTAL	80,513								80,513	
10. Hospital Patient Days Incurred	42,119								42,119	
11. Number of Inpatient Admissions	12,878								12,878	
12. Health Premiums Written (b)	242,285,974								242,285,974	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	242,285,974								242,285,974	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	190,988,550								190,988,550	
18. Amount Incurred for Provision of Health Care Services	196,106,933								196,106,933	

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION: 2. LOCATION:

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR

NAIC Group Code 1212

NAIC Company Code 12353

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group							
TOTAL Members at end of:										
1. Prior Year	90,799									90,799
2. First Quarter	92,463									92,463
3. Second Quarter	92,319									92,319
4. Third Quarter	95,675									95,675
5. Current Year	94,188									94,188
6. Current Year Member Months	1,114,225									1,114,225
TOTAL Member Ambulatory Encounters for Year:										
7. Physician	27,211									27,211
8. Non-Physician	53,302									53,302
9. TOTAL	80,513									80,513
10. Hospital Patient Days Incurred	42,119									42,119
11. Number of Inpatient Admissions	12,878									12,878
12. Health Premiums Written (b)	242,285,974									242,285,974
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	242,285,974									242,285,974
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	190,988,550									190,988,550
18. Amount Incurred for Provision of Health Care Services	196,106,933									196,106,933

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	72,561,663		72,561,663
2. Accident and health premiums due and unpaid (Line 15)	6,073,523		6,073,523
3. Amounts recoverable from reinsurers (Line 16.1)			
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (Balance)	5,472,804		5,472,804
6. TOTAL Assets (Line 28)	84,107,990		84,107,990
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	26,042,481		26,042,481
8. Accrued medical incentive pool and bonus payments (Line 2)			
9. Premiums received in advance (Line 8)			
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19)			
11. Reinsurance in unauthorized companies (Line 20)			
12. All other liabilities (Balance)	9,647,682		9,647,682
13. TOTAL Liabilities (Line 24)	35,690,163		35,690,163
14. TOTAL Capital and Surplus (Line 33)	48,417,827	X X X	48,417,827
15. TOTAL Liabilities, Capital and Surplus (Line 34)	84,107,990		84,107,990
NET CREDIT FOR CEDED REINSURANCE			
16. Claims unpaid			
17. Accrued medical incentive pool			
18. Premiums received in advance			
19. Reinsurance recoverable on paid losses			
20. Other ceded reinsurance recoverables			
21. TOTAL Ceded Reinsurance Recoverables			
22. Premiums receivable			
23. Funds held under reinsurance treaties with authorized and unauthorized reinsurers			
24. Unauthorized reinsurance			
25. Other ceded reinsurance payables/offsets			
26. TOTAL Ceded Reinsurance Payables/Offsets			
27. TOTAL Net Credit for Ceded Reinsurance			

SUPPLEMENTAL EXHIBITS AND SCHEDULES

INTERROGATORIES

Response

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	Yes
2. Will an actuarial opinion be filed by March 1?	Yes
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	Yes
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1?	Yes

APRIL FILING

5. Will Management's Discussion and Analysis be filed by April 1?	Yes
6. Will the Supplemental Investment Risks Interrogatories be filed by April 1?	Yes
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	Yes

JUNE FILING

8. Will an audited financial report be filed by June 1?	Yes
9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	Yes

AUGUST FILING

10. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	Waived
--	--------

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but it is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	No
12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	No
13. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	No
14. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	No
15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	No
16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	No
17. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	No
18. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	No
19. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	No
20. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	No

APRIL FILING

21. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	No
22. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	No
23. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	No
24. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	No
25. Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1?	No

AUGUST FILING

26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	No
--	----

Explanations:

Bar Codes:

Communication of Internal Control Related Matters Noted in an Audit



12353201122200005

2011

Document Code: 222

Medicare Supplement Insurance Experience Exhibit



12353201136000005

2011

Document Code: 360

Health Life Supplement

Health Property / Casualty Supplement



12353201120700005

2011

Document Code: 207

Schedule SIS

Actuarial Opinion on Participating and Non-Participating Policies



12353201137100005

2011

Document Code: 371

Statement of Non-Guaranteed Elements for Exhibit 5

Medicare Part D Coverage Supplement



12353201136500005

2011

Document Code: 365

Approval for Relief related to five-year rotation for lead Audit Partner

Approval for Relief related to one-year cooling off period for inde. CPA



12353201122400005

2011

Document Code: 225

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Approval for Relief related to Require. for Audit Committees



1235320112260005

2011

Document Code: 226

Health Life Supplement - LHA Guaranty Association Reconciliation



1235320112110005

2011

Document Code: 211

Supplemental Health Care Exhibit



1235320112160005

2011

Document Code: 216

Management's Report of Internal Control over Financial Reporting



1235320112230005

2011

Document Code: 223

LTC Supplemental Interrogatories



1235320113060005

2011

Document Code: 306

Health Property/Casualty Supplement - Insurance Expense Exhibit



1235320112130005

2011

Document Code: 213

Supplemental Health Care Exhibit's Expense Allocation Report



1235320112170005

2011

Document Code: 217