



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

WellCare of Ohio, Inc.

NAIC Group Code 01199, 01199 NAIC Company Code 12749 Employer's ID Number 20-3562146
Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio
Country of Domicile United States
Licensed as business type: Life, Accident & Health [], Property/Casualty [], Hospital, Medical & Dental Service or Indemnity []
Dental Service Corporation [], Vision Service Corporation [], Health Maintenance Organization [X]
Other [], Is HMO, Federally Qualified? Yes [] No [X]
Incorporated/Organized 09/27/2005 Commenced Business 01/01/2007
Statutory Home Office 6060 Rockside Woods Blvd #300, Independence, OH, 44131
Main Administrative Office Tampa, FL, 33634, 8735 Henderson Road, 813-290-6200
Mail Address P.O. Box 31391, Tampa, FL, 33631-3391
Primary Location of Books and Records Tampa, FL, 33634, 8735 Henderson Road, 813-290-6200
Internet Web Site Address www.wellcare.com
Statutory Statement Contact Trent Thornton, 813-206-3534, trent.thornton@wellcare.com, 813-675-2899

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Includes Daniel Roland Paquin #, Lisa Gonzalez Iglesias, Thomas Lacy Tran, David Thomas Reynolds #.

OTHER OFFICERS

Table with 2 columns: Name, Title. Includes Maurice Sebastian Hebert, Asst Treasurer and CAO.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Name, Name, Name. Includes Daniel Roland Paquin #, David Thomas Reynolds #, Maurice Sebastian Hebert, Lisa Gonzalez Iglesias, Thomas Lacy Tran.

State of Florida ss
County of Hillsborough

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

Daniel Roland Paquin President, Nat'l Health Plans
Thomas Lacy Tran CFO and Treasurer
Maurice Sebastian Hebert Asst Treasurer and CAO

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	0		0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$47,170,012 , Schedule E-Part 1), cash equivalents (\$5,000,000 , Schedule E-Part 2) and short-term investments (\$25,623,223 , Schedule DA).....	77,793,235		77,793,235	89,226,891
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	77,793,235	0	77,793,235	89,226,891
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	18,439		18,439	22,104
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,968,846		8,968,846	12,024,038
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	4,203,334		4,203,334	501,950
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	287,693		287,693	151,338
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....	3,476,749		3,476,749	1,769,966
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	8,259,059	8,259,059	0	0
24. Health care (\$1,277,693) and other amounts receivable.....	1,368,985	91,292	1,277,693	482,539
25. Aggregate write-ins for other than invested assets	0	0	0	217,617
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	104,376,340	8,350,351	96,025,989	104,396,443
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	104,376,340	8,350,351	96,025,989	104,396,443
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. State and Other Tax Recoverable.....			0	217,617
2502.			0	0
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	217,617

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 8,765,249 reinsurance ceded)	21,174,643		21,174,643	25,832,688
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	429,421		429,421	666,433
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	165,834		165,834	406,966
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	6,563,654		6,563,654	5,802,534
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	4,575,023		4,575,023	435,273
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated	132,476		132,476	91,333
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	7,695		7,695	19,676
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 8,765,249 unauthorized reinsurers and (\$ 0 certified reinsurers)	8,765,249		8,765,249	10,235,493
20. Reinsurance in unauthorized and certified (\$ companies)			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	41,813,995	0	41,813,995	43,490,396
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1,500	1,500
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	57,198,500	57,198,500
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(2,988,006)	3,706,047
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	54,211,994	60,906,047
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	96,025,989	104,396,443
DETAILS OF WRITE-INS				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	1,273,269	1,255,841
2. Net premium income (including \$0 non-health premium income).....	XXX	313,925,301	260,036,893
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	313,925,301	260,036,893
Hospital and Medical:			
9. Hospital/medical benefits		206,853,707	169,660,964
10. Other professional services		17,617,920	17,735,389
11. Outside referrals			0
12. Emergency room and out-of-area		19,910,738	19,093,454
13. Prescription drugs		37,384,068	11,873,533
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15)	0	281,766,433	218,363,340
Less:			
17. Net reinsurance recoveries		35,868,509	23,155,358
18. Total hospital and medical (Lines 16 minus 17)	0	245,897,924	195,207,982
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$3,688,469 cost containment expenses.....		8,369,416	7,719,681
21. General administrative expenses.....		49,623,982	44,994,839
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	303,891,322	247,922,502
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	10,033,979	12,114,391
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		243,818	350,375
26. Net realized capital gains (losses) less capital gains tax of \$			0
27. Net investment gains (losses) (Lines 25 plus 26)	0	243,818	350,375
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	10,277,797	12,464,766
31. Federal and foreign income taxes incurred	XXX	3,485,759	4,463,863
32. Net income (loss) (Lines 30 minus 31)	XXX	6,792,038	8,000,903
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	60,906,047	53,494,264
34. Net income or (loss) from Line 32	6,792,038	8,000,903
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	1,706,112	669,339
39. Change in nonadmitted assets	(5,192,203)	(1,573,072)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders	(10,000,000)	0
47. Aggregate write-ins for gains or (losses) in surplus	0	314,613
48. Net change in capital and surplus (Lines 34 to 47)	(6,694,053)	7,411,783
49. Capital and surplus end of reporting year (Line 33 plus 48)	54,211,994	60,906,047
DETAILS OF WRITE-INS		
4701. Prior period adjustment.....		314,613
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	314,613

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	316,739,361	243,920,283
2. Net investment income	247,483	565,066
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	316,986,844	244,485,349
5. Benefit and loss related payments	255,052,507	195,883,254
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	57,388,027	52,373,685
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	1,052,792	319,358
10. Total (Lines 5 through 9)	313,493,326	248,576,297
11. Net cash from operations (Line 4 minus Line 10)	3,493,518	(4,090,948)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	0
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	0	0
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	10,000,000	0
16.6 Other cash provided (applied)	(4,927,174)	3,093,411
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(4,927,174)	3,093,411
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(11,433,656)	(997,537)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	89,226,891	90,224,428
19.2 End of year (Line 18 plus Line 19.1)	77,793,235	89,226,891

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & 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	313,925,301	0	0	0	0	0	48,032,561	265,892,740	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	313,925,301	0	0	0	0	0	48,032,561	265,892,740	0	0
8. Hospital/medical benefits	206,853,707						41,532,524	165,321,183		XXX
9. Other professional services	17,617,920						1,270,080	16,347,840		XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	19,910,738						1,857,830	18,052,908		XXX
12. Prescription drugs	37,384,068						4,460,056	32,924,012		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	281,766,433	0	0	0	0	0	49,120,490	232,645,943	0	XXX
16. Net reinsurance recoveries	35,868,509						7,382,063	28,486,446		XXX
17. Total hospital and medical (Lines 15 minus 16)	245,897,924	0	0	0	0	0	41,738,427	204,159,497	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 3,688,469 cost containment expenses	8,369,416						1,346,343	7,023,073		
20. General administrative expenses	49,623,982						8,637,538	40,986,444		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	303,891,322	0	0	0	0	0	51,722,308	252,169,014	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	10,033,979	0	0	0	0	0	(3,689,747)	13,723,726	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....				.0
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare	52,576,232		4,543,671	48,032,561
7. Title XIX - Medicaid.....	288,709,369		22,816,629	265,892,740
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	341,285,601	.0	27,360,300	313,925,301
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	341,285,601	0	27,360,300	313,925,301

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & 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	287,088,686						45,603,382	241,485,304		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	32,036,179						3,996,028	28,040,151		
1.4 Net	255,052,507	0	0	0	0	0	41,607,354	213,445,153	0	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	29,939,892	0	0	0	0	0	7,465,808	22,474,084	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	8,765,249	0	0	0	0	0	1,897,366	6,867,883	0	0
3.4 Net	21,174,643	0	0	0	0	0	5,568,442	15,606,201	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
6. Net healthcare receivables (a).....	795,154						305,131	490,023		
7. Amounts recoverable from reinsurers December 31, current year	4,203,334						2,292,989	1,910,345		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	34,466,991	0	0	0	0	0	3,643,569	30,823,422	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	8,634,303	0	0	0	0	0	804,320	7,829,983	0	0
8.4 Net	25,832,688	0	0	0	0	0	2,839,249	22,993,439	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0									
11. Amounts recoverable from reinsurers December 31, prior year	501,950	0	0	0	0	0	0	501,950	0	0
12. Incurred benefits:										
12.1 Direct	281,766,433	0	0	0	0	0	49,120,490	232,645,943	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	35,868,509	0	0	0	0	0	7,382,063	28,486,446	0	0
12.4 Net	245,897,924	0	0	0	0	0	41,738,427	204,159,497	0	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

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	5,368,536						1,002,411	4,366,125		
1.2. Reinsurance assumed .....	.0									
1.3. Reinsurance ceded .....	.0									
1.4. Net	5,368,536	.0	.0	.0	.0	.0	1,002,411	4,366,125	.0	.0
2. Incurred but Unreported:										
2.1. Direct	24,571,356						6,463,397	18,107,959		
2.2. Reinsurance assumed .....	.0									
2.3. Reinsurance ceded .....	.0									
2.4. Net	24,571,356	.0	.0	.0	.0	.0	6,463,397	18,107,959	.0	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct .....	.0									
3.2. Reinsurance assumed .....	.0									
3.3. Reinsurance ceded	8,765,249						1,897,366	6,867,883		
3.4. Net	(8,765,249)	.0	.0	.0	.0	.0	(1,897,366)	(6,867,883)	.0	.0
4. TOTALS:										
4.1. Direct	29,939,892	.0	.0	.0	.0	.0	7,465,808	22,474,084	.0	.0
4.2. Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3. Reinsurance ceded	8,765,249	.0	.0	.0	.0	.0	1,897,366	6,867,883	.0	.0
4.4. Net	21,174,643	0	0	0	0	0	5,568,442	15,606,201	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					.0	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare	3,248,989	35,760,245	9,084	5,559,357	3,258,073	2,839,248
7. Title XIX - Medicaid.....	22,514,005	189,032,730	(944,774)	16,550,976	21,569,231	22,993,440
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	25,762,994	224,792,975	(935,690)	22,110,333	24,827,304	25,832,688
10. Healthcare receivables (a).....					.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts .....					.0	.0
13. Totals (Lines 9-10+11+12)	25,762,994	224,792,975	(935,690)	22,110,333	24,827,304	25,832,688

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

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

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior .....	.0	.0	.0	.0	.0
2. 2008	6,389	8,488	8,488	8,488	8,488
3. 2009	XXX	16,944	19,743	19,743	19,743
4. 2010	XXX	XXX	18,486	21,086	21,086
5. 2011	XXX	XXX	XXX	19,352	22,601
6. 2012	XXX	XXX	XXX	XXX	35,760

Section B - Incurred Health Claims - 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 2008	2 2009	3 2010	4 2011	5 2012
1. Prior .....	.0	.0	.0	.0	.0
2. 2008	6,389	8,488	8,488	8,488	8,488
3. 2009	XXX	16,944	20,211	20,211	20,211
4. 2010	XXX	XXX	22,829	21,117	21,117
5. 2011	XXX	XXX	XXX	22,160	22,610
6. 2012	XXX	XXX	XXX	XXX	41,319

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008.....	12,229	8,488		0.0	8,488	69.4			8,488	69.4
2. 2009.....	25,010	19,743		0.0	19,743	78.9			19,743	78.9
3. 2010.....	28,524	21,086		0.0	21,086	73.9			21,086	73.9
4. 2011.....	27,960	22,601		0.0	22,601	80.8	9		22,610	80.9
5. 2012.....	48,033	35,760	1,461	4.1	37,221	77.5	5,559	107	42,887	89.3

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

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 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	137,991	137,991	137,991	137,991	137,991
2. 2008	206,940	226,577	226,577	226,577	226,577
3. 2009	XXX	167,129	176,367	176,367	176,367
4. 2010	XXX	XXX	156,845	169,595	169,595
5. 2011	XXX	XXX	XXX	161,007	183,521
6. 2012	XXX	XXX	XXX	XXX	189,033

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 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	145,162	137,991	137,991	137,991	137,991
2. 2008	235,462	228,470	228,470	228,470	228,470
3. 2009	XXX	179,935	176,569	176,569	176,569
4. 2010	XXX	XXX	178,167	168,730	168,730
5. 2011	XXX	XXX	XXX	184,865	182,576
6. 2012	XXX	XXX	XXX	XXX	205,584

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 Claim Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008.....	273,812	226,577		0.0	226,577	82.7			226,577	82.7
2. 2009.....	227,865	176,367		0.0	176,367	77.4			176,367	77.4
3. 2010.....	210,183	169,595		0.0	169,595	80.7			169,595	80.7
4. 2011.....	232,077	183,521		0.0	183,521	79.1	(945)		182,576	78.7
5. 2012.....	265,893	189,033	7,146	3.8	196,179	73.8	16,551	322	213,052	80.1

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	137,991	137,991	137,991	137,991	137,991
2. 2008	213,329	235,065	235,065	235,065	235,065
3. 2009	XXX	184,073	196,110	196,110	196,110
4. 2010	XXX	XXX	175,331	190,681	190,681
5. 2011	XXX	XXX	XXX	180,359	206,122
6. 2012	XXX	XXX	XXX	XXX	224,793

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 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	145,162	137,991	137,991	137,991	137,991
2. 2008	241,851	236,958	236,958	236,958	236,958
3. 2009	XXX	196,879	196,780	196,780	196,780
4. 2010	XXX	XXX	200,996	189,847	189,847
5. 2011	XXX	XXX	XXX	207,025	205,186
6. 2012	XXX	XXX	XXX	XXX	246,903

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 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	286,041	235,065	0	0.0	235,065	82.2	0	0	235,065	82.2
2. 2009	252,875	196,110	0	0.0	196,110	77.6	0	0	196,110	77.6
3. 2010	238,707	190,681	0	0.0	190,681	79.9	0	0	190,681	79.9
4. 2011	260,037	206,122	0	0.0	206,122	79.3	(936)	0	205,186	78.9
5. 2012	313,926	224,793	8,607	3.8	233,400	74.3	22,110	429	255,939	81.5

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	.0								
2. Additional policy reserves (a).....	.0								
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	165,834						165,834		
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	165,834	.0	.0	.0	.0	.0	165,834	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	165,834	0	0	0	0	0	165,834	0	0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....	51,749	65,673	588,577		705,999
2. Salaries, wages and other benefits.....	1,586,516	2,013,409	9,740,993		13,340,918
3. Commissions (less \$ceded plus \$assumed).....	140	177	1,030,498		1,030,815
4. Legal fees and expenses.....	333,993	423,863	1,761,766		2,519,622
5. Certifications and accreditation fees.....	0	0	0		0
6. Auditing, actuarial and other consulting services.....	19,959	25,330	160,106		205,395
7. Traveling expenses.....	34,623	43,940	287,640		366,203
8. Marketing and advertising.....	6,432	8,163	524,576		539,171
9. Postage, express and telephone.....	176,721	224,272	1,107,621		1,508,614
10. Printing and office supplies.....	150,244	190,672	1,123,977		1,464,893
11. Occupancy, depreciation and amortization.....	183,045	232,298	916,760		1,332,103
12. Equipment.....	146,458	185,867	721,247		1,053,572
13. Cost or depreciation of EDP equipment and software.....	0	0	0		0
14. Outsourced services including EDP, claims, and other services.....	817,363	1,037,296	6,128,445		7,983,104
15. Boards, bureaus and association fees.....	16,453	20,880	751,664		788,997
16. Insurance, except on real estate.....	32,393	41,110	218,535		292,038
17. Collection and bank service charges.....	2,231	2,831	111,119		116,181
18. Group service and administration fees.....	0	0	0		0
19. Reimbursements by uninsured plans.....	0	0	0		0
20. Reimbursements from fiscal intermediaries.....	0	0	0		0
21. Real estate expenses.....	0	0	0		0
22. Real estate taxes.....	0	0	0		0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....	21,326	27,064	394,124		442,514
23.2 State premium taxes.....	0	0	23,297,240		23,297,240
23.3 Regulatory authority licenses and fees.....	0	0	0		0
23.4 Payroll taxes.....	108,056	137,130	754,839		1,000,025
23.5 Other (excluding federal income and real estate taxes).....	767	972	4,255		5,994
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	3,688,469	4,680,947	49,623,982	0 (a)	57,993,398
27. Less expenses unpaid December 31, current year.....		429,421	6,563,655		6,993,076
28. Add expenses unpaid December 31, prior year.....	0	666,433	5,802,534	0	6,468,967
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	3,688,469	4,917,959	48,862,861	0	57,469,289
DETAILS OF WRITE-INS					
2501.					0
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598) (Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$26,693,116 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 247,484	243,818
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	247,484	243,818
11. Investment expenses		(g)
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		0
16. Total deductions (Lines 11 through 15)		0
17. Net investment income (Line 10 minus Line 16)		243,818
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

- (a) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ 1,742 amortization of premium and less \$ 44 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds			0		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)			0		
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments			0	0	0
7. Derivative instruments			0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	0	0	0	0	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0	0	0	0

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).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	672	672
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	8,259,059	2,729,711	(5,529,348)
24. Health care and other amounts receivable.....	91,292	1,368	(89,924)
25. Aggregate write-ins for other than invested assets	0	426,397	426,397
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	8,350,351	3,158,148	(5,192,203)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	8,350,351	3,158,148	(5,192,203)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Other Non-Admitted Assets (Prepays).....		426,397	426,397
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	426,397	426,397

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE WellCare of Ohio, Inc.

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	105,590	104,678	106,815	111,185	102,150	1,273,269
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	105,590	104,678	106,815	111,185	102,150	1,273,269
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of WellCare of Ohio, Inc. (the “Company”), domiciled in the state of Ohio, are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under Ohio insurance law. The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. These modifications had no effect on statutory surplus.

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

	For the year ended December 31,	
	<u>2012</u>	<u>2011</u>
Net Income (loss) - Ohio Basis	\$ 6,792,038	\$ 8,000,903
State Prescribed Practices - None	-	-
State Permitted Practices - None	-	-
Net Income (loss) - NAIC SAP	\$ 6,792,038	\$ 8,000,903
	Balance at December 31,	
	<u>2012</u>	<u>2011</u>
Statutory Capital and Surplus - Ohio Basis	\$ 54,211,994	\$ 60,906,047
State Prescribed Practices - None	-	-
State Permitted Practices - None	-	-
Statutory Capital and Surplus - NAIC SAP	\$ 54,211,994	\$ 60,906,047

B. Uses of Estimates in the Preparation of the Financial Statements.

The preparation of financial statements in accordance with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The primary use of estimates are related to the Company’s reserve for claims unpaid. Actual results could differ significantly from those estimates.

C. Accounting Policy

Premiums from subscribers are recognized in the month that the members are entitled to health care services. Premiums paid by subscribers in advance are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Expenses incurred in connection with acquiring new insurance business are charged to operations as incurred. All other costs are charged to operations as incurred.

1. *Short Term Investments* - are stated at amortized cost.
2. *Bonds* - Bonds not backed by other loans are stated at amortized cost using a straight line method of amortization (accretion) of discounts or premiums.
3. *Common Stocks* – None.
4. *Preferred Stocks* – None.
5. *Mortgage Loans* – None.
6. *Loan Backed Securities* – None.
7. *Investments in Subsidiaries, Controlled and Affiliated Companies* – None.
8. *Investments in Joint Ventures, Partnerships and Limited Liability Companies* – None.
9. *Derivatives* – None.

NOTES TO FINANCIAL STATEMENTS

10. *Premium Deficiency* - It is the Company's policy to evaluate all contracts and recognize losses on contracts when estimated future healthcare costs and maintenance costs under a group of existing contracts will exceed anticipated future premiums, investment income and stop-loss insurance recoveries. Such liabilities are based upon assumptions and estimates, and these methods for establishing a liability, if any, are continually reviewed by management. Adjustments are recorded in the period such liabilities are determined to exist. The Company recorded no premium deficiency reserves in 2012.

11. *Unpaid Losses and Loss Adjustment Expenses* – We recognize the cost of medical benefits in the period in which services are provided, including an estimate of the cost of hospital and medical benefits incurred but not reported ("IBNR"). Unpaid losses and loss adjustment expenses include direct medical expenses and certain medically-related administrative costs. Hospital and medical expenses include amounts paid or payable to hospitals, physicians and providers of ancillary services, such as laboratories and pharmacies. The Company contracts with these providers on a fee-for-service or capitated basis. Capitation costs represent contractual monthly fees paid to participating providers on a per-member-per-month basis, regardless of the medical services provided to members. We also record direct medical expenses for estimated referral claims related to health care providers under contract with us who are financially troubled or insolvent and who may not be able to honor their obligations for the costs of medical services provided by others. In these instances, we may be required to honor these obligations for legal or business reasons. Based on our current assessment of providers under contract with us, such losses have not been and are not expected to be significant. We record direct medical expense for our estimates of provider settlements due to clarification of contract terms, out-of-network reimbursement, claims payment differences and amounts due to contracted providers under risk-sharing arrangements as a reduction of direct medical expenses.

Unpaid losses include amounts for claims fully adjudicated but not yet paid and estimates for IBNR. Our estimate of IBNR is the most significant estimate included in our financial statements. We determine our best estimate of the base liability for IBNR utilizing consistent standard actuarial methodologies based upon key assumptions which vary by product. Our assumptions include current payment experience, trend factors, and completion factors. Trend factors used in our standard actuarial methodologies include contractual requirements, historic utilization trends, the interval between the date services are rendered and the date claims are paid, denied claims activity, disputed claims activity, benefits changes, expected health care cost inflation, seasonality patterns, maturity of lines of business, changes in membership and other factors.

After determining an estimate of the base liability for IBNR, we make an additional estimate, also using standard actuarial techniques, to account for adverse conditions that may cause actual claims to be higher than the estimated base reserve. We refer to this additional liability as the provision for moderately adverse conditions. Our estimate of the provision for moderately adverse conditions captures the potential adverse development from factors such as:

- our entry into new geographical markets;
- our provision of services to new populations such as the aged, blind and disabled;
- variations in utilization of benefits and increasing medical costs;
- changes in provider reimbursement arrangements;
- variations in claims processing speed and patterns, claims payment and the severity of claims; and
- health epidemics or outbreaks of disease such as the flu.

We consider the base actuarial model liability and the provision for moderately adverse conditions as part of our overall assessment of our IBNR estimate to properly reflect the complexity of our business and the need to account for different health care benefit packages among those states. We evaluate our estimates of unpaid losses and loss adjustment expenses as we obtain more complete claims information and medical expense trend data over time. Volatility in members' needs for medical services, provider claims submissions and our payment processes result in identifiable patterns emerging several months after the causes of deviations from our assumed trends occur. Changes in our estimates of unpaid losses and loss adjustment expenses cannot typically be explained by any single factor, but are the result of a number of interrelated variables, all of which influence the resulting medical cost trend. We record differences between actual experience and estimates used to establish the liability, which we refer to as favorable and unfavorable prior period developments, as increases or decreases to unpaid losses and loss adjustment expense in the period we identify the differences.

12. *Capitalization Policy* – N/A

NOTES TO FINANCIAL STATEMENTS

13. *Pharmacy Rebates* - Pharmacy rebates are recorded on an accrual basis and are estimated based on invoices that have been prepared using actual prescriptions filled, historical utilization and contract terms and records such amounts as a reduction of total hospital and medical cost.

2. Accounting Changes and Correction of Errors

None.

3. Business Combinations and Goodwill

None.

4. Discontinued Operations

The Company's Medicaid contract expired on June 30, 2012. The Company was not awarded a Medicaid contract in Ohio for the 2013 fiscal year; however, the state extended the Company's current contract to allow the Company to provide services to existing members through the transition period. The Company currently estimates that the transfer of our Medicaid members to other plans should be substantially complete in the first quarter of 2013, but it may extend through June 30, 2013.

The amounts related to discontinued operations and the effect on specific Ohio Medicaid balances is as follows:

Balance Sheet December 31, 2012

Assets

a. Line 5	Cash	\$	-
b. Line 28	Totals		9,563,756

Liabilities, Surplus and Other Funds

c. Line 24	Total Liabilities		28,368,067
d. Line 33	Total Capital and Surplus		-
e. Line 34	Total	\$	28,368,067

Statement of Revenue and Expenses December 31, 2012

f. Line 2	Premium	\$	265,892,740
g. Line 22	Increase in aggregate reserves for accident & health (current year less prior year)		-
h. Line 31	Federa and foreign income taxes incurred		4,724,499
i. Line 26	Net realized capital gains (losses)		-
j. Line 32	Net income	\$	9,205,740

5. Investments

As of December 31, 2012 the Company does not possess or reflect any mortgage loans, debt restructuring, reverse mortgages or loan-backed securities.

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due is considered non-admitted.

B. At December 31, 2012 and 2011 there was no non-admitted accrued interest income

8. Derivative Instruments

None.

9. Income Taxes

A. Deferred Tax Assets

NOTES TO FINANCIAL STATEMENTS

The components of the net deferred tax asset at December 31 are as follows:

(1)	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ 3,484,807	\$ -	\$3,484,807	\$1,770,638	\$ -	\$1,770,638
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets	3,484,807	-	3,484,807	1,770,638	-	1,770,638
(d) Deferred Tax Assets Nonadmitted	-	-	-	672	-	672
(e) Subtotal Net Admitted Deferred Tax Asset	3,484,807	-	3,484,807	1,769,966	-	1,769,966
(f) Deferred Tax Liabilities	8,058	-	8,058	-	-	-
(g) Net Admitted Deferred Tax Asset/Liability	\$ 3,476,749	\$ -	\$3,476,749	\$1,769,966	\$ -	\$1,769,966
(2)						
Admission Calculation Components						
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ 3,484,807	\$ -	\$3,484,807	\$1,769,966	\$ -	\$1,769,966
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized After Application of the Threshold Limitation	-	-	-	-	-	-
1. Adjusted Gross Deferred Tax Asset Expected to be Realized Following the Balance Sheet Date	-	-	-	-	-	-
2. Adjusted Gross Deferred Tax Asset Allowed per Limitation Threshold	-	-	7,655,853	-	-	6,081,358
(c) Adjusted Gross Deferred Tax Assets Offset by Gross Deferred Tax Liabilities	-	-	-	-	-	-
(d) Deferred Tax Assets Admitted as the result of application of SSAP No 101	\$ 3,484,807	\$ -	\$3,484,807	\$1,769,966	\$ -	\$1,769,966

(1)	Change		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ 1,714,169	\$ -	\$1,714,169
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets	1,714,169	-	1,714,169
(d) Deferred Tax Assets Nonadmitted	(672)	-	(672)
(e) Subtotal Net Admitted Deferred Tax Asset	1,714,841	-	1,714,841
(f) Deferred Tax Liabilities	8,058	-	8,058
(g) Net Admitted Deferred Tax Asset/Liability	\$ 1,706,783	\$ -	\$1,706,783
(2)			
Admission Calculation Components			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ 1,714,841	\$ -	\$1,714,841
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized After Application of the Threshold Limitation	-	-	-
1. Adjusted Gross Deferred Tax Asset Expected to be Realized Following the Balance Sheet Date	-	-	-
2. Adjusted Gross Deferred Tax Asset Allowed per Limitation Threshold	-	-	1,574,495
(c) Adjusted Gross Deferred Tax Assets Offset by Gross Deferred Tax Liabilities	-	-	-
(d) Deferred Tax Assets Admitted as the result of application of SSAP No 101	\$ 1,714,841	\$ -	\$1,714,841

NOTES TO FINANCIAL STATEMENTS

	<u>2012</u>	<u>2011</u>
(3)		
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation in 2(b)2 above	551%	801%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 above	\$ 51,624,809	\$ 60,813,575

(4)	<u>2012</u>			<u>2011</u>		
	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax-Planning Strategies						
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-	-	-	-	-	-
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-	-	-	-	-	-
(c) Does the Company's tax-planning strategies include the use of reinsurance?	<u>Yes</u>	<u>No</u>	<u>X</u>			

(4)	<u>Change</u>		
	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax-Planning Strategies			
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-	-	-
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-	-	-

B. Unrecognized Deferred Tax Liabilities – None.

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

(1) Current Income Tax	<u>12/31/2012</u>	<u>12/31/2011</u>	<u>Change</u>
(a) Federal	\$ 3,485,759	\$ 4,463,864	\$ (978,105)
(b) Foreign	-		
(c) Subtotal	<u>\$ 3,485,759</u>	<u>\$ 4,463,864</u>	<u>\$ (978,105)</u>
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u>\$ 3,485,759</u>	<u>\$ 4,463,864</u>	<u>\$ (978,105)</u>

NOTES TO FINANCIAL STATEMENTS

(2) Deferred Tax Assets	<u>12/31/2012</u>	<u>12/31/2011</u>	<u>Change</u>
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 434,855	515,604	(80,749)
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	840	(840)
(8) Compensation and benefits accrual	3,541	2,993	548
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	2,922,623	955,878	1,966,745
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other	123,788	295,323	(171,535)
Subtotal	<u>\$ 3,484,807</u>	<u>\$ 1,770,638</u>	<u>\$ 1,714,169</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	672	672
(d) Admitted ordinary deferred tax assets	<u>\$ 3,484,807</u>	<u>\$ 1,769,966</u>	<u>\$ 1,714,841</u>
(e) Capital			
(1) Investments	\$ -	-	\$ -
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other	-	-	-
Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets	-	-	-
(i) Admitted deferred tax assets	<u>\$ 3,484,807</u>	<u>\$ 1,769,966</u>	<u>\$ 1,714,841</u>
(3) Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other	8,058	-	8,058
Subtotal	<u>8,058</u>	<u>-</u>	<u>8,058</u>
(b) Capital			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
(c) Deferred tax liabilities	8,058	-	8,058
(4) Net deferred tax assets/liabilities	<u>\$ 3,476,749</u>	<u>\$ 1,769,966</u>	<u>\$ 1,706,783</u>

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate - The Company's provision for federal income taxes incurred for the year ended December 31, 2012 differs from the amount obtained by applying the federal statutory rate of 35% to net loss before federal income taxes. The significant items causing this difference are as follows:

NOTES TO FINANCIAL STATEMENTS

	2012	% of Pre-tax Income
Provision computed at statutory rate	3,597,229	34.04%
Change in non-admitted assets	(1,818,178)	-17.21%
Nondeductible expenses	2,417	0.02%
Other	(2,492)	-0.01%
Total statutory income tax	1,778,976	16.84%

	2012	% of Pre-tax Income
Federal income taxes incurred	\$ 3,485,759	32.99%
Change in net deferred income taxes	(1,706,783)	-16.15%
Total statutory income tax	\$ 1,778,976	16.84%

E. Net Operating Loss Carryforwards

1. At December 31, 2012, the Company had no federal operating loss carryforwards.
2. The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

12/31/2012 (current year)	\$3,482,899
12/31/2011 (first prior year)	\$4,476,589
3. The aggregate amounts of deposits reported as admitted assets under Section 6603 of the Internal Revenue Services (IRS) Code was zero as of December 31, 2012.

F. Consolidated Federal Income Tax Return

1. The Company and its affiliated entities (as listed on Schedule Y, Part 1) are included in the consolidated federal income tax return of WellCare Health Plans, Inc. ("WellCare").
2. Federal Income Tax Allocation - The Company is included in the consolidated federal income tax return of WellCare and its includable subsidiaries. Estimated tax payment are made quarterly, at which time intercompany tax settlements are made. In the subsequent year, additional settlements are made on the unextended due date of the return and at the time that the return is filed. The method of allocation among affiliates of the Company is subject to a written agreement approved by the Board of Directors and based upon separate tax return calculation with current credit for net losses to the extent the losses provide a benefit in the consolidated tax return.

G. The Company has no federal or foreign income tax loss contingencies as of December 31, 2012. The Company is not expecting any increase in its income tax loss contingency within the next 12 months.

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

A.B. and C. Relationship/Transactions and Amounts

Credit Agreement

WellCare and certain of its subsidiaries, not including the Company, entered into a \$300,000,000 senior secured credit agreement (the "Credit Agreement") in August 2011, amended on July 20, 2012 (the "Amended Credit Agreement"). The Amended Credit Agreement includes a \$150,000,000 term loan facility as well as a \$150,000,000 revolving credit facility, both of which are set to expire in August 2016. WellCare has borrowed \$150,000,000 on the term loan facility. The revolving credit facility has not been drawn upon. The capital stock of the Company is pledged as collateral to secure obligations under the Amended Credit Agreement, however assets can still be admitted for statutory purposes.

On February 12, 2013, WellCare borrowed an additional \$230,000,000 in term loans in connection with the execution of a further amendment (the "Second Amended Credit Agreement"). The Second Amended Credit Agreement provides for an additional \$230,000,000 in term loans and a total available credit facility of \$515,000,000.

Affiliated Management Agreement

NOTES TO FINANCIAL STATEMENTS

The Company has an affiliated management agreement with Comprehensive Health Management Inc., ("CHMI") to provide certain management, administrative services, claims processing services, utilization review, payroll services and the majority of the administrative functions of the Company, excluding certain sales and marketing functions and other professional consulting expenses. Additionally, CHMI is responsible for maintaining the claims related data processing equipment and software.

The management agreement provides for charges of 10.25% of gross premium revenue earned. Pursuant to the management agreement, an adjustment of the fees payable shall be made annually to reflect actual costs. Management believes this established rate to be an approximation of current market rates; however, adjustments to this rate may be necessary pursuant to the agreement and as changes in regulations, scopes of services and market dynamics occur. It is unknown at this time if any changes in the management fee rates would have a material impact on the Company's financial condition, results of operations and cash flows in past, current and future periods reported.

During 2012 and 2011 the Company incurred \$26,693,116 and \$25,835,711 for services under the management agreement with CHMI. At December 31, 2012 and 2011, respectively, amounts due to CHMI related to the management fees were \$98,006 and \$33,806.

In addition to the management services agreement, CHMI also processes and pays: salary related expenses related to the Company's sales and marketing personnel, trade payables and other direct expenses incurred by the Company. The Company reimburses CHMI for these expenses processed and paid on the Company's behalf. Amounts due from CHMI related to these transactions were \$8,347,595 and \$2,758,602 as of December 31, 2012 and 2011, respectively, and are combined with the liability due to CHMI related to the management fee agreement. Any balances resulting in a net amount due from CHMI are non-admitted in accordance with statutory accounting principles. Amounts due (to)/from CHMI are normally settled within 30 days.

CHMI is responsible for payments to the lessors for office space occupied by the Company. Lease payments made by CHMI to lessors amounted to \$334,824 and \$332,771 during the years ended December 31, 2012 and 2011, respectively.

The Company paid ordinary dividends to the Parent Company, WellCare Management Group, Inc., totaling \$2,000,000 on September 28, 2012 and an extraordinary dividend of \$8,000,000 on October 16, 2012.

Affiliated Reinsurance Agreement

The Company has entered into an affiliated reinsurance agreement with an affiliated company, Comprehensive Reinsurance Ltd ("CRL"). See Note 23 for additional information.

D. Intercompany Balances - At December 31, 2012, the Company reported \$8,259,059 (non-admitted) receivable from parent, subsidiaries and affiliates and \$7,695 payable to parent, subsidiaries and affiliates. (See Pages 21 and 22).

E. Guarantees on Undertakings for the Benefit of an Affiliate – None.

F. Management/Cost Sharing Agreements - See Note 10A, B, and C above.

G. Control/Ownership - All outstanding shares of the Company are owned by the Parent Company, The WellCare Management Group, Inc. which is owned by WCG Health Management, Inc. which is in turned owned by WellCare Health Plans, Inc., an insurance holding company domiciled in the State of Delaware. The capital stock of the Company is pledged as collateral to secure a Credit Agreement obligation held by WellCare (see Note 10A).

H. I. J. K. and L. Controlled Entities/Investments in SCA/Foreign Insurance Subsidiary/Downstream Noninsurance Holding Company – None.

11. Debt

None.

12. Retirement Plans, Deferred Compensation, Etc.

None.

13. Capital and Surplus, Shareholder' Dividend Restrictions and Quasi-

NOTES TO FINANCIAL STATEMENTS

Reorganizations

1. *Number of Shares* - The Company has 1,500 shares of \$1 par value common stock issued and outstanding.
2. *Preferred Stock Issues* – None.
3. *Dividend Restrictions* - Without prior approval of its domiciliary commissioner or department of insurance, dividends to shareholders must be paid from earned surplus amounts and are limited to the greater of ten percent of the companies surplus or the net income for the 12 month period ending as of the prior year as set forth in the laws of the Company's state of incorporation, Ohio.
4. *Dividend Paid* - Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholder. The Company paid ordinary dividends to the Parent Company, WellCare Management Group, Inc., totaling \$2,000,000 on September 28, 2012 and an extraordinary dividend of \$8,000,000 on October 16, 2012.
5. *Dividend Capacity and Required Minimum Capital* – The amount receivable for distribution during 2013 is \$0 since the Company had a deficit balance in unassigned funds at December 31, 2012. Ohio Statutes require that each Ohio HMO maintain a minimum surplus equal to the greater of the Company Action Level Risk Based Capital ("RBC") Calculation at 300% or \$1,700,000. At December 31, 2012, the Company's required minimum capital and surplus was \$28,265,145 and the total actual capital and surplus was \$54,211,994.
6. *Restrictions on Unassigned Funds* – None.
7. *Amount of Advances to Surplus, Not Repaid* – None.
8. *Stock Held of Affiliated Entities* – None.
9. *Changes in Balances of Any Special Surplus Funds* – None.
10. *Unrealized Gains and Losses* - The portion of unassigned funds (surplus) reduced by non-admitted assets was \$8,350,351. There are no cumulative unrealized gains or losses included in unassigned funds (surplus).
11. *Surplus Notes* – None.
12. *Quasi-Reorganizations* – None.
13. *Effective Date of Quasi-Reorganization* – N/A

14. Contingencies

- A. Contingent Commitments – None.
- B. Assessments – None.
- C. Gain Contingencies – None.

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

The Company's profitability depends in large part on accurately predicting and effectively managing medical expenses. The liability for claims unpaid is impacted by various factors, including changes in healthcare utilization practices, medical cost inflation and new medical technologies, which could adversely affect the Company's ability to accurately predict and effectively control healthcare costs. Costs in excess of those anticipated could have a material adverse effect on the Company's results of operations.

The Company is subject to substantial federal and state government regulations, including licensing and other requirements relating to the offering of the Company's existing products in new markets and offerings of new products, both of which may restrict the Company's ability to expand its business.

E. All Other Contingencies

Government Investigations

The Company's ultimate parent, WellCare, is a party to a number of legal actions and regulatory investigations. These matters do not directly involve the Company and management does not expect the matters to have an impact on the Company's financial position.

Corporate Integrity Agreement

In April 2011, WellCare entered into a Corporate Integrity Agreement (the "Corporate Integrity Agreement") with Office of Inspector General of the Department of Health and Human Services ("OIG-HHS"). The Corporate Integrity Agreement has a term of five years and concludes the previously disclosed matters relating to WellCare under review by OIG-HHS. The Corporate Integrity Agreement requires various ethics and compliance programs designed to help ensure WellCare's ongoing compliance with federal health care program requirements. The terms of the Corporate Integrity Agreement include certain organizational

NOTES TO FINANCIAL STATEMENTS

structure requirements, internal monitoring requirements, compliance training, screening processes for new employees, reporting requirements to OIG-HHS, and the engagement of an independent review organization to review and prepare written reports regarding, among other things, WellCare's reporting practices and bid submissions to federal health care programs.

Other Lawsuits and Claims

Based on the nature of our business, we are subject to regulatory reviews or other investigations by state insurance and health care regulatory authorities and other state and federal regulatory authorities. These authorities regularly scrutinize the business practices of health insurance and benefits companies and their reviews focus on numerous facets of our business, including claims payment practices, provider contracting, competitive practices, commission payments, privacy issues and utilization management practices, among others. Some of these reviews have historically resulted in fines imposed on us and some have required changes to our business practices. We continue to be subject to such reviews, which may result in additional fines and/or sanctions being imposed or additional changes in our business practices.

Separate and apart from the legal matters described above, we are also involved in other legal actions in the normal course of our business, including, without limitation, wage and hour claims and provider disputes regarding payment of claims. Some of these actions seek monetary damages, including claims for liquidated or punitive damages, which are not covered by insurance. We review relevant information with respect to litigation matters and we update our estimates of reasonably possible losses and related disclosures. We accrue an estimate for contingent liabilities, including attorney's fees related to these matters, if a loss is deemed probable and is estimable. Currently, we do not expect that the resolution of any currently pending actions, either individually or in the aggregate, will differ materially from our current estimates or have a material adverse effect on our results of operations, financial position, and cash flows. However, the outcome of any legal actions cannot be predicted, and therefore, actual results may differ from those estimates.

15. Leases

At December 31, 2012, the Company is the named lessee on certain non-cancelable operating leases. Rental expenses paid by CHMI for operating leases used in the Company's operations for the years ended December 31, 2012 and 2011 were \$334,824 and \$332,771.

Future minimum lease payments under noncancelable operating leases with initial lease terms in excess of one year at December 31, 2012 were:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2013	\$97,846
2014	-0-
2015	-0-
2016	-0-
2017 and after	-0-

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

None.

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

None.

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

None.

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

None.

20. Fair Value Measurement

A. Assets that are measured at fair value on a recurring basis subsequent to initial recognition – None.

NOTES TO FINANCIAL STATEMENTS

B. Assets Measured on a Fair Value on a Nonrecurring Basis:

The Company's balance sheets include the following financial instruments: cash and cash equivalents, investments, receivables, accounts payable, medical benefits payable, long-term debt, and other liabilities. The Company considers the carrying amounts of cash and cash equivalents, receivables, other current assets and current liabilities to approximate their fair value due to the short period of time between the origination of these instruments and the expected realization or payment.

For other financial instruments, including short- and long-term investments and restricted investments fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date.

Level 1 — Quoted (unadjusted) prices for identical assets or liabilities in active markets: Investments included in Level 1 consist of money market funds, cash, U.S. government securities and the variable rate bond fund, as well as certain certificates of deposit and corporate debt, asset-backed and other municipal securities. The carrying amounts of money market funds and cash approximate fair value because of the short-term nature of these instruments. Fair values of the other investments included in Level 1 are based on unadjusted quoted market prices for identical securities in active markets.

Level 2 — Inputs other than quoted prices in active markets.

Level 3 — Unobservable inputs that cannot be corroborated by observable market data.

The Company does not have any financial assets with a fair value hierarchy of Level 2 or Level 3.

Our assets measured at Fair Value on a Nonrecurring Basis were as follows:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)			Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash, Cash Equivalent & Short Term Investments	77,793,235	-	-	-	-	77,793,235
Total	\$ 77,793,235	\$ -	\$ -	\$ -	\$ -	\$ 77,793,235

21. Other Items

None.

22. Events Subsequent

None.

23. Reinsurance

The Company enters into reinsurance agreements with affiliated and non-affiliated companies to limit the net loss arising from large risks and to maintain its exposure to loss within its capital resources. Reinsurance premium expense incurred by the Company is accounted for as a reduction of net premium revenue earned. Reinsurance recoveries are offset against medical expense in the period of such recoveries. The Company remains liable to its policyholders to the extent that its reinsurers do not meet their obligations.

The Company has a reinsurance agreement with an affiliate, Comprehensive Reinsurance, Ltd. ("CompRe"), that has a retention limit of \$50,000 for the years ended December 31, 2012 and 2011. Under statutory accounting principles, this contract is considered to be with an unauthorized reinsurer and the Company has not taken any reserve credits for claims reported or unreported and not yet paid in its statement of revenues and expenses. Reinsurance recoveries reported represent only claims paid in excess of the retention limit during the period. Premiums paid under the affiliated reinsurance agreement were \$27,146,174 and \$26,393,103 for the years ended December 31, 2012 and 2011, respectively. Recoveries under this policy were \$34,257,944 and \$22,752,965 in 2012 and 2011, respectively.

The Company's reinsurance agreement with a non-affiliated company had a retention limit of \$500,000 for

NOTES TO FINANCIAL STATEMENTS

Medicare and \$1,000,000 for Medicaid business for the years ended December 31, 2012 and 2011, respectively. Premiums paid under this non-affiliated reinsurance agreement were \$214,125 and \$158,385 in 2012 and 2011, respectively. Recoveries under this policy were \$1,610,565 and \$402,393 in 2012 and 2011, respectively.

24. Retrospectively Rated Contracts

None.

25. Change in Incurred Claims and Claim Adjustment Expenses

The estimated cost of claims expense attributable to insured events of the prior year decreased by \$1,005,384 during 2012. This is approximately 4% of unpaid claims expenses of \$25,832,688 as of December 31, 2011. Excluding the prior period development related to the release of the provision for moderately adverse conditions, medical benefits expense for the period ending December 31, 2012 was impacted by approximately (\$1,852,154) of net unfavorable development related to prior years. This development is primarily the result of the 2011 medical cost trend emerging less favorably than expected in the Company's Medicaid plan due to lower than projected utilization.

Statement of Statutory Accounting Principles (SSAP) No. 85 – *Claim Adjustment Expenses* requires that claim adjustment expenses, including legal expenses, be subdivided into cost containment expenses and other claim adjustment expenses. Cost containment expenses are intended to reduce the number of health services provided or the cost of such services. Other claim adjustment expenses are all other costs which do not meet the definition of cost containment expenses. Cost containment expenses were of \$3,688,469 and \$2,928,120 respectively, for the years ended December 31, 2012 and December 31, 2011.

26. Intercompany Pooling

None.

27. Structured Settlements

None.

28. Healthcare Receivables

Healthcare receivables principally represent pharmacy rebates. Healthcare receivables are subject to various limits based on the nature of the receivable balance. Pharmacy rebates are recorded on an accrual basis and estimated using invoices that have been prepared using actual prescriptions filled. Pharmacy rebates receivable at December 31, 2012 total \$1,368,985 of which \$91,292 is aged ninety days or older and is non-admitted.

The following is a two summary of pharmacy rebates by quarter:

Quarter Ending	Estimated Rebates	Rebates Invoiced	Collected Within 90 days of Invoicing	Collected Within 91 to 180 days of Invoicing	Collected More than 180 days of Invoicing
31-Dec-2012	751,311				
30-Sep-2012	660,952	692,193	147,719		
30-Jun-2012	600,825	605,431	364,481	184,494	
31-Mar-2012	497,603	539,857	412,374	98,528	
31-Dec-2011	354,100	369,415	293,343	78,490	285
30-Sep-2011	134,975	133,156	129,773	1,765	240
30-Jun-2011	123,732	124,303	111,866	9,833	
31-Mar-2011	98,623	101,839	70,828	30,163	450
31-Dec-2010	120,381	122,223	81,456	22,869	16,092
30-Sep-2010	116,608	115,598	78,502	34,971	4
30-Jun-2010	109,039	113,984	97,298	15,169	514
31-Mar-2010	285,783	285,587	270,175		35,384

29. Participating Policies

None.

30. Premium Deficiency Reserves

None.

NOTES TO FINANCIAL STATEMENTS

31. Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
- 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
- 1.3 State Regulating? Ohio.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 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.12/31/2011
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.06/30/2009
- 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).05/05/2010
- 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
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes 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
- 4.12 renewals? Yes No
- 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
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes 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) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

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, 201 E. Kennedy Blvd, Suite 1200, Tampa FL 33634.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Don Zhang (Employee), WellCare Health Plans, Inc, 8735 Henderson Road, Tampa FL 33634.....

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

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [X] No []

14.21 If the response to 14.2 is yes, provide information related to amendment(s)
 Minor revisions to clarify existing provisions. Adopted by Board of Directors on June 21, 2012.....

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

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict 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 \$.....0
 - 20.12 To stockholders not officers \$.....0
 - 20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....0
 - 20.22 To stockholders not officers \$.....0
 - 20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 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 [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....

INVESTMENT

- 24.01 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 24.03) Yes [] No [X]
- 24.02 If no, give full and complete information, relating thereto
All investments owned by the Company at December 31, 2012 except those held on deposit pursuant to regulatory requirements (Schedule E, Part 3) are under exclusive control of the Company.....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 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 [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 - 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 - 24.103 Total payable for securities lending reported on the liability page \$.....

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No []

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

25.21	Subject to repurchase agreements	\$.....
25.22	Subject to reverse repurchase agreements	\$.....
25.23	Subject to dollar repurchase agreements	\$.....
25.24	Subject to reverse dollar repurchase agreements	\$.....
25.25	Pledged as collateral	\$.....
25.26	Placed under option agreements	\$.....
25.27	Letter stock or securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....400,560
25.29	Other	\$.....

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 []

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. \$.....

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity’s offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [] No [X]

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

1 Name of Custodian(s)	2 Custodian’s Address
.....
.....
.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....
.....

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

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
.....
.....
.....

GENERAL INTERROGATORIES

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

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	30,623,223	30,623,223	0
30.2 Preferred Stocks.....	0		0
30.3 Totals	30,623,223	30,623,223	0

- 30.4 Describe the sources or methods utilized in determining the fair values:
 Fair market values are obtained from a third party pricing source.....
- 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 []
- 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:
 Fair market values are obtained from a third party pricing source.....
- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [] No []
- 32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$0

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

1 Name	2 Amount Paid
None.....	\$.....

34.1 Amount of payments for legal expenses, if any? \$124,005

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

1 Name	2 Amount Paid
None.....	\$.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$0

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

1 Name	2 Amount Paid
None.....	\$.....

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. \$0
- 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. \$0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives0
- All years prior to most current three years:
- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$313,925,301	\$	.....260,036,893
2.2	Premium Denominator	\$313,925,301	\$	.....260,036,893
2.3	Premium Ratio (2.1/2.2)	.....1.000		.....1.000
2.4	Reserve Numerator	\$21,340,477	\$	.....26,239,654
2.5	Reserve Denominator	\$21,340,477	\$	.....26,239,654
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 [X] No []
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$
- 5.32 Medical Only \$50,000
- 5.33 Medicare Supplement \$
- 5.34 Dental and 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 Company is required by the Department of Insurance to have a restricted bank account funded for the specific event of insolvency. Additionally, all provider contracts include provisions for continuity of care to its subscribers.
- 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 year4,300
- 8.2 Number of providers at end of reporting year2,000
- 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

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. \$.....28,265,145
- 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.
 Minimum Net Worth = Greater of 300% Risk based Capital ("RBC") Calculation or \$1,700,000
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Ashtabula.....
Butler.....
Clermont.....
Cuyahoga.....
Erie.....
Franklin.....
Geauga.....
Lake.....
Lorain.....
Lucas.....
Mahoning.....
Medina.....
Stark.....
Summit.....

- 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. \$.....

FIVE - YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	96,025,989	104,396,443	101,003,461	115,921,789	88,683,258
2. Total liabilities (Page 3, Line 24)	41,813,995	43,490,396	47,509,197	58,689,755	49,595,040
3. Statutory surplus	28,265,145	22,773,393	22,608,876	21,990,003	29,775,021
4. Total capital and surplus (Page 3, Line 33)	54,211,994	60,906,047	53,494,264	57,232,034	39,088,218
Income Statement (Page 4)					
5. Total revenues (Line 8)	313,925,301	260,036,893	238,707,104	252,875,389	286,040,363
6. Total medical and hospital expenses (Line 18)	245,897,924	195,207,982	192,860,847	185,167,182	248,737,891
7. Claims adjustment expenses (Line 20)	8,369,416	7,719,681	7,680,313	7,182,596	10,315,604
8. Total administrative expenses (Line 21)	49,623,982	44,994,839	42,550,001	41,307,874	40,119,864
9. Net underwriting gain (loss) (Line 24)	10,033,979	12,114,391	(4,384,057)	19,217,737	(13,132,996)
10. Net investment gain (loss) (Line 27)	243,818	350,375	371,090	180,415	1,313,682
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	6,792,038	8,000,903	(1,378,955)	11,530,069	(7,045,539)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	3,493,518	(4,090,948)	(5,543,171)	8,653,147	(8,970,550)
Risk-Based Capital Analysis					
14. Total adjusted capital	54,211,994	60,906,047	53,494,264	57,232,034	39,088,218
15. Authorized control level risk-based capital	9,421,715	7,591,131	7,536,331	7,330,001	9,925,007
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	102,150	105,590	103,843	102,249	95,595
17. Total members months (Column 6, Line 7)	1,273,269	1,255,841	1,247,158	1,204,284	1,092,975
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	78.3	75.1	80.8	73.2	87.0
20. Cost containment expenses	1.2	1.1	1.2	1.1	1.3
21. Other claims adjustment expenses	1.5	1.8	2.0	1.7	2.3
22. Total underwriting deductions (Line 23)	96.8	95.3	101.8	92.4	104.6
23. Total underwriting gain (loss) (Line 24)	3.2	4.7	(1.8)	7.6	(4.6)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	24,827,304	14,516,572	12,707,502	23,686,907	27,745,045
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	25,832,688	26,334,343	20,841,826	39,140,762	24,305,939
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

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

State, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL								0	0
2. Alaska	AK								0	0
3. Arizona	AZ								0	0
4. Arkansas	AR								0	0
5. California	CA								0	0
6. Colorado	CO								0	0
7. Connecticut	CT								0	0
8. Delaware	DE								0	0
9. District of Columbia	DC								0	0
10. Florida	FL								0	0
11. Georgia	GA								0	0
12. Hawaii	HI								0	0
13. Idaho	ID								0	0
14. Illinois	IL								0	0
15. Indiana	IN								0	0
16. Iowa	IA								0	0
17. Kansas	KS								0	0
18. Kentucky	KY								0	0
19. Louisiana	LA								0	0
20. Maine	ME								0	0
21. Maryland	MD								0	0
22. Massachusetts	MA								0	0
23. Michigan	MI								0	0
24. Minnesota	MN								0	0
25. Mississippi	MS								0	0
26. Missouri	MO								0	0
27. Montana	MT								0	0
28. Nebraska	NE								0	0
29. Nevada	NV								0	0
30. New Hampshire	NH								0	0
31. New Jersey	NJ								0	0
32. New Mexico	NM								0	0
33. New York	NY								0	0
34. North Carolina	NC								0	0
35. North Dakota	ND								0	0
36. Ohio	OH	L	52,576,232	288,709,369					341,285,601	0
37. Oklahoma	OK								0	0
38. Oregon	OR								0	0
39. Pennsylvania	PA								0	0
40. Rhode Island	RI								0	0
41. South Carolina	SC								0	0
42. South Dakota	SD								0	0
43. Tennessee	TN								0	0
44. Texas	TX								0	0
45. Utah	UT								0	0
46. Vermont	VT								0	0
47. Virginia	VA								0	0
48. Washington	WA								0	0
49. West Virginia	WV								0	0
50. Wisconsin	WI								0	0
51. Wyoming	WY								0	0
52. American Samoa	AS								0	0
53. Guam	GU								0	0
54. Puerto Rico	PR								0	0
55. U.S. Virgin Islands	VI								0	0
56. Northern Mariana Islands	MP								0	0
57. Canada	CAN								0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	52,576,232	288,709,369	0	0	0	341,285,601	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 1	0	52,576,232	288,709,369	0	0	0	341,285,601	0	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	0

(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. No allocation

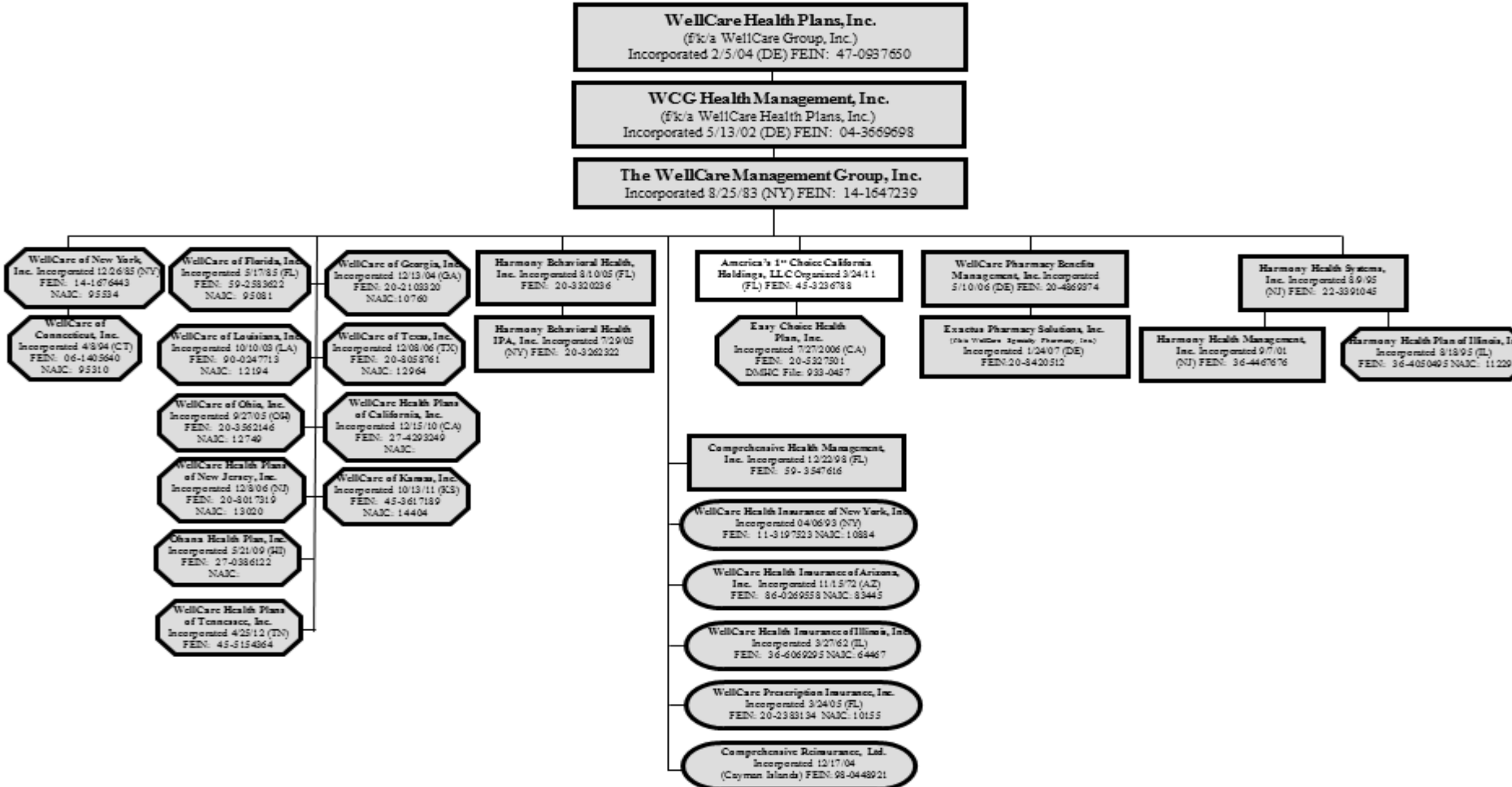
(a) Insert the number of L responses except for Canada and other Alien.

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



The WellCare Group of Companies

(as of December 31, 2012)



Shapes/colors distinguish among HMOs, LLCs, regulated insurance companies and corporations.

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