



ANNUAL STATEMENT

For the Year Ended December 31, 2012

of the Condition and Affairs of the

Dental Care Plus, Inc.

NAIC Group Code..... , NAIC Company Code..... 96265 Employer's ID Number..... 31-1185262
 (Current Period) (Prior Period)
 Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio Country of Domicile UN
 Licensed as Business Type.....Health Maintenance Organization Is HMO Federally Qualified? Yes [] No [X]
 Incorporated/Organized..... January 6, 1986 Commenced Business..... March 1, 1988
 Statutory Home Office 100 Crowne Point Place..... Cincinnati OH 45241
 (Street and Number) (City or Town, State and Zip Code)
 Main Administrative Office 100 Crowne Point Place..... Cincinnati OH 45241 513-554-1100
 (Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
 Mail Address 100 Crowne Point Place..... Cincinnati OH 45241
 (Street and Number or P. O. Box) (City or Town, State and Zip Code)
 Primary Location of Books and Records 100 Crowne Point Place..... Cincinnati OH 45241 513-554-1100
 (Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
 Internet Web Site Address www2.Dentalcareplus.com
 Statutory Statement Contact Robert Carr Hodgkins 513-554-1100
 (Name) (Area Code) (Telephone Number) (Extension)
 rhodgkins@dentalcareplus.com 513-554-3187
 (E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Anthony A. Cook	President & CEO	2. Robert Carr Hodgkins Jr.	Vice President & CFO
3. Fred Bronson D.D.S.	Secretary	4. Fred H. Peck D.D.S.	Treasurer

OTHER

Timothy P. Berghoff F.S.A., M.A.A.A Consulting Actuary

DIRECTORS OR TRUSTEES

Fred Bronson D.D.S.	Molly Meakin Rogers C.P.A.	Mark Zigoris D.D.S.	James T. Foley
Roger M. Higley D.D.S.	Stephen T. Schuler D.M.D.	Donald J. Peak C.P.A.	Jack Cook M.H.A.
David A. Kreyling D.M.D.	Fred H. Peck D.D.S.	Michael Carl D.D.S.	James E. Kroeger M.B.A., C.P.A.
Anthony A. Cook M.B.A., M.S.			

State of.....

County of....

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.

_____ (Signature) Anthony A. Cook	_____ (Signature) Robert Carr Hodgkins Jr.	_____ (Signature) Fred Bronson D.D.S.
1. (Printed Name) President & CEO	2. (Printed Name) Vice President & CFO	3. (Printed Name) Secretary
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me

This _____ day of _____ 2013

a. Is this an original filing? Yes [X] No []

b. If no 1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	4,301,202		4,301,202	4,157,580
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	477,768
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....7,232,253, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....51,110, Schedule DA).....	7,283,363		7,283,363	6,369,875
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	11,584,565	.0	11,584,565	11,005,223
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	32,918		32,918	39,664
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	394,309		394,309	497,390
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			.0	
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	95,079		95,079	
18.2 Net deferred tax asset.....	246,916	31,226	215,690	244,339
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....	173,412	115,334	58,078	69,882
21. Furniture and equipment, including health care delivery assets (\$.....0).....	22,006	22,006	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....2,089) and other amounts receivable.....	2,089		2,089	5,624
25. Aggregate write-ins for other than invested assets.....	50,455	50,455	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	12,601,749	219,021	12,382,728	11,862,122
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	12,601,749	219,021	12,382,728	11,862,122

DETAILS OF WRITE-INS

1101. Fair Value of Interest Rate Swap Contract.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepaid Expenses.....	50,455	50,455	.0	
2502.....			.0	
2503.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	50,455	50,455	.0	.0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	2,090,649		2,090,649	2,750,409
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	45,361		45,361	51,059
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	1,196,112		1,196,112	1,237,437
9. General expenses due or accrued.....	1,181,245		1,181,245	1,197,330
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....			0	250,685
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	5,134
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	396,925		396,925	4,859
16. Derivatives.....			0	16,354
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized and \$.....0 certified reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....	76,285		76,285	247,906
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	4,986,577	0	4,986,577	5,761,173
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	305,478	0
26. Common capital stock.....	XXX	XXX	1,365,663	1,365,663
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	1,773,089	1,473,089
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	3,951,921	3,262,197
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	7,396,151	6,100,949
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	12,382,728	11,862,122

DETAILS OF WRITE-INS

2301. Fair Value of Interest Rate Swap Contract.....			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501. Gain on sale of building.....	XXX	XXX	305,478	
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 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	305,478	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 thru 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	3,286,556	3,195,557
2. Net premium income (including \$.....0 non-health premium income).....	XXX	55,352,524	52,158,616
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX	2,157,213	2,097,394
7. Aggregate write-ins for other non-health revenues.....	XXX	.0	.0
8. Total revenues (Lines 2 to 7).....	XXX	57,509,737	54,256,010
Hospital and Medical:			
9. Hospital/medical benefits.....		42,594,427	41,784,410
10. Other professional services.....			
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	.0	42,594,427	41,784,410
Less:			
17. Net reinsurance recoveries.....		(173,076)	(219,469)
18. Total hospital and medical (Lines 16 minus 17).....	.0	42,767,503	42,003,879
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....81,485 cost containment expenses.....		1,230,795	1,091,831
21. General administrative expenses.....		11,882,796	10,345,695
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....	.0	55,881,094	53,441,405
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	1,628,643	814,605
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		215,529	171,485
26. Net realized capital gains or (losses) less capital gains tax of \$.....11,575.....		22,471	11,511
27. Net investment gains or (losses) (Lines 25 plus 26).....	.0	238,000	182,996
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....		(72,788)	(31,203)
29. Aggregate write-ins for other income or expenses.....	.0	(205)	(702)
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	1,793,650	965,696
31. Federal and foreign income taxes incurred.....	XXX	685,820	262,443
32. Net income (loss) (Lines 30 minus 31).....	XXX	1,107,830	703,253

DETAILS OF WRITE-INS

0601. Sel Insured.....	XXX	2,157,213	2,097,394
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	.0	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX	2,157,213	2,097,394
0701. Other income.....	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	.0	.0
0799. Totals (Lines 0701 thru 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 thru 1403 plus 1498) (Line 14 above).....	.0	.0	.0
2901. Other income.....		(205)	(702)
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.0	.0	.0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	.0	(205)	(702)

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	6,100,949	5,514,518
34. Net income or (loss) from Line 32.....	1,107,830	703,253
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$.....5,560.....	10,794	7,448
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....	(27,001)	(25,296)
39. Change in nonadmitted assets.....	(47,799)	(98,974)
40. Change in unauthorized and certified reinsurance.....		
41. Change in treasury stock.....		
42. Change in surplus notes.....		
43. Cumulative effect of changes in accounting principles.....		
44. Capital changes:		
44.1 Paid in.....		
44.2 Transferred from surplus (Stock Dividend).....		
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....	300,000	
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....	(360,000)	
47. Aggregate write-ins for gains or (losses) in surplus.....	311,378	0
48. Net change in capital and surplus (Lines 34 to 47).....	1,295,202	586,431
49. Capital and surplus end of reporting period (Line 33 plus 48).....	7,396,151	6,100,949

DETAILS OF WRITE-INS

4701. Gain on real estate sale leaseback.....	305,478	
4702. Reclassification of adjustment for interest rate swap included in income.....	5,900	
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	311,378	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	55,414,280	51,852,545
2. Net investment income.....	317,461	309,597
3. Miscellaneous income.....	2,157,213	2,097,394
4. Total (Lines 1 through 3).....	57,888,954	54,259,536
5. Benefit and loss related payments.....	43,423,728	41,980,683
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	13,379,988	11,323,040
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....11,575 tax on capital gains (losses).....	1,043,159	(42,614)
10. Total (Lines 5 through 9).....	57,846,875	53,261,109
11. Net cash from operations (Line 4 minus Line 10).....	42,079	998,427
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	730,442	3,497,202
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....	2,200,000	
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 (Lines 12.1 to 12.7).....	2,930,442	3,497,202
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	832,596	4,129,949
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....	1,509,651	4,052
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	2,342,247	4,134,001
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	588,195	(636,799)
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.....	300,000	
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....	360,000	
16.6 Other cash provided (applied).....	343,214	(307,593)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	283,214	(307,593)
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).....	913,488	54,035
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,369,875	6,315,840
19.2 End of year (Line 18 plus Line 19.1).....	7,283,363	6,369,875

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical).....				0
2. Medicare supplement.....				0
3. Dental only.....	55,164,001	188,522		55,352,523
4. Vision only.....				0
5. Federal employees health benefits plan.....				0
6. Title XVIII - Medicare.....				0
7. Title XIX - Medicaid.....				0
8. Other health.....				0
9. Health subtotal (Lines 1 through 8).....	55,164,001	188,522	0	55,352,523
10. Life.....				0
11. Property/casualty.....				0
12. Totals (Lines 9 to 11).....	55,164,001	188,522	0	55,352,523

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct.....	43,243,243			43,243,243						
1.2 Reinsurance assumed.....	184,020			184,020						
1.3 Reinsurance ceded.....	0									
1.4 Net.....	43,427,263	0	0	43,427,263	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	2,081,328			2,081,328						
3.2 Reinsurance assumed.....	9,321			9,321						
3.3 Reinsurance ceded.....	0									
3.4 Net.....	2,090,649	0	0	2,090,649	0	0	0	0	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									
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).....	0									
7. Amounts recoverable from reinsurers December 31, current year.....	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	2,730,144			2,730,144						
8.2 Reinsurance assumed.....	20,265			20,265						
8.3 Reinsurance ceded.....	0									
8.4 Net.....	2,750,409	0	0	2,750,409	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0									
9.2 Reinsurance assumed.....	0									
9.3 Reinsurance ceded.....	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.....	0									
12. Incurred benefits:										
12.1 Direct.....	42,594,427	0	0	42,594,427	0	0	0	0	0	0
12.2 Reinsurance assumed.....	173,076	0	0	173,076	0	0	0	0	0	0
12.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
12.4 Net.....	42,767,503	0	0	42,767,503	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	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.....	.0									
1.2 Reinsurance assumed.....	.0									
1.3 Reinsurance ceded.....	.0									
1.4 Net.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Incurred but unreported:										
2.1 Direct.....	2,081,328			2,081,328						
2.2 Reinsurance assumed.....	9,321			9,321						
2.3 Reinsurance ceded.....	.0									
2.4 Net.....	2,090,649	.0	.0	2,090,649	.0	.0	.0	.0	.0	.0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	.0									
3.2 Reinsurance assumed.....	.0									
3.3 Reinsurance ceded.....	.0									
3.4 Net.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Totals:										
4.1 Direct.....	2,081,328	.0	.0	2,081,328	.0	.0	.0	.0	.0	.0
4.2 Reinsurance assumed.....	9,321	.0	.0	9,321	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net.....	2,090,649	.0	.0	2,090,649	.0	.0	.0	.0	.0	.0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 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	
2. Medicare supplement.....					.0	
3. Dental only.....	2,652,961	40,774,302	1,573	2,089,074	2,654,534	2,750,409
4. Vision only.....					.0	
5. Federal employees health benefits plan.....					.0	
6. Title XVIII - Medicare.....					.0	
7. Title XIX - Medicaid.....					.0	
8. Other health.....					.0	
9. Health subtotal (Lines 1 to 8).....	2,652,961	40,774,302	1,573	2,089,074	2,654,534	2,750,409
10. Healthcare receivables (a).....					.0	
11. Other non-health.....					.0	
12. Medical incentive pools and bonus amounts.....					.0	
13. Totals (Lines 9 - 10 + 11 + 12).....	2,652,961	40,774,302	1,573	2,089,074	2,654,534	2,750,409

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED 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.....	2,399	2,402	2,402	2,402	2,402
2. 2008.....	29,220	31,823	31,823	31,823	31,823
3. 2009.....	.XXX	34,726	37,211	37,215	37,215
4. 2010.....	.XXX	.XXX	40,373	43,172	43,177
5. 2011.....	.XXX	.XXX	.XXX	39,178	41,828
6. 2012.....	.XXX	.XXX	.XXX	.XXX	40,774

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.....	2,399	2,402	2,402	2,402	2,402
2. 2008.....	31,795	31,823	31,823	31,823	31,823
3. 2009.....	.XXX	36,997	37,211	37,215	37,215
4. 2010.....	.XXX	.XXX	43,099	43,172	43,177
5. 2011.....	.XXX	.XXX	.XXX	41,928	41,828
6. 2012.....	.XXX	.XXX	.XXX	.XXX	42,863

12.GT

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2008.....	40,599	34,305	1,059	3.1	35,364	87.1			35,364	87.1
2. 2009.....	45,422	39,603	1,053	2.7	40,656	89.5			40,656	89.5
3. 2010.....	52,106	45,583	1,142	2.5	46,725	89.7			46,725	89.7
4. 2011.....	52,159	44,731	1,143	2.6	45,874	88.0			45,874	88.0
5. 2012.....	55,353	43,427	1,231	2.8	44,658	80.7	2,091	45	46,794	84.5

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.
NONE**

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

SECTION A - PAID HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior.....	2,399	2,402	2,402	2,402	2,402
2. 2008.....	29,220	31,823	31,823	31,823	31,823
3. 2009.....	XXX	34,726	37,211	37,215	37,215
4. 2010.....	XXX	XXX	40,373	43,172	43,177
5. 2011.....	XXX	XXX	XXX	39,178	41,828
6. 2012.....	XXX	XXX	XXX	XXX	40,774

SECTION B - INCURRED HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior.....	2,399	2,402	2,402	2,402	2,402
2. 2008.....	31,795	31,823	31,823	31,823	31,823
3. 2009.....	XXX	36,997	37,211	37,215	37,215
4. 2010.....	XXX	XXX	43,099	43,172	43,177
5. 2011.....	XXX	XXX	XXX	41,928	41,828
6. 2012.....	XXX	XXX	XXX	XXX	42,863

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - DENTAL ONLY

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2008.....	40,599	34,305	1,059	3.1	35,364	87.1			35,364	87.1
2. 2009.....	45,422	39,603	1,053	2.7	40,656	89.5			40,656	89.5
3. 2010.....	52,106	45,583	1,142	2.5	46,725	89.7			46,725	89.7
4. 2011.....	52,159	44,731	1,143	2.6	45,874	88.0			45,874	88.0
5. 2012.....	55,353	43,427	1,231	2.8	44,658	80.7	2,091	45	46,794	84.5

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**U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Other
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Other
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Other
NONE**

**U & I Ex.-Pt.2D
NONE**

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 (\$.....0 for occupancy of own building).....					0
2. Salaries, wages and other benefits.....					0
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....			3,302,734		3,302,734
4. Legal fees and expenses.....					0
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			33,997		33,997
7. Traveling expenses.....					0
8. Marketing and advertising.....					0
9. Postage, express and telephone.....			141,856		141,856
10. Printing and office supplies.....					0
11. Occupancy, depreciation and amortization.....					0
12. Equipment.....			4,802		4,802
13. Cost or depreciation of EDP equipment and software.....			66,378		66,378
14. Outsourced services including EDP, claims, and other services.....	81,485	85,457	197,734		364,676
15. Boards, bureaus and association fees.....			7,438		7,438
16. Insurance, except on real estate.....			8,680		8,680
17. Collection and bank service charges.....			109,699		109,699
18. Group service and administration fees.....		1,063,853	8,419,022		9,482,875
19. Reimbursements by uninsured plans.....			(1,240,576)		(1,240,576)
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....			74,970	67,102	142,072
22. Real estate taxes.....				56,894	56,894
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			5,046		5,046
23.2 State premium taxes.....			433,035		433,035
23.3 Regulatory authority licenses and fees.....			31,455		31,455
23.4 Payroll taxes.....					0
23.5 Other (excluding federal income and real estate taxes).....					0
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	286,526	0	286,526
26. Total expenses incurred (Lines 1 to 25).....	81,485	1,149,310	11,882,796	123,996	(a) 13,237,587
27. Less expenses unpaid December 31, current year.....		45,361	1,181,245		1,226,606
28. Add expenses unpaid December 31, prior year.....		51,059	1,197,330		1,248,389
29. Amounts receivable relating to uninsured plans, prior year.....					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).....	81,485	1,155,008	11,898,881	123,996	13,259,370

DETAILS OF WRITE-INS

2501. Interest expense.....			43,415		43,415
2502. Network Access Fees.....			116,338		116,338
2503. Operating lease.....			117,374		117,374
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	9,399	0	9,399
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	286,526	0	286,526

(a) Includes management fees of \$.....0 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).....2,344	.....2,716
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....129,219	.....125,520
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....304,017	.....304,017
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....169	.....169
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....435,749	.....432,422
11. Investment expenses.....	.....	(g).....123,996
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).....92,897
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....216,893
17. Net investment income (Line 10 minus Line 16).....	.....	.....215,529

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 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....0	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....0	.....0

- (a) Includes \$.....4,813 accrual of discount less \$.....3,291 amortization of premium and less \$.....2,365 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....92,897 depreciation on real estate and \$.....0 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.....	39,946		39,946		
2.1 Preferred stocks (unaffiliated).....			.....0		
2.11 Preferred stocks of affiliates.....			.....0		
2.2 Common stocks (unaffiliated).....			.....0		
2.21 Common stocks of affiliates.....			.....0		
3. Mortgage loans.....			.....0		
4. Real estate.....	305,478	(305,478)	.....0		
5. Contract loans.....			.....0		
6. Cash, cash equivalents and short-term investments.....			.....0		
7. Derivative instruments.....	(5,900)		(5,900)	16,354	
8. Other invested assets.....			.....0		
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	339,524	(305,478)	34,046	16,354	.....0

DETAILS OF WRITE-INS

0901.					
0902. ....			.....0		
0903. ....			.....0		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.0
2.2 Common stocks.....			.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.0
3.2 Other than first liens.....			.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.0
4.2 Properties held for the production of income.....			.0
4.3 Properties held for sale.....			.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.0
6. Contract loans.....			.0
7. Derivatives (Schedule DB).....			.0
8. Other invested assets (Schedule BA).....			.0
9. Receivables for securities.....			.0
10. Securities lending reinvested collateral assets (Schedule DL).....			.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
14. Investment income due and accrued.....			.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
15.3 Accrued retrospective premiums.....			.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.0
16.2 Funds held by or deposited with reinsured companies.....			.0
16.3 Other amounts receivable under reinsurance contracts.....			.0
17. Amounts receivable relating to uninsured plans.....			.0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0
18.2 Net deferred tax asset.....	31,226	29,578	(1,648)
19. Guaranty funds receivable or on deposit.....			.0
20. Electronic data processing equipment and software.....	115,334	102,920	(12,414)
21. Furniture and equipment, including health care delivery assets.....	22,006	4,161	(17,845)
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0
23. Receivables from parent, subsidiaries and affiliates.....			.0
24. Health care and other amounts receivable.....			.0
25. Aggregate write-ins for other than invested assets.....	50,455	34,563	(15,892)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	219,021	171,222	(47,799)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	219,021	171,222	(47,799)

DETAILS OF WRITE-INS

1101.....			.0
1102.....			.0
1103.....			.0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0
2501. Prepaid Expenses.....	50,455	34,563	(15,892)
2502.....			.0
2503.....			.0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	50,455	34,563	(15,892)

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.....	225,007	228,170	227,499	228,567	228,812	2,738,695
2. Provider service organizations.....						
3. Preferred provider organizations.....	38,390	40,862	41,094	41,420	43,370	499,217
4. Point of service.....						
5. Indemnity only.....	4,529	4,009	3,922	4,105	4,111	48,644
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	267,926	273,041	272,515	274,092	276,293	3,286,556

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 thru 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies**A. Accounting Practices**

The financial statements of Dental Care Plus Inc., (the "Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the "State or ODI"). The Company is a wholly owned subsidiary of DCP Holding Company (the "Parent or DCPH").

The Company 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 the 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 Company did not have any Ohio prescribed practices that would have a reconciling difference between NAIC SAP and the state.

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

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

C. Accounting Policy

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company. In December 2012, the Company declared and paid a dividend to DCPH totaling \$360,000. There were no dividends declared or paid in 2011.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at amortized cost using the interest method.
3. Common stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis. The Company did not have any investments in common stocks at December 31, 2012 and 2011.
4. Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32. The Company did not have any investments in preferred stocks at December 31, 2012 and 2011.
Mortgage loans on real estate are stated at the aggregate carrying value less accrued interest. The Company did not have any investments in mortgage loans on real estate at December 31, 2012 and 2011.
5. Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities, except for interest only securities or securities where the yield had become negative, that are valued using the prospective method. The Company did not have any investments in loan-backed securities at December 31, 2012 and 2011.
6. The Company does not have any Goodwill.
7. The Company does not have any minor ownership interests any joint ventures.
8. All derivatives are stated at fair value. The Company did not have any derivatives at December 31, 2012.
9. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
10. Unpaid losses and loss adjustment expenses include an amount determined from loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
11. The Company has not modified its capitalization policy from the prior period.

Note 2 - Accounting Changes and Corrections of Errors

Not applicable. DCP had no accounting changes or corrections of errors to report.

Note 3 - Business Combinations and Goodwill

Not applicable.

NOTES TO FINANCIAL STATEMENTS**Note 4 - Discontinued Operations**

Not applicable.

Note 5 - Investments

Not applicable. The Company did not have any investments in mortgage loans, debt restructuring, reverse mortgages, loan backed securities, or repurchase agreements for the years ended December 31, 2012 and 2011.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable. The Company has no Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets as of December 31, 2012 and 2011.

Note 7 - Investment Income

Not applicable. The Company did not have any excluded (nonadmitted) investment income due and accrued as of December 31, 2012 and 2011.

Note 8 - Derivative Instruments

In 2003, the Company entered into an interest rate swap agreement (“Agreement”) (cash flow hedge) with an original notional amount of \$1,500,000. The Agreement was used to manage the Company’s interest rate risk. The swap agreement effectively changed the interest rate related to \$1,500,000 of the Company’s \$1,800,000 mortgage note with a commercial bank from a variable rate based on the 30-day LIBOR rate plus 1.75% to a fixed rate of approximately 4.95%. The Company’s risk management policy is to not enter into any trading activities related to the Agreement. The Agreement terminated in December 2012 due to the sale of the real estate to the Parent. The Company recorded a realized loss of \$5,900 included in the Statement of Revenue and Expenses.

Note 9 - Income Taxes

A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs):

Description	2012			2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1a. Gross Deferred Tax Assets	312,117	-	312,117	268,357	5,560	273,917	43,760	(5,560)	38,199
1b. Statutory Valuation Allowance	-	-	-	-	-	-	-	-	-
1c. Adjusted Gross Deferred Tax Assets	312,117	-	312,117	268,357	5,560	273,917	43,760	(5,560)	38,199
1e. Deferred Tax Assets Nonadmitted	31,226	-	31,226	24,018	5,560	29,578	7,209	(5,560)	1,649
Subtotal Net Admitted Deferred Tax									
1e. Asset	280,890	-	280,890	244,339	-	244,339	36,551	-	36,551
1f. Deferred tax liabilities	65,200	-	65,200	-	-	-	65,200	-	65,200
Net Admitted Deferred Tax Asset (Net									
1g. Deferred Tax Liability)	215,690	-	215,690	244,339	-	244,339	(28,649)	-	(28,649)

NOTES TO FINANCIAL STATEMENTS

	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital
Federal Income Taxes Paid In Prior Years Recoverable Through Loss								
2a. Carrybacks	278,094	-	278,094	244,339	-	244,339	33,755	-
Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application Of The Threshold Limitation (The Lesser of 2(b)1 and 2(b) 2 Below)	932	-	932	-	-	-	932	-
i. Adjusted Gross Deferred Tax Assets Expected to be Realized Following The Balance Sheet Date	932	-	932	-	-	-	932	-
ii. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	1,068,357		1,068,357			777,437		
Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From (a) and (b) above) Offset by								
2c. Gross Deferred Tax Liabilities	1,864	-	1,864	-	-	-	1,864	-
Deferred Tax Assets Admitted as the result of application of SSAP No. 101	280,890	-	280,890	244,339	-	244,339	36,551	-
Total admitted adjusted gross deferred tax assets	280,890	-	280,890	244,339	-	244,339	36,551	-
Deferred tax liability	65,200	-	65,200	-	-	-	65,200	-
Net admitted deferred tax assets / (liabilities)	215,690	-	215,690	244,339	-	244,339	(28,649)	-
Nonadmitted deferred tax assets	31,226	-	31,226	24,018	5,560	29,578	7,208	(5,560)

	2012	2011
Ratio percentage used to determine recovery period and threshold limitation amounts	465%	411%

Amount of Adjusted Capital and Surplus used to determine recovery period and threshold limitation in 2(b)ii above.	7,122,382	5,182,913
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Impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs:

Description	2012		
	Ordinary	Capital	Total
Adjusted gross DTAs - Amount	-	-	-
Adjusted gross DTAs - Percentage	0%	0%	0%
Net admitted DTAs - Amount	-	-	-
Net admitted DTAs - Percentage	0%	0%	0%

The Company does not use reinsurance based tax planning strategies.

B. Unrecognized Deferred Tax Liabilities- There are no temporary differences for deferred tax liabilities that are not recognized at December 31, 2012 and 2011.

C. Current Tax and Change in Deferred Tax- Current income taxes incurred consisted of the following major components at December 31, 2012 and 2011 are as follows:

Description	2012	2011
Current income tax expense	671,625	390,488
Tax on capital gains/(losses)	11,575	5,930
Prior year underaccrual/(overaccrual)	14,194	(128,045)
Federal income taxes incurred	697,394	268,373

The tax effects of temporary differences that give rise to significant portions of the deferred taxes at December 31, 2012 and 2011 are as follows:

NOTES TO FINANCIAL STATEMENTS

DTAs Resulting from Book/Tax Differences In	December 31, December 31,		Change
	2012	2011	
Ordinary			
Unearned premiums	81,336	84,146	(2,810)
Net Operating Loss	-	-	-
Unpaid losses and LAE	10,272	16,063	(5,791)
Accrued commission	157,760	131,597	26,163
Basis difference in fixed assets	-	24,018	(24,018)
Deferred intercompany loss on building	36,353	-	36,353
Allowance for doubtful accounts	18,755	5,200	13,556
Prepaid insurance	7,640	7,334	306
Capital leases	-	-	-
Nonadmitted assets	-	-	-
Gross ordinary DTAs	312,117	268,357	43,760
Statutory valuation adjustment adjustment - ordinary	-	-	-
Nonadmitted ordinary DTAs	(31,226)	(24,018)	(7,209)
Admitted ordinary DTAs	280,890	244,339	36,551
Capital			
Unrealized loss	-	5,560	(5,560)
Gross capital DTAs	-	5,560	(5,560)
Statutory valuation adjustment adjustment - capital	-	-	-
Nonadmitted capital DTAs	-	(5,560)	5,560
Admitted capital DTAs	-	-	-
Admitted DTAs	280,890	244,339	36,551
DTLs Resulting from Book/Tax Differences In			
Ordinary			
Basis difference in fixed assets	(41,400)	-	(41,400)
Deferred intercompany gain on land	(23,800)	-	(23,800)
Ordinary DTLs	(65,200)	-	(65,200)
Capital			
Unrealized gain	-	-	-
Capital DTLs	-	-	-
DTLs	(65,200)	-	(65,200)
Net admitted deferred tax asset (liability)	215,690	244,339	(28,649)

The change in net deferred tax assets is comprised of the following:

Description	December 31, December 31,		Change
	2012	2011	
Total deferred tax assets	312,117	273,917	38,199
Total deferred tax liabilities	(65,200)	-	(65,200)
Net deferred tax asset	246,917	273,917	(27,001)
Tax effect of unrealized (gains)/losses			5,560
Tax effect of gain on sale of building			103,862
Change in net deferred income tax (charge)/benefit			82,421

D. Reconciliation of Federal Income Tax Rate to Actual Effective Tax Rate

NOTES TO FINANCIAL STATEMENTS

The Company's income tax expense differs from the amount obtained by applying the statutory rate of 34% to pretax net income for the following reasons at December 31:

Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	1,805,567	613,893	34.0%
State taxes	-	-	0.0%
Change in nonadmitted assets	(46,150)	(15,691)	-0.9%
Other	49,327	16,771	0.9%
	1,808,744	614,973	34.06%
Federal income taxes incurred			685,819
Tax on capital gains/(losses)			11,575
Change in net deferred income taxes			(82,421)
Total statutory income taxes			614,973

E. Operating Loss and Tax Credit Carry forwards and Protective Tax Deposits

At December 31, 2012, the Company had no operating loss, capital loss or AMT carry forwards to utilize in future years.

The following is income tax incurred for 2010, 2011 and 2012 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2010	██████████	-	-
2011	415,875	5,930	421,805
2012	671,625	11,575	683,200
Total	1,087,500	17,505	1,105,005

F. The Company's federal income tax return is consolidated with the following entities:

Dental Care Plus, Inc.
 DCP Holding Company
 Insurance Assoc. Plus, Inc.
 Adenta, Inc.

The Company files its income tax return on a consolidated basis with its parent company, DCP Holding Company, and the two other wholly owned subsidiaries of its parent company, Insurance Associates Plus, Inc. and Adenta, Inc. The Company's federal income tax expense and liability are calculated on a separate company basis. In keeping with the Company's income tax allocation arrangement, the Company has a net federal income tax receivable (payable) at December 31, 2012 and 2011, of approximately \$95,000 and \$(251,000), respectively, which includes \$276,000 and \$67,000 related to federal tax payments made on behalf of DCP Holding Company, Insurance Associates Plus, Inc. and Adenta. The Company's policy is to settle this inter-company receivable within 30 days of the filing of its consolidated income tax return.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

- A. B. & C. The Company paid common stock dividends of \$360,000 to the Parent in 2012. In 2012, the Company received a cash investment of \$300,000 from the Parent.

In December 2012, the Company entered into a sale-leaseback agreement of its real estate interest to the Parent with a fair market value purchase price of \$2,200,000. The Company paid its outstanding encumbrance of \$1,310,000 related to the real estate property and also recorded a gain on the sale of the asset of \$305,478, which is included in special surplus.

- D. At December 31, 2012, the Company reported \$393,657 as amounts due to DCPH. The terms of the settlement require that these amounts be settled within 30 days.
- E. The Company has a Management Services Agreement with DCPH to provide general administrative services to the Company. DCPH collected monthly management fees from the Company based on an apportionment of the DCPH costs incurred by the Company. The Company paid management fees to DCPH of \$9,444,182 and \$8,034,160 in 2012

NOTES TO FINANCIAL STATEMENTS

and 2011, respectively.

The Company received office rent from DCPH of \$236,283 and \$231,650 during 2012 and 2011, respectively.

- F. The Company pays Insurance Associates Plus, Inc. (“IAP”), an insurance agency that is an affiliate of the Company, commissions on collected premiums from employee groups serviced by IAP. The Company paid commissions to IAP totaling \$46,450 and \$46,714 in 2012 and 2011, respectively.

All outstanding shares of the Company are owned by the Parent.

- G. Not applicable. The Company does not own shares of the stock of Parent.
- H. Not applicable. The Company does not own any interest or investment, whose carrying value is equal to or exceeds 10% of the admitted assets of the Company.
- I. Not applicable. The Company does not invest in an affiliated company during the statement period.
- K. Not applicable. The Company does not invest in a foreign insurance company.
- L. Not applicable. The Company does not have any downstream non insurance holding company.

Note 11 - Debt

As stated in Note 10, the Company does not have an outstanding encumbrance for the real estate as it sold to DCPH in December 2012. As of December 2011, the Company had an outstanding encumbrance of \$1,430,000.

The Company does not have any reverse repurchase agreements.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Effective July 1, 2005, the Company no longer has employees and the services are rendered by the employees of DCP Holding Company.

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

1. The Company has 1,500 common shares authorized, 166 shares issued and shares outstanding as of December 31, 2012 and 2011.
2. The Company has no preferred stock outstanding.
3. Dividends paid by the Company to its shareholders cannot, without prior approval of the Department, exceed in any one year the lesser of (i) 10% of net worth (as of the preceding December 31), or (ii) net income for the prior year, and only if net worth exceeds \$250,000 and only out of positive capital and surplus.
4. The Company declared and paid an ordinary dividend of \$360,000 in December 2012. There were no dividends declared or paid in 2011.
5. 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 stockholders.
6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
7. Not applicable the Company is not a mutual reciprocal.
8. Not applicable there are not any stocks of affiliated companies held for any special purpose.
9. In accordance with SSAP 22 par. 10, the Company recorded \$305,478 in special surplus as a result of the gain on the sale-leaseback for the real-estate that the Company previously owned. This amount will be amortized to unassigned surplus in conjunction with the rental agreement.
10. Surplus increased \$16,354 from the prior year from the reversal of the unrealized loss of the derivative. In December 2012, the derivative was terminated in conjunction with the repayment of the outstanding encumbrance on real estate and termination of the outstanding derivative (Note 8).
11. The Company does not have any surplus debenture or similar obligations.

NOTES TO FINANCIAL STATEMENTS

12-13. The Company has not had any quasi-reorganization.

Note 14 - Contingencies

Litigation—Various litigation and claims against the Company are in process and pending. Based upon a review of open matters with legal counsel, management believes that the outcome of such matters will not have a material effect upon the Company's financial position or results of operations.

Note 15 - Leases

Leases—The Company leases certain equipment and office space under non-cancelable operating leases. Rent expense under all operating leases was approximately \$123,507 and \$123,507 for the years ended December 31, 2012 and 2011, respectively.

At December 31, 2012, future approximate minimum annual lease payments under non-cancelable operating and office space lease are as reported

Years Ending December 31	
2013	\$ 436,499
2014	315,709
2015	308,416
2016	308,416
2017 and thereafter	<u>1,542,080</u>
Total	<u>\$ 2,911,120</u>

In 2010, the Company entered into a sale-leaseback transaction with a leasing company. The Company sold certain fixed assets totaling \$323,365. There was no gain or loss on the sale. The Company did not retain the benefits and risk to the property sold and the risk of ownership was transferred to the leasing company. The Company entered into a three year non-cancelable operating leasing agreement with the leasing company. Included in the minimum annual lease payments schedule,

In December 2012, the Company entered a sale-leaseback transaction with the Parent Company, the DCP Holding Company. The Company sold the land and building for \$2,200,000, realizing a gain on sale of \$305,478. The gain was included in special surplus and is amortized to unassigned surplus over the term of the sale leaseback. The minimum lease payment is included in the minimum annual lease payments schedule.

Lease Income—The Company leased space in its building to parties under non-cancelable leases. Income recorded by the Company under non-cancelable leases amounted to approximately \$304,017 and \$293,258 for the years ended December 31, 2012 and 2011, respectively. Such amounts are recorded in net investment income in the accompanying financial statements.

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

The Company does not have any Financial Instruments that pose Off-Balance Sheet Risk or Financial Instruments with Concentrations of Credit Risk.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable.

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

A. ASO Plans - Not Applicable

B. ASC Plans

The gain from operations from Administrative Service Contract (ASC) uninsured plans was as follows during 2012:

a. Gross reimbursement for medical cost incurred	\$ 23,130,991
b. Gross administrative fees accrued	\$ 1,203,847
c. Other income or expenses	\$ (3,192,574)
d. Gross expenses incurred (claims and administrative)	\$ 20,973,778
e. Total net gain or loss from operations	\$ 168,486

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - Not Applicable

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

NOTES TO FINANCIAL STATEMENTS

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Type of Business Written	Type of Authority Granted	Total Premiums Written/Produced By
DCP Holding Company (Parent) 100 Crowne Point Place Cincinnati, OH 45241	20-1291244	Yes	PPO, HMO, IND	C, CA, R, B, P, U	\$54,649,665
IHC Health Solutions, Inc 2101 W. Peoria Ave Suite 100 Phoenix AZ, 85029	35-1640589	No	PPO	C, CA, P	\$514,336

Note 20- Fair Value Measurements

The Company classifies the assets and liabilities that require measurement of fair value on a recurring basis based on the priority of the observable and market-based sources of data into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

- Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.
- Level 2 – Valuations based on significant other observable inputs other than those included in Level 1 such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.
- Level 3 – Valuations based on unobservable inputs such as when observable inputs are not available or inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents for each of the fair value levels, the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2012 and 2011:

	December 31, 2012			December 31, 2011		
	Level 1	Level 2	Total Balance	Level 1	Level 2	Total Balance
Assets						
Cash						
Federally-Insured certificates of deposits, short term		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Short-term investments						
Money market funds	\$ 51,110		51,110	65,461		65,461
Total	<u>51,110</u>	<u>50,000</u>	<u>101,110</u>	<u>65,461</u>	<u>50,000</u>	<u>115,461</u>
Liabilities						
Interest rate swap (included in derivatives)		-	-		16,354	16,354
Total	<u>\$</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$</u>	<u>\$ 16,354</u>	<u>\$ 16,354</u>

The Company measures fair value using the following valuation methodologies. The Company uses quoted market prices to determine the fair value of the deferred compensation investments and certain state fund guarantee deposits; such items are classified as Level 1 of the fair-value hierarchy. Examples include government securities and exchange-traded equity securities. The Company primarily bases fair value for investments in fixed-maturity securities (including federally-insured certificates of deposits and investment grade corporate bonds) on quoted market prices or on prices from a pricing vendor, an outside resource that supplies independent securities pricing, dividend, corporate action and descriptive information to support fund pricing, securities operations, research and portfolio management. The Company obtains and reviews the pricing service's valuation methodologies and validates these prices using various inputs including quotes from other independent regulatory sources. When deemed necessary, the Company validates prices by replicating a sample using a discounted cash flow model. Such items are classified as Level 2 of the fair-value hierarchy. The Company obtains a price from an independent vendor to determine the fair value of the interest rate swap. The independent vendor uses a discounted cash flow method whereby the significant observable inputs include the replacement interest rates of similar swap instruments in the market and swap curves; such items are classified as Level 2 of the fair value hierarchy.

As December 31, 2012 and 2011, there were no assets or liabilities that were required to be measured at fair value on a non-recurring basis.

NOTES TO FINANCIAL STATEMENTS**Note 21 - Other Items**

In November 2011, NAIC issued Statement of Statutory Accounting Principles No. 101, *Income Taxes, A Replacement of SSAP 10R and SSAP 10* ("SSAP 101"). The guidance significantly changes the statutory accounting for income taxes in two key areas: (1) tax loss contingencies and (2) admissibility of deferred tax assets. SSAP 101 is effective for reporting periods beginning after January 1, 2012 and is a permanent replacement of existing guidance. The adoption of the guidance will not have a material impact on the statutory-basis financial statements and related disclosures.

In March 2012, the NAIC issued SSAP 103, *Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities*. This guidance clarifies that whether a transferor and all of the entities included in the transferor's financial statements being presented have surrendered control over transferred financial assets. The effective date is for reporting periods beginning after January 1, 2013 and is a replacement for SSAP 91R to be applied prospectively. The Company is evaluating the impact on the Company's statutory-basis financial statements and related disclosures.

Note 22 - Events Subsequent

DCP has no subsequent events to report.

Note 23 - Reinsurance**A. Ceded Reinsurance Report**

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of payment or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. not applicable

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

NOTES TO FINANCIAL STATEMENTS

B. Uncollectible receivables- Not applicable.

C. Commutation of Ceded Reinsurance- Not applicable.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

The cost of health care services provided to members is accrued in the period such services are provided based on the accumulation of estimates of claims reported prior to the end of a reporting period and of estimates of dental services provided but not reported to the Company.

Management's estimates of dental services provided are based on the Company's historical experience and current trends, with assistance from the Company's consulting actuary. Estimated dental claims payable are reviewed regularly by management and are adjusted based on current information; however, final claim payments may differ from the established reserves. Any resulting adjustments are reflected in current operations.

Note 26 - Intercompany Pooling Arrangements

Not Applicable.

Note 27 - Structured Settlements

Not Applicable.

Note 28 - Health Care Receivables

Not applicable.

Note 29 - Participating Policies

Not applicable.

Note 30 - Premium Deficiency Reserves

The Company reviews contracts with employers groups to determine the adequacy of premiums earned, and to be earned, relative to the total expected claims and claims adjustment expenses for the contracts. As of December 31, 2012 and 2011, the Company determined these contracts did not warrant the establishment of a premium deficiency reserve.

Note 31 - Anticipated Salvage and Subrogation

Not applicable.

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 [X] 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 [X] 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 [X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009
- 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). 04/11/2011
- 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 [X] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
 - 4.11 sales of new business? Yes [] No [X]
 - 4.12 renewals? Yes [X] 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 [X]
 - 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of 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 Co. 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 [X]
- 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 [X]
- 7.2 If yes,
 - 7.21 State the percentage of foreign control%
 - 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 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, 250 EAST FIFTH STREET, SUITE 1900, CINCINNATI, OHIO 45202
- 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 answer 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?
TIMOTHY P. BERGHOFF, MAAA, 8216 MILLVIEW DRIVE, CINCINNATI, OH 45249

GENERAL INTERROGATORIES

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.

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 [X]

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

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

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

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

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

PART 1 - COMMON INTERROGATORIES - 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.

PART 1 - COMMON INTERROGATORIES - 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 [X] No []

24.02 If no, give full and complete information relating thereto.

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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 [] N/A [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 [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [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 [] N/A [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.

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 \$.....0

25.22 Subject to reverse repurchase agreements \$.....0

25.23 Subject to dollar repurchase agreements \$.....0

25.24 Subject to reverse dollar repurchase agreements \$.....0

25.25 Pledged as collateral \$.....0

25.26 Placed under option agreements \$.....0

25.27 Letter stock or securities restricted as to sale \$.....0

25.28 On deposit with state or other regulatory body \$.....279,645

25.29 Other \$.....0

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 [X] No []

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Farmer's Bank (Kentucky)	#1 Farmer's Bank Plaza, Frankfort, KY 40601
Key Bank -(Indiana and Ohio)	5181 Natorp Blvd, Suite 510, Mason, OH 45040
Fifth Third Securities, Inc.	38 Fountain Sq. Plaza, Cincinnati, OH 45263
UBS Financial Services	8044 Montgomery Rd, Cincinnati, OH 45236

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
--	-----------	--------------

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. 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 the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to 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.....	4,301,432	4,552,742	251,310
30.2 Preferred stocks.....			0
30.3 Totals.....	4,301,432	4,552,742	251,310

PART 1 - COMMON INTERROGATORIES - INVESTMENT

- 30.4 Describe the sources or methods utilized in determining the fair values:
 Cusip trading price at end of period
-
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.
-
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
-

PART 1 - COMMON 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 |
|--|------------------|
| National Association of Insurance Commissioners (NAIC) | 3,600 |
| AMBEST | 14,600 |
| National Assn. of Dental Plans | 7,438 |
- 34.1 Amount of payments for legal expenses, if any? \$.....0
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.
- | 1
Name | 2
Amount Paid |
|-----------|------------------|
| | |
- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....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 |
|------------------------------|------------------|
| Ohio Department of Insurance | 19,000 |

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
- 1.31 Reason for excluding

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.
- 1.6 Individual policies:
 - Most current three years:
 - 1.61 Total premium earned
 - 1.62 Total incurred claims
 - 1.63 Number of covered lives
 - All years prior to most current three years:
 - 1.64 Total premium earned
 - 1.65 Total incurred claims
 - 1.66 Number of covered lives
- 1.7 Group policies:
 - Most current three years:
 - 1.71 Total premium earned
 - 1.72 Total incurred claims
 - 1.73 Number of covered lives
 - All years prior to most current three years:
 - 1.74 Total premium earned
 - 1.75 Total incurred claims
 - 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	55,352,524	52,158,616
2.2 Premium Denominator.....	55,352,524	52,158,616
2.3 Premium Ratio (2.1/2.2).....	100.0	100.0
2.4 Reserve Numerator.....		2,750,409
2.5 Reserve Denominator.....	2,090,649	2,750,409
2.6 Reserve Ratio (2.4/2.5).....	0.0	100.0

- 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, and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:

- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [X] No []
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
- 5.2 If no, explain:
Dental HMO, Indemnity and PPO are not required to have a stop loss coverage

- 5.3 Maximum retained risk (see instructions):
 - 5.31 Comprehensive medical \$.....0
 - 5.32 Medical only \$.....0
 - 5.33 Medicare supplement \$.....0
 - 5.34 Dental and vision \$.....0
 - 5.35 Other limited benefit plan \$.....0
 - 5.36 Other \$.....0

- 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:
Provider agreements call for providers to only collect deductibles and coinsurance even if the Company becomes insolvent
In addition, providers are obligated to continue with all current patient treatments to completion

- 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 year4,825
 - 8.2 Number of providers at end of reporting year5,006
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [X] No []
- 9.2 If yes, direct premium earned:
 - 9.21 Business with rate guarantees between 15-36 months \$.....9,851,496
 - 9.22 Business with rate guarantees over 36 months \$.....0
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus arrangements in its provider contracts? Yes [X] No []
- 10.2 If yes:
 - 10.21 Maximum amount payable bonuses \$.....0
 - 10.22 Amount actually paid for year bonuses \$.....0
 - 10.23 Maximum amount payable withholds \$.....0
 - 10.24 Amount actually paid for year withholds \$.....0

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 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 [X] No []
 - 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. OH, KY, IND
- 11.4. If yes, show the amount required. \$.....3,951,921
- 11.5. Is this amount included as part of a contingency reserve in stockholder's equity? Yes [X] No []
- 11.6. If the amount is calculated, show the calculation:

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

1 Name of Service Area
ADAIR, KY
ALLEN, KY
Anderson, KY
BALLARD, KY
BARREN, KY
BATH, KY
BELL, KY
Boone, KY
Bourbon, KY
BOYD, KY
Boyle, KY
BRACKEN, KY
BREATHITT, KY
BRECKENRIDGE, KY
Bullitt, KY
BUTLER, KY
CALDWELL, KY
CALLOWAY, KY
Campbell, KY
CARLISLE, KY
Carroll, KY
CARTER, KY
CASEY, KY
CHRISTIAN, KY
Clark, KY
CLAY, KY
CLINTON, KY
CRITTENDEN, KY
CUMBERLAND, KY
DAVIESS, KY
EDMONSON, KY
ELLIOTT, KY
Estill, KY
Fayette, KY
FLEMING, KY
FLOYD, KY
Franklin, KY
FULTON, KY
Gallatin, KY
Garrard, KY
Grant, KY
GRAVES, KY
GRAYSON, KY
GREEN, KY
GREENUP, KY
HANCOCK, KY
HARDIN, KY
HARLAN, KY
Harrison, KY
HART, KY
HENDERSON, KY
Henry, KY
HICKMAN, KY
HOPKINS, KY
JACKSON, KY
Jefferson, KY
Jessamine, KY
JOHNSON, KY
Kenton, KY
KNOTT, KY
KNOX, KY
LARUE, KY
LAUREL, KY
LAWRENCE, KY
LEE, KY
LESLIE, KY
LETCHER, KY
LEWIS, KY
Lincoln, KY
LIVINGSTON, KY
LOGAN, KY
LYON, KY
Madison, KY
MAGOFFIN, KY
MARION, KY
MARSHALL, KY
MARTIN, KY
MASON, KY
MCCRACKEN, KY
MCCREARY, KY
MCLEAN, KY
MEADE, KY

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

MENIFEE, KY
Mercer, KY
METCALFE, KY
MONROE, KY
MONTGOMERY, KY
MORGAN, KY
MUHLENBERG, KY
NELSON, KY
Nicholas, KY
OHIO, KY
Oldham, KY
Owen, KY
OWSLEY, KY
Pendleton, KY
PERRY, KY
PIKE, KY
Powell, KY
PULASKI, KY
ROBERTSON, KY
ROCKCASTLE, KY
ROWAN, KY
RUSSELL, KY
Scott, KY
Shelby, KY
SIMPSON, KY
Spencer, KY
TAYLOR, KY
TODD, KY
TRIGG, KY
Trimble, KY
UNION, KY
WARREN, KY
WASHINGTON, KY
WAYNE, KY
WEBSTER, KY
WHITLEY, KY
WOLFE, KY
Woodford, KY
ADAMS, OH
ALLEN, OH
ASHLAND, OH
ASHTABULA, OH
ATHENS, OH
AUGLAIZE, OH
BELMONT, OH
BROWN, OH
BUTLER, OH
CARROLL, OH
CHAMPAIGN, OH
CLARK, OH
CLERMONT, OH
CLINTON, OH
COLUMBIANA, OH
COSHOCTON, OH
CRAWFORD, OH
CUYAHOGA, OH
DARKE, OH
DEFIANCE, OH
DELAWARE, OH
ERIE, OH
FAIRFIELD, OH
FAYETTE, OH
FRANKLIN, OH
FULTON, OH
GALLIA, OH
GEAUGA, OH
GREENE, OH
GUERNSEY, OH
HAMILTON, OH
HANCOCK, OH
HARDIN, OH
HARRISON, OH
HENRY, OH
HIGHLAND, OH
HOCKING, OH
HOLMES, OH
HURON, OH
JACKSON, OH
JEFFERSON, OH
KNOX, OH
LAKE, OH
LAWRENCE, OH
LICKING, OH
LOGAN, OH
LORAIN, OH
LUCAS, OH

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

MADISON, OH
MAHONING, OH
MARION, OH
MEDINA, OH
MEIGS, OH
MERCER, OH
MIAMI, OH
MONROE, OH
MONTGOMERY, OH
MORGAN, OH
MORROW, OH
MUSKINGUM, OH
OTTAWA, OH
PAULDING, OH
PERRY, OH
PICKAWAY, OH
PIKE, OH
PORTAGE, OH
PREBLE, OH
PUTNAM, OH
RICHLAND, OH
ROSS, OH
SANDUSKY, OH
SCIOTO, OH
SENECA, OH
SHELBY, OH
STARK, OH
SUMMIT, OH
TRUMBULL, OH
TUSCARAWAS, OH
UNION, OH
VAN WERT, OH
VINTON, OH
WARREN, OH
WASHINGTON, OH
WAYNE, OH
WILLIAMS, OH
WOOD, OH
WYANDOT, OH
Adams, IN
Allen, IN
Bartholomew, IN
Benton, IN
Blackford, IN
Boone, IN
Brown, IN
Carroll, IN
Cass, IN
Clark, IN
Clay, IN
Clinton, IN
Crawford, IN
Daviess, IN
Dearborn, IN
Decatur, IN
DeKalb, IN
Delaware, IN
Dubois, IN
Elkhart, IN
Fayette, IN
Floyd, IN
Fountain, IN
Franklin, IN
Fulton, IN
Gibson, IN
Grant, IN
Greene, IN
Hamilton, IN
Hancock, IN
Harrison, IN
Hendricks, IN
Henry, IN
Howard, IN
Huntington, IN
Jackson, IN
Jasper, IN
Jay, IN
Jefferson, IN
Jennings, IN
Johnson, IN
Knox, IN
Kosciusko, IN
La Porte, IN
Lagrange, IN
Lake, IN
Lawrence, IN

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

Madison, IN
Marion, IN
Marshall, IN
Martin, IN
Miami, IN
Monroe, IN
Montgomery, IN
Morgan, IN
Newton, IN
Noble, IN
Ohio, IN
Orange, IN
Owen, IN
Parke, IN
Perry, IN
Pike, IN
Porter, IN
Posey, IN
Pulaski, IN
Putnam, IN
Randolph, IN
Ripley, IN
Rush, IN
Scott, IN
Shelby, IN
Spencer, IN
St. Joseph, IN
Starke, IN
Steuben, IN
Sullivan, IN
Switzerland, IN
Tippecanoe, IN
Tipton, IN
Union, IN
Vanderburgh, IN
Vermillion, IN
Vigo, IN
Wabash, IN
Warren, IN
Warrick, IN
Washington, IN
Wayne, IN
Wells, IN
White, IN
Whitley, IN

- 13.1. Do you act as a custodian for health savings account?
- 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?
- 13.4. If yes, please provide the balance of the funds administered as of the reporting date.

Yes [] No [X]

 Yes [] No [X]

FIVE-YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	12,382,728	11,862,122	11,107,143	9,530,301	9,593,911
2. Total liabilities (Page 3, Line 24).....	4,986,577	5,761,173	5,592,625	4,609,783	4,419,632
3. Statutory surplus.....	3,951,921	3,262,197	2,675,766	2,531,766	2,785,527
4. Total capital and surplus (Page 3, Line 33).....	7,396,151	6,100,949	5,514,518	4,920,518	5,174,279
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	57,509,737	54,256,010	54,129,288	47,584,202	42,663,488
6. Total medical and hospital expenses (Line 18).....	42,767,503	42,003,879	43,312,011	37,028,104	31,754,941
7. Claims adjustment expenses (Line 20).....	1,230,795	1,091,831	1,092,815	1,007,524	1,002,690
8. Total administrative expenses (Line 21).....	11,882,796	10,345,695	9,895,645	10,031,382	9,387,488
9. Net underwriting gain (loss) (Line 24).....	1,628,643	814,605	(171,183)	(482,808)	518,369
10. Net investment gain (loss) (Line 27).....	238,000	182,996	167,923	183,154	267,606
11. Total other income (Lines 28 plus 29).....	(72,993)	(31,905)	(17,916)	(2,415)	5,522
12. Net income or (loss) (Line 32).....	1,107,830	703,253	(94,226)	(374,600)	641,219
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	42,079	998,427	1,514,805	(105,174)	1,406,011
Risk-Based Capital Analysis					
14. Total adjusted capital.....	7,396,151	6,100,949	5,514,518	4,920,518	5,174,279
15. Authorized control level risk-based capital.....	1,591,297	1,483,543	1,584,172	1,386,934	1,180,515
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	276,293	267,926	267,987	258,697	253,094
17. Total member months (Column 6, Line 7).....	3,286,556	3,195,557	3,212,150	3,000,002	2,919,893
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 (Line 18 plus Line 19).....	77.3	80.5	83.1	81.5	78.6
20. Cost containment expenses.....	0.1	0.1	0.1	0.2	0.1
21. Other claims adjustment expenses.....	2.1	2.0	2.0	2.0	2.3
22. Total underwriting deductions (Line 23).....	101.0	102.5	104.2	105.8	104.8
23. Total underwriting gain (loss) (Line 24).....	2.9	1.6	(0.3)	(1.1)	0.8
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5).....	2,654,534	2,803,442	2,484,792	2,605,941	2,381,530
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)].....	2,750,409	2,727,213	2,271,421	2,574,681	2,421,112
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch. D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch. D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
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.....					

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 and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	
1. Alabama.....AL	N								0
2. Alaska.....AK	N								0
3. Arizona.....AZ	N								0
4. Arkansas.....AR	N								0
5. California.....CA	N								0
6. Colorado.....CO	N								0
7. Connecticut.....CT	N								0
8. Delaware.....DE	N								0
9. District of Columbia.....DC	N								0
10. Florida.....FL	N								0
11. Georgia.....GA	N								0
12. Hawaii.....HI	N								0
13. Idaho.....ID	N								0
14. Illinois.....IL	N								0
15. Indiana.....IN	L								0
16. Iowa.....IA	N								0
17. Kansas.....KS	N								0
18. Kentucky.....KY	L	8,924,652						8,924,652	0
19. Louisiana.....LA	N								0
20. Maine.....ME	N								0
21. Maryland.....MD	N								0
22. Massachusetts.....MA	N								0
23. Michigan.....MI	N								0
24. Minnesota.....MN	N								0
25. Mississippi.....MS	N								0
26. Missouri.....MO	N								0
27. Montana.....MT	N								0
28. Nebraska.....NE	N								0
29. Nevada.....NV	N								0
30. New Hampshire.....NH	N								0
31. New Jersey.....NJ	N								0
32. New Mexico.....NM	N								0
33. New York.....NY	N								0
34. North Carolina.....NC	N								0
35. North Dakota.....ND	N								0
36. Ohio.....OH	L	46,239,349						46,239,349	0
37. Oklahoma.....OK	N								0
38. Oregon.....OR	N								0
39. Pennsylvania.....PA	N								0
40. Rhode Island.....RI	N								0
41. South Carolina.....SC	N								0
42. South Dakota.....SD	N								0
43. Tennessee.....TN	N								0
44. Texas.....TX	N								0
45. Utah.....UT	N								0
46. Vermont.....VT	N								0
47. Virginia.....VA	N								0
48. Washington.....WA	N								0
49. West Virginia.....WV	N								0
50. Wisconsin.....WI	N								0
51. Wyoming.....WY	N								0
52. American Samoa.....AS	N								0
53. Guam.....GU	N								0
54. Puerto Rico.....PR	N								0
55. U.S. Virgin Islands.....VI	N								0
56. Northern Mariana Islands.....MP	N								0
57. Canada.....CAN	N								0
58. Aggregate Other alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal.....XXX		55,164,001	0	0	0	0	0	55,164,001	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX								0	
61. Total (Direct Business).....(a)	3	55,164,001	0	0	0	0	0	55,164,001	0

DETAILS OF WRITE-INS

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 + 58998).....		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.

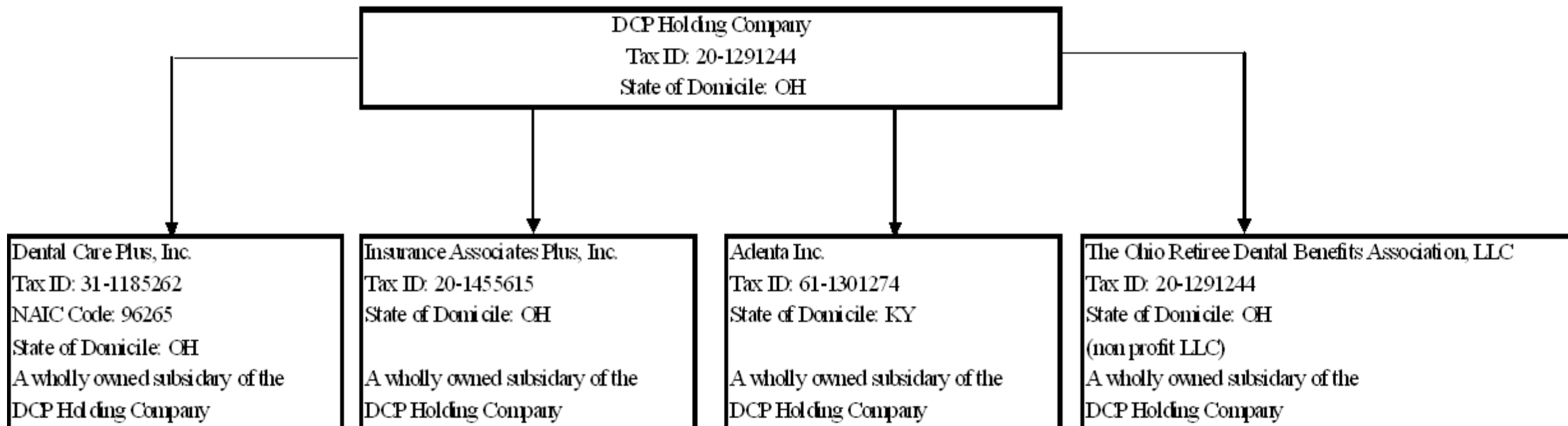
Explanation of basis of allocation by states, premiums by state, etc.

Dental Care Plus, Inc. allocates its premium revenue based on the situs or location of its employer group customers.

(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



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