

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	7,184,049	8,734,943
2. Net investment income	63,922	523
3. Miscellaneous income		
4. Total (Line 1 through Line 3)	7,247,971	8,735,466
5. Benefit and loss related payments	5,986,851	8,214,297
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	664,286	819,021
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		
10. Total (Line 5 through Line 9)	6,651,137	9,033,318
11. Net cash from operations (Line 4 minus Line 10)	596,834	(297,852)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		320,928
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)		320,928
13. Cost of investments acquired (long-term only):		
13.1 Bonds		2,835,078
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)		2,835,078
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)		(2,514,150)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(773)	77,288
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(773)	77,288
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	596,061	(2,734,714)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	3,924,018	6,658,732
19.2 End of year (Line 18 plus Line 19.1)	4,520,079	3,924,018

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

20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

FIVE - YEAR HISTORICAL DATA

	1	2	3	4	5
	2012	2011	2010	2009	2008
BALANCE SHEET (Page 2 and Page 3)					
1. Total admitted assets (Page 2, Line 28)	7,466,118	6,810,173	7,044,578	6,894,955	2,652,368
2. Total liabilities (Page 3, Line 24)	643,770	959,062	977,779	1,001,582	
3. Statutory surplus	5,000,000	5,000,000	5,000,000		
4. Total capital and surplus (Page 3, Line 33)	6,822,348	5,851,111	6,066,799	5,893,373	2,652,368
INCOME STATEMENT (Page 4)					
5. Total revenues (Line 8)	7,269,573	8,741,666	9,626,549	5,561,921	
6. Total medical and hospital expenses (Line 18)	5,658,221	8,221,357	10,085,234	6,292,665	
7. Claims adjustment expenses (Line 20)	129,962	154,570	166,350	92,193	
8. Total administrative expenses (Line 21)	588,116	594,268	621,673	326,307	
9. Net underwriting gain (loss) (Line 24)	893,274	(228,529)	(1,246,708)	(1,149,244)	
10. Net investment gain (loss) (Line 27)	63,892	4,785	10,362	6,494	39,721
11. Total other income (Line 28 plus Line 29)			10,429		
12. Net income or (loss) (Line 32)	957,166	(223,744)	(1,225,917)	(1,142,750)	39,721
CASH FLOW (Page 6)					
13. Net cash from operations (Line 11)	596,834	(297,852)	(1,437,676)	(193,614)	30,539
RISK-BASED CAPITAL ANALYSIS					
14. Total adjusted capital	6,822,348	5,851,111	6,066,799	5,893,373	2,652,368
15. Authorized control level risk-based capital	750,497	750,551	851,242	845,199	3,791
ENROLLMENT (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	613	706	745	514	
17. Total members months (Column 6, Line 7)	7,356	8,345	8,654	5,449	
OPERATING PERCENTAGE (Page 4) (Item divided by Page 4, sum of Line 2, Line 3, and Line 5) X 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Line 3 plus Line 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	77.8	94.0	104.8	113.1	
20. Cost containment expenses	0.5	0.6	0.6	0.5	
21. Other claims adjustment expenses	1.2	1.2	1.1	1.1	
22. Total underwriting deductions (Line 23)	87.7	102.6	113.0	120.7	
23. Total underwriting gain (loss) (Line 24)	12.3	(2.6)	(13.0)	(20.7)	
UNPAID CLAIMS ANALYSIS (U and I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Column 5)	560,293	721,617	532,625		
25. Estimated liability of unpaid claims of prior year (Line 13, Column 6)	832,980	826,942	902,518		
INVESTMENTS IN PARENT, SUBSIDIARIES, AND AFFILIATES					
26. Affiliated bonds (Schedule D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Line 26 to Line 31					
33. Total investment in parent included in Line 26 to Line 31 above					

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: