



**ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2014  
OF THE CONDITION AND AFFAIRS OF THE**

Buckeye Community Health Plan, Inc.

|                                       |  |  |  |   |                      |            |
|---------------------------------------|--|--|--|---|----------------------|------------|
| NAIC Group Code                       | 1295<br>(Current Period)   | 1295<br>(Prior Period)   | NAIC Company Code  | 11834   | Employer's ID Number | 32-0045282 |
| Organized under the Laws of           | Ohio   |  | State of Domicile or Port of Entry                                       | Ohio  |                      |            |
| Country of Domicile                   | United States  |  |  |   |                      |            |
| Licensed as business type:            | Life, Accident & Health <input type="checkbox"/>                         | Property/Casualty <input type="checkbox"/>   | Hospital, Medical & Dental Service or Indemnity <input type="checkbox"/> |   |                      |            |
|                                       | Dental Service Corporation <input type="checkbox"/>                      | Vision Service Corporation <input type="checkbox"/>  | Health Maintenance Organization <input checked="" type="checkbox"/>      |   |                      |            |
|                                       | Other <input type="checkbox"/>   | Is HMO, Federally Qualified? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |  |   |                      |            |
| Incorporated/Organized                | 10/29/2003   |  | Commenced Business   | 01/01/2004  |                      |            |
| Statutory Home Office                 | 4349 Easton Way, Suite 200<br>(Street and Number)                        |  |  | Columbus, OH, US 43219<br>(City or Town, State, Country and Zip Code) |                      |            |
| Main Administrative Office            | 7700 Forsyth Boulevard<br>(Street and Number)                            |  |  |   |                      |            |
|                                       | Saint Louis, MO, US 63105<br>(City or Town, State, Country and Zip Code) |  |  |   |                      |            |
|                                       | 314-725-4477<br>(Area Code) (Telephone Number)                           |  |  |   |                      |            |
| Mail Address                          | 7700 Forsyth Boulevard<br>(Street and Number or P.O. Box)                |  |  |   |                      |            |
| Primary Location of Books and Records | 7700 Forsyth Boulevard<br>(Street and Number)                            |  |  |   |                      |            |
|                                       | Saint Louis, MO, US 63105<br>(City or Town, State, Country and Zip Code) |  |  |   |                      |            |
|                                       | 314-725-4477<br>(Area Code) (Telephone Number) (Extension)               |  |  |   |                      |            |
| Internet Web Site Address             | www.bchpohio.com   |  |  |   |                      |            |
| Statutory Statement Contact           | Jennifer Leigh Ponath<br>(Name)  |  | 314-445-0601<br>(Area Code) (Telephone Number) (Extension)               |   |                      |            |
|                                       | jponath@centene.com<br>(E-Mail Address)                                  |  | 314-725-4658<br>(Fax Number)   |   |                      |            |

## OFFICERS

Name \_\_\_\_\_ Title \_\_\_\_\_ Name \_\_\_\_\_ Title \_\_\_\_\_  
Steven Allen White, President and CEO Keith Harvey Williamson, Secretary  
William Nelder Scheffel, Treasurer

## OTHER OFFICERS

|                            |   |                           |  |
|----------------------------|---|---------------------------|--|
| Tricia Lynn Dinkelman      | Vice President of Tax   | Michael Ceballos          | Vice President- Long-Term Care & Product Develop.    |
| Kathy Cobbs Bradley-Wells  | Assistant Secretary   | Ronald Albert Charles, MD | Vice President- Medical Affairs                      |
| Holly Lynette Mayer-Howell | Vice President- Finance   | Lori Jean Mulichak, RN    | Vice President- Medical Management                   |
| Barry Allan Smith          | Assistant Treasurer   | John Charles Wiley        | Vice President- Network Develop. & Contracting       |
| Tracy Michelle Cloud       | Vice President- Operational Services<br>Executive Vice President- Health<br>Plan Business | David Brian Amerine       | Vice President- Compliance and<br>Regulatory Affairs |
| Robert Todd Hitchcock      |   |                           |  |

## **DIRECTORS OR TRUSTEES**

William Nelder Scheffel      Steven Allen White      Kathy Cobbs Bradley-Wells      Jimmy Vance Stewart

State of Missouri

County of ..... St. Louis.....

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.

Steven Allen White  
President and CEO

Keith Harvey Williamson  
Secretary

William Nelder Scheffel  
Treasurer

Subscribed and sworn to before me this  
day of February, 2015

- a. Is this an original filing? Yes [ X ] No [ ]  
b. If no:  
1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**ASSETS**

|  | Current Year |                         |   | Prior Year                  |
|--|--------------|-------------------------|---|-----------------------------|
|  | 1<br>Assets  | 2<br>Nonadmitted Assets | 3<br>Net Admitted Assets<br>(Cols. 1 - 2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D).....   | 152,796,084  |                         | 152,796,084                               | 110,360,212                 |
| 2. Stocks (Schedule D):  |              |                         |   |                             |
| 2.1 Preferred stocks .....   | 0            |                         | 0   | 0                           |
| 2.2 Common stocks .....  | 6,140,750    |                         | 6,140,750                                 | 6,011,754                   |
| 3. Mortgage loans on real estate (Schedule B):   |              |                         |   |                             |
| 3.1 First liens .....  |              |                         | 0   | 0                           |
| 3.2 Other than first liens .....   |              |                         | 0   | 0                           |
| 4. Real estate (Schedule A):   |              |                         |   |                             |
| 4.1 Properties occupied by the company (less<br>\$ ..... encumbrances).....  |              |                         | 0   | 0                           |
| 4.2 Properties held for the production of income<br>(less \$ ..... encumbrances).....  |              |                         | 0   | 0                           |
| 4.3 Properties held for sale (less<br>\$ ..... encumbrances).....  |              |                         | 0   | 0                           |
| 5. Cash (\$ ..... 77,408,444 , Schedule E-Part 1), cash equivalents<br>(\$ ..... 100,000 , Schedule E-Part 2) and short-term<br>investments (\$ ..... 91,823,082 , Schedule DA)..... | 169,331,524  |                         | 169,331,524                               | 60,170,000                  |
| 6. Contract loans (including \$ ..... premium notes).....  |              |                         | 0   | 0                           |
| 7. Derivatives (Schedule DB).....  |              |                         | 0   | 0                           |
| 8. Other invested assets (Schedule BA).....  | 6,610,863    |                         | 6,610,863                                 | 1,653,392                   |
| 9. Receivables for securities .....  |              |                         | 0   | 0                           |
| 10. Securities lending reinvested collateral assets (Schedule DL).....   |              |                         | 0   | 0                           |
| 11. Aggregate write-ins for invested assets .....  | 0            | 0                       | 0   | 0                           |
| 12. Subtotals, cash and invested assets (Lines 1 to 11).....   | 334,879,221  | 0                       | 334,879,221                               | 178,195,358                 |
| 13. Title plants less \$ ..... charged off (for Title insurers<br>only).....   |              |                         | 0   | 0                           |
| 14. Investment income due and accrued .....  | 867,905      |                         | 867,905                                   | 711,244                     |
| 15. Premiums and considerations:   |              |                         |   |                             |
| 15.1 Uncollected premiums and agents' balances in the course of<br>collection .....  | 16,547,555   |                         | 16,547,555                                | 10,599,977                  |
| 15.2 Deferred premiums, agents' balances and installments booked but<br>deferred and not yet due (including \$ ..... earned<br>but unbilled premiums).....                           |              |                         | 0   | 0                           |
| 15.3 Accrued retrospective premiums.....   | 973,364      |                         | 973,364                                   | 0                           |
| 16. Reinsurance:   |              |                         |   |                             |
| 16.1 Amounts recoverable from reinsurers .....   | 766,388      |                         | 766,388                                   | 894,450                     |
| 16.2 Funds held by or deposited with reinsured companies .....   |              |                         | 0   | 0                           |
| 16.3 Other amounts receivable under reinsurance contracts .....  | 18,270       |                         | 18,270                                    | 0                           |
| 17. Amounts receivable relating to uninsured plans .....   |              |                         | 0   | 0                           |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....   | 1,692,466    |                         | 1,692,466                                 | 0                           |
| 18.2 Net deferred tax asset.....   | 8,993,932    | 2,122,783               | 6,871,149                                 | 3,911,799                   |
| 19. Guaranty funds receivable or on deposit .....  |              |                         | 0   | 0                           |
| 20. Electronic data processing equipment and software.....   |              |                         | 0   | 0                           |
| 21. Furniture and equipment, including health care delivery assets<br>(\$ ..... ) .....  |              |                         | 0   | 0                           |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....   |              |                         | 0   | 0                           |
| 23. Receivables from parent, subsidiaries and affiliates .....   | 3,125,055    |                         | 3,125,055                                 | 506,375                     |
| 24. Health care (\$ ..... 1,383,509 ) and other amounts receivable.....  | 4,625,093    | 3,241,584               | 1,383,509                                 | 340,077                     |
| 25. Aggregate write-ins for other-than-invested assets .....   | 1,622,706    | 535,954                 | 1,086,752                                 | 4,119,673                   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and<br>Protected Cell Accounts (Lines 12 to 25).....   | 374,111,955  | 5,900,321               | 368,211,634                               | 199,278,953                 |
| 27. From Separate Accounts, Segregated Accounts and Protected<br>Cell Accounts.....  |              |                         | 0   | 0                           |
| 28. Total (Lines 26 and 27).....   | 374,111,955  | 5,900,321               | 368,211,634                               | 199,278,953                 |
| <b>DETAILS OF WRITE-INS</b>  |              |                         |   |                             |
| 1101. ....   |              |                         | 0   | 0                           |
| 1102. ....   |              |                         | 0   | 0                           |
| 1103. ....   |              |                         | 0   | 0                           |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....  | 0            | 0                       | 0   | 0                           |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....  | 0            | 0                       | 0   | 0                           |
| 2501. Prepaid Expenses.....  | 529,287      | 529,287                 | 0   | 0                           |
| 2502. Goodwill, net.....   | 995,694      | 0                       | 995,694                                   | 3,982,769                   |
| 2503. Intangibles.....   | 6,667        | 6,667                   | 0   | 0                           |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  | 91,058       | 0                       | 91,058                                    | 136,904                     |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....  | 1,622,706    | 535,954                 | 1,086,752                                 | 4,119,673                   |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**LIABILITIES, CAPITAL AND SURPLUS**

|  | Current Year |                |             | Prior Year  |
|--|--------------|----------------|-------------|-------------|
|  | 1<br>Covered | 2<br>Uncovered | 3<br>Total  | 4<br>Total  |
| 1. Claims unpaid (less \$ 2,394,371 reinsurance ceded)   | 166,248,067  |                | 166,248,067 | 75,161,317  |
| 2. Accrued medical incentive pool and bonus amounts  |              |                | 0           | 0           |
| 3. Unpaid claims adjustment expenses   | 2,661,900    |                | 2,661,900   | 1,143,000   |
| 4. Aggregate health policy reserves, including the liability of<br>\$ for medical loss ratio rebate per the Public<br>Health Service Act | 12,405,989   |                | 12,405,989  | 324,895     |
| 5. Aggregate life policy reserves  |              |                | 0           | 0           |
| 6. Property/casualty unearned premium reserves   |              |                | 0           | 0           |
| 7. Aggregate health claim reserves   |              |                | 0           | 0           |
| 8. Premiums received in advance  | 198,740      |                | 198,740     | 19,763      |
| 9. General expenses due or accrued   | 61,992,563   |                | 61,992,563  | 15,731,975  |
| 10.1 Current federal and foreign income tax payable and interest thereon (including<br>\$ on realized capital gains (losses))            |              |                | 0           | 1,183,512   |
| 10.2 Net deferred tax liability  |              |                | 0           | 0           |
| 11. Ceded reinsurance premiums payable   | 979,677      |                | 979,677     | 0           |
| 12. Amounts withheld or retained for the account of others   |              |                | 0           | 0           |
| 13. Remittances and items not allocated  |              |                | 0           | 0           |
| 14. Borrowed money (including \$ current) and<br>interest thereon \$ (including<br>\$ current)   |              |                | 0           | 0           |
| 15. Amounts due to parent, subsidiaries and affiliates   |              |                | 0           | 0           |
| 16. Derivatives  |              |                | 0           | 0           |
| 17. Payable for securities   |              |                | 0           | 0           |
| 18. Payable for securities lending   |              |                | 0           | 0           |
| 19. Funds held under reinsurance treaties (with \$<br>authorized reinsurers, \$ unauthorized<br>reinsurers and \$ certified reinsurers)  |              |                | 0           | 0           |
| 20. Reinsurance in unauthorized and certified (\$ )<br>companies   |              |                | 0           | 0           |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates  |              |                | 0           | 0           |
| 22. Liability for amounts held under uninsured plans   |              |                | 0           | 0           |
| 23. Aggregate write-ins for other liabilities (including \$ 580,539<br>current)  | 580,539      | 0              | 580,539     | 0           |
| 24. Total liabilities (Lines 1 to 23)  | 245,067,475  | 0              | 245,067,475 | 93,564,462  |
| 25. Aggregate write-ins for special surplus funds  | XXX          | XXX            | 21,882,897  | 0           |
| 26. Common capital stock   | XXX          | XXX            | 1,000,000   | 1,000,000   |
| 27. Preferred capital stock  | XXX          | XXX            |             | 0           |
| 28. Gross paid in and contributed surplus  | XXX          | XXX            | 84,150,000  | 68,250,000  |
| 29. Surplus notes  | XXX          | XXX            |             | 0           |
| 30. Aggregate write-ins for other-than-special surplus funds   | XXX          | XXX            | 0           | 0           |
| 31. Unassigned funds (surplus)   | XXX          | XXX            | 16,111,262  | 36,464,489  |
| 32. Less treasury stock, at cost:  |              |                |             |             |
| 32.1 shares common (value included in Line 26<br>\$ )  | XXX          | XXX            |             | 0           |
| 32.2 shares preferred (value included in Line 27<br>\$ )   | XXX          | XXX            |             | 0           |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32)   | XXX          | XXX            | 123,144,159 | 105,714,489 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33)   | XXX          | XXX            | 368,211,634 | 199,278,951 |
| <b>DETAILS OF WRITE-INS</b>  |              |                |             |             |
| 2301. Risk Adjustment  | 240,862      |                | 240,862     | 0           |
| 2302. Cost Sharing Reduction   | 339,677      |                | 339,677     | 0           |
| 2303.  |              |                |             |             |
| 2398. Summary of remaining write-ins for Line 23 from overflow page  | 0            | 0              | 0           | 0           |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)   | 580,539      | 0              | 580,539     | 0           |
| 2501. 2015 Health Insurer Fee Estimate   | XXX          | XXX            | 21,882,897  | 0           |
| 2502.  | XXX          | XXX            |             | 0           |
| 2503.  | XXX          | XXX            |             | 0           |
| 2598. Summary of remaining write-ins for Line 25 from overflow page  | XXX          | XXX            | 0           | 0           |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)   | XXX          | XXX            | 21,882,897  | 0           |
| 3001.  | XXX          | XXX            |             | 0           |
| 3002.  | XXX          | XXX            |             | 0           |
| 3003.  | XXX          | XXX            |             | 0           |
| 3098. Summary of remaining write-ins for Line 30 from overflow page  | XXX          | XXX            | 0           | 0           |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)   | XXX          | XXX            | 0           | 0           |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**STATEMENT OF REVENUE AND EXPENSES**

|   | Current Year   |               | Prior Year  |
|---|----------------|---------------|-------------|
|   | 1<br>Uncovered | 2<br>Total    | 3<br>Total  |
| 1. Member Months.....   | XXX            | 2,828,216     | 1,964,376   |
| 2. Net premium income (including \$ 0 non-health premium income).....   | XXX            | 1,325,855,870 | 795,033,635 |
| 3. Change in unearned premium reserves and reserve for rate credits.....  | XXX            |               | 0           |
| 4. Fee-for-service (net of \$ medical expenses).....  | XXX            |               | 0           |
| 5. Risk revenue.....  | XXX            |               | 0           |
| 6. Aggregate write-ins for other health care related revenues.....  | XXX            | 0             | 0           |
| 7. Aggregate write-ins for other non-health revenues.....   | XXX            | 0             | 0           |
| 8. Total revenues (Lines 2 to 7).....   | XXX            | 1,325,855,870 | 795,033,635 |
| <b>Hospital and Medical:</b>  |                |               |             |
| 9. Hospital/medical benefits.....   |                | 718,073,869   | 431,923,263 |
| 10. Other professional services.....  |                | 82,377,284    | 39,644,226  |
| 11. Outside referrals.....  |                |               | 0           |
| 12. Emergency room and out-of-area.....   |                | 79,665,237    | 50,956,939  |
| 13. Prescription drugs.....   |                | 192,093,405   | 103,606,626 |
| 14. Aggregate write-ins for other hospital and medical.....   | 0              | (1,565,370)   | 0           |
| 15. Incentive pool, withhold adjustments and bonus amounts.....   |                |               | 0           |
| 16. Subtotal (Lines 9 to 15).....   | 0              | 1,070,644,425 | 626,131,054 |
| <b>Less:</b>  |                |               |             |
| 17. Net reinsurance recoveries.....   |                | 9,827,519     | 6,094,544   |
| 18. Total hospital and medical (Lines 16 minus 17).....   | 0              | 1,060,816,906 | 620,036,510 |
| 19. Non-health claims (net).....  |                |               | 0           |
| 20. Claims adjustment expenses, including \$ 752,150 cost containment expenses.....   |                | 35,649,879    | 23,858,908  |
| 21. General administrative expenses.....  |                | 217,214,429   | 131,994,149 |
| 22. Increase in reserves for life and accident and health contracts (including<br>\$ increase in reserves for life only).....             |                | 6,133,533     | 324,895     |
| 23. Total underwriting deductions (Lines 18 through 22).....  | 0              | 1,319,814,747 | 776,214,462 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23).....   | XXX            | 6,041,123     | 18,819,173  |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....   |                | 2,254,089     | 2,025,823   |
| 26. Net realized capital gains (losses) less capital gains tax of \$ .....<br>83,146  |                |               | 8,830       |
| 27. Net investment gains (losses) (Lines 25 plus 26).....   | 0              | 2,337,235     | 2,034,653   |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered<br>\$ 41,685) (amount charged off \$ 41,685)]..... |                | (41,685)      | 0           |
| 29. Aggregate write-ins for other income or expenses.....   | 0              | 0             | 0           |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes<br>(Lines 24 plus 27 plus 28 plus 29).....     | XXX            | 8,336,673     | 20,853,826  |
| 31. Federal and foreign income taxes incurred.....  | XXX            | 9,283,512     | 7,713,521   |
| 32. Net income (loss) (Lines 30 minus 31).....  | XXX            | (946,839)     | 13,140,305  |
| <b>DETAILS OF WRITE-INS</b>   |                |               |             |
| 0601.....   | XXX            |               |             |
| 0602.....   | XXX            |               |             |
| 0603.....   | XXX            |               |             |
| 0698. Summary of remaining write-ins for Line 6 from overflow page.....   | XXX            | 0             | 0           |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....  | XXX            | 0             | 0           |
| 0701.....   | XXX            |               |             |
| 0702.....   | XXX            |               |             |
| 0703.....   | XXX            |               |             |
| 0798. Summary of remaining write-ins for Line 7 from overflow page.....   | XXX            | 0             | 0           |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....  | XXX            | 0             | 0           |
| 1401. Unpaid reinsurance reclass.....   | 0              | (1,565,370)   | 0           |
| 1402.....   |                |               | 0           |
| 1403.....   |                |               | 0           |
| 1498. Summary of remaining write-ins for Line 14 from overflow page.....  | 0              | 0             | 0           |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....   | 0              | (1,565,370)   | 0           |
| 2901.....   |                |               |             |
| 2902.....   |                |               |             |
| 2903.....   |                |               |             |
| 2998. Summary of remaining write-ins for Line 29 from overflow page.....  | 0              | 0             | 0           |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....   | 0              | 0             | 0           |

## STATEMENT OF REVENUE AND EXPENSES (Continued)

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| <b>CAPITAL &amp; SURPLUS ACCOUNT</b>   |                   |                 |
| 33. Capital and surplus prior reporting year .....                                     | 105,714,492       | 90,735,177      |
| 34. Net income or (loss) from Line 32 .....  | (946,839)         | 13,140,305      |
| 35. Change in valuation basis of aggregate policy and claim reserves .....             | 0                 | 0               |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ ..... | 250,805           | 594,776         |
| 37. Change in net unrealized foreign exchange capital gain or (loss) .....             | 0                 | 0               |
| 38. Change in net deferred income tax .....  | 2,907,105         | 598,142         |
| 39. Change in nonadmitted assets .....   | (1,025,369)       | 1,168,331       |
| 40. Change in unauthorized and certified reinsurance .....                             | 0                 | 0               |
| 41. Change in treasury stock .....   | 0                 | 0               |
| 42. Change in surplus notes .....  | 0                 | 0               |
| 43. Cumulative effect of changes in accounting principles .....                        | 0                 | 0               |
| 44. Capital Changes:   |                   |                 |
| 44.1 Paid in .....   | 0                 | 0               |
| 44.2 Transferred from surplus (Stock Dividend) .....                                   | 0                 | 0               |
| 44.3 Transferred to surplus .....  | 0                 | 0               |
| 45. Surplus adjustments:   |                   |                 |
| 45.1 Paid in .....   | 15,900,000        | 0               |
| 45.2 Transferred to capital (Stock Dividend) .....                                     | 0                 | 0               |
| 45.3 Transferred from capital .....  | 0                 | 0               |
| 46. Dividends to stockholders .....  | 0                 | 0               |
| 47. Aggregate write-ins for gains or (losses) in surplus .....                         | 0                 | 0               |
| 48. Net change in capital and surplus (Lines 34 to 47) .....                           | 17,429,673        | 14,979,315      |
| 49. Capital and surplus end of reporting year (Line 33 plus 48)                        | 123,144,165       | 105,714,492     |
| <b>DETAILS OF WRITE-INS</b>  |                   |                 |
| 4701. ....   | 0                 | 0               |
| 4702. ....   | 0                 | 0               |
| 4703. ....   | 0                 | 0               |
| 4798. Summary of remaining write-ins for Line 47 from overflow page .....              | 0                 | 0               |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)                       | 0                 | 0               |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**CASH FLOW**

| <b>Cash from Operations</b>   |  | <b>1<br/>Current Year</b> | <b>2<br/>Prior Year</b> |
|---|--|---------------------------|-------------------------|
| 1. Premiums collected net of reinsurance  |  | 1,326,263,735             | 796,100,095             |
| 2. Net investment income  |  | 2,848,268                 | 3,377,988               |
| 3. Miscellaneous income   |  | 0                         | 0                       |
| 4. Total (Lines 1 through 3)  |  | 1,329,112,003             | 799,478,083             |
| 5. Benefit and loss related payments  |  | 971,797,395               | 594,199,919             |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts                    |  |                           | 0                       |
| 7. Commissions, expenses paid and aggregate write-ins for deductions                                      |  | 204,549,144               | 153,133,235             |
| 8. Dividends paid to policyholders  |  |                           | 0                       |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)              |  | 12,159,492                | 11,708,052              |
| 10. Total (Lines 5 through 9)   |  | 1,188,506,031             | 759,041,206             |
| 11. Net cash from operations (Line 4 minus Line 10)   |  | 140,605,972               | 40,436,878              |
| <b>Cash from Investments</b>  |  |                           |                         |
| 12. Proceeds from investments sold, matured or repaid:  |  |                           |                         |
| 12.1 Bonds  |  | 41,167,365                | 86,910,477              |
| 12.2 Stocks   |  | 36,257                    | 0                       |
| 12.3 Mortgage loans   |  | 0                         | 0                       |
| 12.4 Real estate  |  | 0                         | 0                       |
| 12.5 Other invested assets  |  | 579,114                   | 459,297                 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments                           |  | 0                         | 0                       |
| 12.7 Miscellaneous proceeds   |  | 0                         | 0                       |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)   |  | 41,782,736                | 87,369,774              |
| 13. Cost of investments acquired (long-term only):  |  |                           |                         |
| 13.1 Bonds  |  | 84,307,186                | 99,941,323              |
| 13.2 Stocks   |  | 0                         | 6,000,000               |
| 13.3 Mortgage loans   |  | 0                         | 0                       |
| 13.4 Real estate  |  | 0                         | 0                       |
| 13.5 Other invested assets  |  | 4,820,000                 | 720,000                 |
| 13.6 Miscellaneous applications   |  | 0                         | 0                       |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)  |  | 89,127,186                | 106,661,324             |
| 14. Net increase (decrease) in contract loans and premium notes   |  | 0                         | 0                       |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)                                   |  | (47,344,450)              | (19,291,550)            |
| <b>Cash from Financing and Miscellaneous Sources</b>  |  |                           |                         |
| 16. Cash provided (applied):  |  |                           |                         |
| 16.1 Surplus notes, capital notes   |  | 0                         | 0                       |
| 16.2 Capital and paid in surplus, less treasury stock   |  | 15,900,000                | 0                       |
| 16.3 Borrowed funds   |  | 0                         | 0                       |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities                               |  |                           | 0                       |
| 16.5 Dividends to stockholders  |  | 0                         | 0                       |
| 16.6 Other cash provided (applied)  |  | 0                         | 0                       |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) |  | 15,900,000                | 0                       |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>                                |  |                           |                         |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)       |  | 109,161,522               | 21,145,328              |
| 19. Cash, cash equivalents and short-term investments:  |  |                           |                         |
| 19.1 Beginning of year  |  | 60,170,002                | 39,024,674              |
| 19.2 End of year (Line 18 plus Line 19.1)   |  | 169,331,524               | 60,170,002              |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

|   | 1<br>Total    | 2<br>Comprehensive<br>(Hospital<br>&<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental<br>Only | 5<br>Vision<br>Only | 6<br>Federal<br>Employees<br>Health<br>Benefit Plan | 7<br>Title<br>XVIII<br>Medicare | 8<br>Title<br>XIX<br>Medicaid | 9<br>Other<br>Health | 10<br>Other<br>Non-Health |
|---|---------------|--|-----------------------------|---------------------|---------------------|---|---------------------------------|-------------------------------|----------------------|---------------------------|
| 1. Net premium income   | 1,325,855,870 | 2,169,832  | .0                          | 0                   | 0                   | .0  | 42,393,010                      | 1,281,293,028                 | .0                   | .0                        |
| 2. Change in unearned premium reserves and reserve for rate credit            | 0             |  |                             |                     |                     |   |                                 |                               |                      |                           |
| 3. Fee-for-service (net of \$ medical expenses)                               | 0             |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 4. Risk revenue   | 0             |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 5. Aggregate write-ins for other health care related revenues                 | 0             | .0   | .0                          | 0                   | 0                   | .0  | .0                              | 0                             | .0                   | XXX                       |
| 6. Aggregate write-ins for other non-health care related revenues             | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  | .0                        |
| 7. Total revenues (Lines 1 to 6)  | 1,325,855,870 | 2,169,832  | .0                          | 0                   | 0                   | .0  | 42,393,010                      | 1,281,293,028                 | .0                   | .0                        |
| 8. Hospital/medical benefits  | 718,073,869   | 1,346,065  |                             |                     |                     |   | 27,496,948                      | 689,230,856                   |                      | XXX                       |
| 9. Other professional services  | 82,377,283    | 205,710  |                             |                     |                     |   | 1,580,430                       | 80,591,143                    |                      | XXX                       |
| 10. Outside referrals   | 0             |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 11. Emergency room and out-of-area  | .79,665,237   | .78,707  |                             |                     |                     |   | .3,168,501                      | .76,418,029                   |                      | XXX                       |
| 12. Prescription drugs  | 192,093,405   | 321,353  |                             |                     |                     |   | 12,884,097                      | 178,887,955                   |                      | XXX                       |
| 13. Aggregate write-ins for other hospital and medical                        | (1,565,371)   | (30,222)   |                             |                     |                     |   | .0                              | (1,535,149)                   |                      | XXX                       |
| 14. Incentive pool, withhold adjustments and bonus amounts                    | 0             |  |                             | 0                   | 0                   | .0  | .0                              |                               |                      | XXX                       |
| 15. Subtotal (Lines 8 to 14)  | 1,070,644,423 | 1,921,613  | .0                          | 0                   | 0                   | .0  | 45,129,976                      | 1,023,592,834                 | .0                   | XXX                       |
| 16. Net reinsurance recoveries  | .9,827,519    | 187,315  |                             |                     |                     |   | .0                              | .9,640,204                    |                      | XXX                       |
| 17. Total hospital and medical (Lines 15 minus 16)                            | 1,060,816,904 | 1,734,298  | .0                          | 0                   | 0                   | .0  | 45,129,976                      | 1,013,952,630                 | .0                   | XXX                       |
| 18. Non-health claims (net)   | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  | .0                        |
| 19. Claims adjustment expenses including \$ 752,150 cost containment expenses | .35,649,879   | .88,703  |                             |                     |                     |   | .1,457,802                      | .34,103,374                   |                      |                           |
| 20. General administrative expenses   | 217,214,430   | 355,594  |                             |                     |                     |   | .4,087,745                      | 212,771,091                   |                      |                           |
| 21. Increase in reserves for accident and health contracts                    | .6,133,533    |  |                             |                     |                     |   | .671,159                        | .5,462,374                    |                      | XXX                       |
| 22. Increase in reserves for life contracts                                   | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 23. Total underwriting deductions (Lines 17 to 22)                            | 1,319,814,746 | 2,178,595  | .0                          | 0                   | 0                   | .0  | .51,346,682                     | 1,266,289,469                 | .0                   | .0                        |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23)                    | 6,041,124     | (8,763)  | 0                           | 0                   | 0                   | 0   | (8,953,672)                     | 15,003,559                    | 0                    | 0                         |
| <b>DETAILS OF WRITE-INS</b>   |               |  |                             |                     |                     |   |                                 |                               |                      |                           |
| 0501.   | 0             |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 0502.   |               |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 0503.   |               |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 0598. Summary of remaining write-ins for Line 5 from overflow page            | 0             | .0   | .0                          | 0                   | 0                   | .0  | 0                               | 0                             | .0                   | XXX                       |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)               | 0             | 0  | 0                           | 0                   | 0                   | 0   | 0                               | 0                             | 0                    | XXX                       |
| 0601.   | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 0602.   |               | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 0603.   |               | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 0698. Summary of remaining write-ins for Line 6 from overflow page            | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  | .0                        |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)               | 0             | XXX  | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  | 0                         |
| 1301. Unpaid reinsurance recoveries   | (1,565,371)   | (30,222)   |                             |                     |                     |   |                                 | .(1,535,149)                  |                      | XXX                       |
| 1302.   |               |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 1303.   |               |  |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 1398. Summary of remaining write-ins for Line 13 from overflow page           | 0             | .0   | .0                          | 0                   | 0                   | .0  | .0                              | 0                             | .0                   | XXX                       |
| 1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)              | (1,565,371)   | (30,222)   | 0                           | 0                   | 0                   | 0   | 0                               | (1,535,149)                   | 0                    | XXX                       |

## ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1 - PREMIUMS

| Line of Business                                | 1<br>Direct<br>Business | 2<br>Reinsurance<br>Assumed | 3<br>Reinsurance<br>Ceded | 4<br>Net Premium<br>Income<br>(Cols. 1+2-3) |
|---|-------------------------|-----------------------------|---------------------------|---|
| 1. Comprehensive (hospital and medical) .....   | 2,251,193               |                             | .81,361                   | 2,169,832                                   |
| 2. Medicare Supplement .....                    |                         |                             |                           | .0  |
| 3. Dental only.....                             |                         |                             |                           | .0  |
| 4. Vision only.....                             |                         |                             |                           | .0  |
| 5. Federal Employees Health Benefits Plan ..... |                         |                             |                           | .0  |
| 6. Title XVIII - Medicare .....                 | .42,393,672             |                             | .662                      | 42,393,010                                  |
| 7. Title XIX - Medicaid.....                    | .1,290,881,231          |                             | .9,588,203                | 1,281,293,028                               |
| 8. Other health.....                            |                         |                             |                           | .0  |
| 9. Health subtotal (Lines 1 through 8) .....    | .1,335,526,096          | 0                           | .9,670,226                | 1,325,855,870                               |
| 10. Life .....                                  |                         |                             |                           | .0  |
| 11. Property/casualty.....                      |                         |                             |                           | .0  |
| 12. Totals (Lines 9 to 11)                      | 1,335,526,096           | 0                           | 9,670,226                 | 1,325,855,870                               |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2 – CLAIMS INCURRED DURING THE YEAR**

|  | 1<br>Total    | 2<br>Comprehensive<br>(Hospital &<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental<br>Only | 5<br>Vision<br>Only | 6<br>Federal<br>Employees<br>Health<br>Benefits Plan | 7<br>Title XVIII<br>Medicare | 8<br>Title XIX<br>Medicaid | 9<br>Other Health | 10<br>Other Non-<br>Health |
|--|---------------|---|-----------------------------|---------------------|---------------------|--|------------------------------|----------------------------|-------------------|----------------------------|
| 1. Payments during the year:                                     |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 1.1 Direct   | 982,092,656   | 1,515,373                                     |                             |                     |                     |  | 37,962,928                   | 942,614,355                |                   |                            |
| 1.2 Reinsurance assumed  | 0             |   |                             |                     |                     |  |                              |                            |                   |                            |
| 1.3 Reinsurance ceded  | 9,955,581     |   |                             |                     |                     |  |                              | 9,955,581                  |                   |                            |
| 1.4 Net  | 972,137,075   | 1,515,373                                     | 0                           | 0                   | 0                   | 0  | 37,962,928                   | 932,658,774                | 0                 | 0                          |
| 2. Paid medical incentive pools and bonuses                      | 0             |   |                             |                     |                     |  |                              |                            |                   |                            |
| 3. Claim liability December 31, current year from Part 2A:       |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 3.1 Direct   | 168,642,437   | .462,881                                      | 0                           | 0                   | 0                   | 0  | 9,585,135                    | .158,594,421               | 0                 | 0                          |
| 3.2 Reinsurance assumed  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 3.3 Reinsurance ceded  | 2,394,371     | .30,222                                       | 0                           | 0                   | 0                   | 0  | 0                            | 2,364,149                  | 0                 | 0                          |
| 3.4 Net  | 166,248,066   | .432,659                                      | 0                           | 0                   | 0                   | 0  | 9,585,135                    | .156,230,272               | 0                 | 0                          |
| 4. Claim reserve December 31, current year from Part 2D:         |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 4.1 Direct   | 0             |   |                             |                     |                     |  |                              |                            |                   |                            |
| 4.2 Reinsurance assumed  | 0             |   |                             |                     |                     |  |                              |                            |                   |                            |
| 4.3 Reinsurance ceded  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 4.4 Net  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 5. Accrued medical incentive pools and bonuses, current year     | 0             |   |                             |                     |                     |  |                              |                            |                   |                            |
| 6. Net healthcare receivables (a)                                | 2,534,980     | 26,419  |                             |                     |                     |  | 708,372                      | 1,800,189                  |                   |                            |
| 7. Amounts recoverable from reinsurers December 31, current year | 766,388       | 187,315                                       |                             |                     |                     |  |                              | 579,073                    |                   |                            |
| 8. Claim liability December 31, prior year from Part 2A:         |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 8.1 Direct   | 75,990,317    | 0   | 0                           | 0                   | 0                   | 0  | 1,709,714                    | 74,280,603                 | 0                 | 0                          |
| 8.2 Reinsurance assumed  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 8.3 Reinsurance ceded  | 829,000       | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 829,000                    | 0                 | 0                          |
| 8.4 Net  | 75,161,317    | 0   | 0                           | 0                   | 0                   | 0  | 1,709,714                    | 73,451,603                 | 0                 | 0                          |
| 9. Claim reserve December 31, prior year from Part 2D:           |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 9.1 Direct   | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 9.2 Reinsurance assumed  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 9.3 Reinsurance ceded  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 9.4 Net  | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 10. Accrued medical incentive pools and bonuses, prior year      | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 11. Amounts recoverable from reinsurers December 31, prior year  | 894,450       | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 894,450                    | 0                 | 0                          |
| 12. Incurred benefits:   |               |   |                             |                     |                     |  |                              |                            |                   |                            |
| 12.1 Direct  | 1,072,209,796 | 1,951,835                                     | 0                           | 0                   | 0                   | 0  | 45,129,977                   | 1,025,127,984              | 0                 | 0                          |
| 12.2 Reinsurance assumed   | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |
| 12.3 Reinsurance ceded   | 11,392,890    | 217,537                                       | 0                           | 0                   | 0                   | 0  | 0                            | 11,175,353                 | 0                 | 0                          |
| 12.4 Net   | 1,060,816,906 | 1,734,298                                     | 0                           | 0                   | 0                   | 0  | 45,129,977                   | 1,013,952,631              | 0                 | 0                          |
| 13. Incurred medical incentive pools and bonuses                 | 0             | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                 | 0                          |

(a) Excludes \$ ..... 750,000 loans or advances to providers not yet expensed.

## ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

|   | 1<br>Total  | 2<br>Comprehensive<br>(Hospital and<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental<br>Only | 5<br>Vision<br>Only | 6<br>Federal<br>Employees<br>Health<br>Benefits Plan | 7<br>Title XVIII<br>Medicare | 8<br>Title XIX<br>Medicaid | 9<br>Other<br>Health | 10<br>Other<br>Non-Health |
|---|-------------|---|-----------------------------|---------------------|---------------------|--|------------------------------|----------------------------|----------------------|---------------------------|
| 1. Reported in Process of Adjustment:                 |             |   |                             |                     |                     |  |                              |                            |                      |                           |
| 1.1. Direct .....                                     | 48,066,226  | 133,989   |                             |                     |                     |  | 2,192,692                    | 45,739,545                 |                      |                           |
| 1.2. Reinsurance assumed .....                        | 0           |   |                             |                     |                     |  |                              |                            |                      |                           |
| 1.3. Reinsurance ceded .....                          | 0           |   |                             |                     |                     |  |                              |                            |                      |                           |
| 1.4. Net .....  | 48,066,226  | 133,989   | 0                           | 0                   | 0                   | 0  | 2,192,692                    | 45,739,545                 | 0                    | 0                         |
| 2. Incurred but Unreported:                           |             |   |                             |                     |                     |  |                              |                            |                      |                           |
| 2.1. Direct .....                                     | 120,576,211 | 328,892   |                             |                     |                     |  | 7,392,443                    | 112,854,876                |                      |                           |
| 2.2. Reinsurance assumed .....                        | 0           |   |                             |                     |                     |  |                              |                            |                      |                           |
| 2.3. Reinsurance ceded .....                          | 2,394,371   | 30,222  |                             |                     |                     |  |                              | 2,364,149                  |                      |                           |
| 2.4. Net .....  | 118,181,840 | 298,670   | 0                           | 0                   | 0                   | 0  | 7,392,443                    | 110,490,727                | 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 .....                                     | 168,642,437 | 462,881   | 0                           | 0                   | 0                   | 0  | 9,585,135                    | 158,594,421                | 0                    | 0                         |
| 4.2. Reinsurance assumed .....                        | 0           | 0   | 0                           | 0                   | 0                   | 0  | 0                            | 0                          | 0                    | 0                         |
| 4.3. Reinsurance ceded .....                          | 2,394,371   | 30,222  | 0                           | 0                   | 0                   | 0  | 0                            | 2,364,149                  | 0                    | 0                         |
| 4.4. Net  | 166,248,066 | 432,659   | 0                           | 0                   | 0                   | 0  | 9,585,135                    | 156,230,272                | 0                    | 0                         |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

| Line of Business                                    | Claims Paid During the Year                                |   | Claim Reserve and Claim Liability December 31 of Current Year |   | 5<br>Claims Incurred in Prior Years (Columns 1 + 3) | 6<br>Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|---|--|---|---|---|---|--|
|   | 1<br>On Claims Incurred Prior to January 1 of Current Year | 2<br>On Claims Incurred During the Year | 3<br>On Claims Unpaid December 31 of Prior Year               | 4<br>On Claims Incurred During the Year |   |  |
|   |  |   |   |   |   |  |
| 1. Comprehensive (hospital and medical) .....       |  | 1,328,059                               |   | 432,659                                 | 0   | 0  |
| 2. Medicare Supplement .....                        |  |   |   |   | 0   | 0  |
| 3. Dental Only.....                                 |  |   |   |   | 0   | 0  |
| 4. Vision Only.....                                 |  |   |   |   | 0   | 0  |
| 5. Federal Employees Health Benefits Plan .....     |  |   |   |   | 0   | 0  |
| 6. Title XVIII - Medicare .....                     | 1,652,854  | 36,551,238                              | 128,179   | 9,456,956                               | 1,781,033   | 1,709,714  |
| 7. Title XIX - Medicaid.....                        | 63,896,129   | 870,176,972                             | 479,237   | 155,751,035                             | 64,375,366  | 73,451,604   |
| 8. Other health .....                               |  |   |   |   | 0   | 0  |
| 9. Health subtotal (Lines 1 to 8).....              | 65,548,983   | 908,056,269                             | 607,416   | 165,640,650                             | 66,156,399  | 75,161,318   |
| 10. Healthcare receivables (a).....                 |  | 3,875,094                               |   |   | 0   | 0  |
| 11. Other non-health.....                           |  |   |   |   | 0   | 0  |
| 12. Medical incentive pools and bonus amounts ..... |  |   |   |   | 0   | 0  |
| 13. Totals (Lines 9-10+11+12)                       | 65,548,983   | 904,181,175                             | 607,416   | 165,640,650                             | 66,156,399  | 75,161,318   |

(a) Excludes \$ 750,000 loans or advances to providers not yet expensed.

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

(000 Omitted)

**Section A – Paid Health Claims - Hospital and Medical**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010                   | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 0                           | 0         | 0         | 0         | 0         |
| 2. 2010 .....                      | 0                           | 0         | 0         | 0         | 0         |
| 3. 2011 .....                      | XXX                         | 0         | 0         | 0         | 0         |
| 4. 2012 .....                      | XXX                         | XXX       | 0         | 0         | 0         |
| 5. 2013 .....                      | XXX                         | XXX       | XXX       | 0         | 0         |
| 6. 2014 .....                      | XXX                         | XXX       | XXX       | XXX       | 1,302     |

**Section B – Incurred Health Claims - Hospital and Medical**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|--|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 0  | 0         | 0         | 0         | 0         |
| 2. 2010 .....                      | 0  | 0         | 0         | 0         | 0         |
| 3. 2011 .....                      | XXX  | 0         | 0         | 0         | 0         |
| 4. 2012 .....                      | XXX  | XXX       | 0         | 0         | 0         |
| 5. 2013 .....                      | XXX  | XXX       | XXX       | 0         | 0         |
| 6. 2014 .....                      | XXX  | XXX       | XXX       | XXX       | 1,734     |

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical**

| Years in which Premiums were Earned and Claims were Incurred | 1<br>Premiums Earned | 2<br>Claims Payments | 3<br>Claim Adjustment Expense Payments | 4<br>(Col. 3/2) Percent | 5<br>Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6<br>(Col. 5/1) Percent | 7<br>Claims Unpaid | 8<br>Unpaid Claims Adjustment Expenses | 9<br>Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10<br>(Col. 9/1) Percent |
|--|----------------------|----------------------|--|-------------------------|---|-------------------------|--------------------|--|---|--------------------------|
| 1. 2010 .....  | 0                    | 0                    | 0.0                                    | 0                       | 0   | 0.0                     |                    |  | 0   | 0.0                      |
| 2. 2011 .....  | 0                    | 0                    | 0.0                                    | 0                       | 0   | 0.0                     |                    |  | 0   | 0.0                      |
| 3. 2012 .....  | 0                    | 0                    | 0.0                                    | 0                       | 0   | 0.0                     |                    |  | 0   | 0.0                      |
| 4. 2013 .....  | 0                    | 0                    | 0.0                                    | 0                       | 0   | 0.0                     |                    |  | 0   | 0.0                      |
| 5. 2014 .....  | 2,251                | 1,302                | 89                                     | 6.8                     | 1,391   | 61.8                    | 433                | 7                                      | 1,831   | 81.3                     |

Pt 2C - Sn A - Paid Claims - MS

**NONE**

Pt 2C - Sn A - Paid Claims - DO

**NONE**

Pt 2C - Sn A - Paid Claims - VO

**NONE**

Pt 2C - Sn A - Paid Claims - FE

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

(000 Omitted)

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

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010                   | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 2,143                       | 2,161     | 2,161     | 2,161     | 2,161     |
| 2. 2010.....                       | 2,254                       | 3,106     | 3,111     | 3,111     | 3,111     |
| 3. 2011.....                       | XXX                         | 5,799     | 7,050     | 7,077     | 7,077     |
| 4. 2012.....                       | XXX                         | XXX       | 9,040     | 10,569    | 10,594    |
| 5. 2013.....                       | XXX                         | XXX       | XXX       | 11,846    | 13,475    |
| 6. 2014.....                       | XXX                         | XXX       | XXX       | XXX       | 35,602    |

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

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|--|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 2,723  | 2,161     | 2,161     | 2,161     | 2,161     |
| 2. 2010.....                       | 2,827  | 3,106     | 3,111     | 3,111     | 3,111     |
| 3. 2011.....                       | XXX  | 6,837     | 7,162     | 7,077     | 7,077     |
| 4. 2012.....                       | XXX  | XXX       | 10,434    | 10,581    | 10,594    |
| 5. 2013.....                       | XXX  | XXX       | XXX       | 13,554    | 13,603    |
| 6. 2014.....                       | XXX  | XXX       | XXX       | XXX       | 45,059    |

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

| Years in which Premiums were Earned and Claims were Incurred | 1<br>Premiums Earned | 2<br>Claims Payments | 3<br>Claim Adjustment Expense Payments | 4<br>(Col. 3/2) Percent | 5<br>Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6<br>(Col. 5/1) Percent | 7<br>Claims Unpaid | 8<br>Unpaid Claims Adjustment Expenses | 9<br>Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10<br>(Col. 9/1) Percent |
|--|----------------------|----------------------|--|-------------------------|---|-------------------------|--------------------|--|---|--------------------------|
| 1. 2010.....   | 3,310                | 3,111                | .118                                   | 3.8                     | 3,229   | 97.6                    |                    |  | 3,229   | 97.6                     |
| 2. 2011.....   | 7,413                | 7,077                | 238                                    | 3.4                     | 7,315   | 98.7                    |                    |  | 7,315   | 98.7                     |
| 3. 2012.....   | 10,931               | 10,594               | 346                                    | 3.3                     | 10,940  | 100.1                   |                    |  | 10,940  | 100.1                    |
| 4. 2013.....   | 15,138               | 13,475               | 559                                    | 4.1                     | 14,034  | 92.7                    | 128                | .16                                    | 14,178  | 93.7                     |
| 5. 2014.....   | 42,394               | 35,602               | 1,286                                  | 3.6                     | 36,888  | 87.0                    | 9,457              | 148                                    | 46,493  | 109.7                    |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

(000 Omitted)

**Section A - Paid Health Claims - Title XIX Medicaid**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010                   | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 1,589,755                   | 1,588,880 | 1,588,880 | 1,588,880 | 1,588,880 |
| 2. 2010.....                       | 377,187                     | 412,261   | 411,839   | 411,839   | 411,838   |
| 3. 2011.....                       | XXX.....                    | 415,448   | 462,857   | 467,590   | 467,590   |
| 4. 2012.....                       | XXX.....                    | XXX.....  | 516,581   | 551,211   | 550,422   |
| 5. 2013.....                       | XXX.....                    | XXX.....  | XXX.....  | 540,754   | 605,440   |
| 6. 2014.....                       | XXX.....                    | XXX.....  | XXX.....  | XXX.....  | 867,278   |

**Section B – Incurred Health Claims - Title XIX Medicaid**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|--|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 1,589,789  | 1,588,880 | 1,588,880 | 1,588,880 | 1,588,880 |
| 2. 2010.....                       | 418,657  | 415,144   | 411,838   | 411,838   | 411,838   |
| 3. 2011.....                       | XXX.....   | 465,346   | 465,118   | 467,590   | 467,590   |
| 4. 2012.....                       | XXX.....   | XXX.....  | 561,459   | 551,335   | 550,422   |
| 5. 2013.....                       | XXX.....   | XXX.....  | XXX.....  | 614,082   | 605,920   |
| 6. 2014.....                       | XXX.....   | XXX.....  | XXX.....  | XXX.....  | 1,023,029 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1<br>Premiums Earned | 2<br>Claims Payments | 3<br>Claim Adjustment Expense Payments | 4<br>(Col. 3/2) Percent | 5<br>Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6<br>(Col. 5/1) Percent | 7<br>Claims Unpaid | 8<br>Unpaid Claims Adjustment Expenses | 9<br>Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10<br>(Col. 9/1) Percent |
|--|----------------------|----------------------|--|-------------------------|---|-------------------------|--------------------|--|---|--------------------------|
| 1. 2010.....   | 543,506              | 411,838              | 16,839                                 | 4.1                     | 428,677   | 78.9                    |                    |  | 428,677   | 78.9                     |
| 2. 2011.....   | 599,366              | 467,590              | 18,535                                 | 4.0                     | 486,125   | 81.1                    |                    |  | 486,125   | 81.1                     |
| 3. 2012.....   | 717,332              | 550,422              | 21,375                                 | 3.9                     | 571,797   | 79.7                    |                    |  | 571,797   | 79.7                     |
| 4. 2013.....   | 787,818              | 605,440              | 25,745                                 | 4.3                     | 631,185   | 80.1                    | 479                | 249                                    | 631,913   | 80.2                     |
| 5. 2014.....   | 1,290,881            | 867,278              | 29,757                                 | 3.4                     | 897,035   | 69.5                    | 155,751            | 2,241                                  | 1,055,027   | 81.7                     |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

(000 Omitted)

**Section A - Paid Health Claims - Grand Total**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2010                   | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 1,591,898                   | 1,591,041 | 1,591,041 | 1,591,041 | 1,591,041 |
| 2. 2010.....                       | 379,441                     | 415,367   | 414,950   | 414,950   | 414,949   |
| 3. 2011.....                       | XXX                         | 421,247   | 469,907   | 474,667   | 474,667   |
| 4. 2012.....                       | XXX                         | XXX       | 525,621   | 561,780   | 561,016   |
| 5. 2013.....                       | XXX                         | XXX       | XXX       | 552,600   | 618,915   |
| 6. 2014.....                       | XXX                         | XXX       | XXX       | XXX       | 904,182   |

**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<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 |
| 1. Prior .....                     | 1,592,512  | 1,591,041 | 1,591,041 | 1,591,041 | 1,591,041 |
| 2. 2010.....                       | 421,484  | 418,250   | 414,949   | 414,949   | 414,949   |
| 3. 2011.....                       | XXX  | 472,183   | 472,280   | 474,667   | 474,667   |
| 4. 2012.....                       | XXX  | XXX       | 571,893   | 561,916   | 561,016   |
| 5. 2013.....                       | XXX  | XXX       | XXX       | 627,636   | 619,523   |
| 6. 2014.....                       | XXX  | XXX       | XXX       | XXX       | 1,069,822 |

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total**

| Years in which Premiums were Earned and Claims were Incurred | 1<br>Premiums Earned | 2<br>Claims Payments | 3<br>Claim Adjustment Expense Payments | 4<br>(Col. 3/2) Percent | 5<br>Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6<br>(Col. 5/1) Percent | 7<br>Claims Unpaid | 8<br>Unpaid Claims Adjustment Expenses | 9<br>Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10<br>(Col. 9/1) Percent |
|--|----------------------|----------------------|--|-------------------------|---|-------------------------|--------------------|--|---|--------------------------|
| 1. 2010.....   | 546,816              | 414,949              | 16,957                                 | 4.1                     | 431,906   | 79.0                    | 0                  | 0                                      | 431,906   | .79.0                    |
| 2. 2011.....   | 606,779              | 474,667              | 18,773                                 | 4.0                     | 493,440   | 81.3                    | 0                  | 0                                      | 493,440   | .81.3                    |
| 3. 2012.....   | 728,263              | 561,016              | 21,721                                 | 3.9                     | 582,737   | 80.0                    | 0                  | 0                                      | 582,737   | .80.0                    |
| 4. 2013.....   | 802,956              | 618,915              | 26,304                                 | 4.3                     | 645,219   | 80.4                    | 607                | 265                                    | 646,091   | .80.5                    |
| 5. 2014.....   | 1,335,526            | 904,182              | 31,132                                 | 3.4                     | 935,314   | 70.0                    | 165,641            | 2,396                                  | 1,103,351   | .82.6                    |

Pt 2C - Sn B - Incurred Claims - MS

**NONE**

Pt 2C - Sn B - Incurred Claims - DO

**NONE**

Pt 2C - Sn B - Incurred Claims - VO

**NONE**

Pt 2C - Sn B - Incurred Claims - FE

**NONE**

Part 2C - Sn C - Claims Expense Ratio MS  
**NONE**

Part 2C - Sn C - Claims Expense Ratio DO  
**NONE**

Part 2C - Sn C - Claims Expense Ratio VO  
**NONE**

Part 2C - Sn C - Claims Expense Ratio FE  
**NONE**

## ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

|  | 1<br>Total | 2<br>Comprehensive<br>(Hospital &<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental Only | 5<br>Vision Only | 6<br>Federal<br>Employees<br>Health Benefit<br>Plan | 7<br>Title XVIII<br>Medicare | 8<br>Title XIX<br>Medicaid | 9<br>Other |
|--|------------|---|-----------------------------|------------------|------------------|---|------------------------------|----------------------------|------------|
| 1. Unearned premium reserves   | .0         |   |                             |                  |                  |   |                              |                            |            |
| 2. Additional policy reserves (a)  | .6,458,428 |   |                             |                  |                  |   | 996,054                      | .5,462,374                 |            |
| 3. Reserve for future contingent benefits  | .0         |   |                             |                  |                  |   |                              |                            |            |
| 4. Reserve for rate credits or experience rating refunds (including<br>\$ for investment income) | .5,947,561 | 41,609  |                             |                  |                  |   | .4,000                       | .5,901,952                 |            |
| 5. Aggregate write-ins for other policy reserves   | .0         | .0  | .0                          | 0                | .0               | .0  | .0                           | .0                         | .0         |
| 6. Totals (gross)  | 12,405,989 | 41,609  | 0                           | 0                | .0               | .0  | 1,000,054                    | 11,364,326                 | .0         |
| 7. Reinsurance ceded   | .0         |   |                             |                  |                  |   |                              |                            |            |
| 8. Totals (Net) (Page 3, Line 4)   | 12,405,989 | 41,609  | 0                           | 0                | 0                | 0   | 1,000,054                    | 11,364,326                 | .0         |
| 9. Present value of amounts not yet due on claims  | .0         |   |                             |                  |                  |   |                              |                            |            |
| 10. Reserve for future contingent benefits   | .0         |   |                             |                  |                  |   |                              |                            |            |
| 11. Aggregate write-ins for other claim reserves   | .0         | .0  | .0                          | 0                | .0               | .0  | .0                           | .0                         | .0         |
| 12. Totals (gross)   | .0         | .0  | .0                          | 0                | .0               | .0  | .0                           | .0                         | .0         |
| 13. Reinsurance ceded  | .0         |   |                             |                  |                  |   |                              |                            |            |
| 14. Totals (Net) (Page 3, Line 7)  | 0          | 0   | 0                           | 0                | 0                | 0   | 0                            | 0                          | 0          |
| <b>DETAILS OF WRITE-INS</b>  |            |   |                             |                  |                  |   |                              |                            |            |
| 0501.  |            |   |                             |                  |                  |   |                              |                            |            |
| 0502.  |            |   |                             |                  |                  |   |                              |                            |            |
| 0503.  |            |   |                             |                  |                  |   |                              |                            |            |
| 0598. Summary of remaining write-ins for Line 5 from overflow page                               | .0         | .0  | 0                           | 0                | .0               | 0   | 0                            | 0                          | .0         |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)                                  | 0          | 0   | 0                           | 0                | 0                | 0   | 0                            | 0                          | 0          |
| 1101.  |            |   |                             |                  |                  |   |                              |                            |            |
| 1102.  |            |   |                             |                  |                  |   |                              |                            |            |
| 1103.  |            |   |                             |                  |                  |   |                              |                            |            |
| 1198. Summary of remaining write-ins for Line 11 from overflow page                              | .0         | .0  | 0                           | 0                | .0               | 0   | 0                            | 0                          | .0         |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)                                 | 0          | 0   | 0                           | 0                | 0                | 0   | 0                            | 0                          | 0          |

(a) Includes \$ .6,458,428 premium deficiency reserve.

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - ANALYSIS OF EXPENSES**

|  | Claim Adjustment Expenses            |  | 3<br>General<br>Administrative<br>Expenses | 4<br>Investment<br>Expenses | 5<br>Total      |
|--|--------------------------------------|--|--|-----------------------------|-----------------|
|  | 1<br>Cost<br>Containment<br>Expenses | 2<br>Other Claim<br>Adjustment<br>Expenses |  |                             |                 |
| 1. Rent (\$ .....for occupancy of own building)                            |                                      |  | 2,535,244                                  |                             | 2,535,244       |
| 2. Salaries, wages and other benefits .....                                |                                      |  | 49,981,393                                 |                             | 49,981,393      |
| 3. Commissions (less \$ .....ceded plus<br>\$ .....assumed)                |                                      |  |  |                             | 0               |
| 4. Legal fees and expenses .....   |                                      |  | 885,961                                    |                             | 885,961         |
| 5. Certifications and accreditation fees .....                             |                                      |  | 97,198                                     |                             | 97,198          |
| 6. Auditing, actuarial and other consulting services .....                 |                                      |  | 8,611,199                                  |                             | 8,611,199       |
| 7. Traveling expenses .....  |                                      |  | 1,661,976                                  |                             | 1,661,976       |
| 8. Marketing and advertising .....   |                                      |  | 6,509,025                                  |                             | 6,509,025       |
| 9. Postage, express and telephone .....                                    |                                      |  | 810,702                                    |                             | 810,702         |
| 10. Printing and office supplies .....                                     |                                      |  | 2,618,681                                  |                             | 2,618,681       |
| 11. Occupancy, depreciation and amortization .....                         |                                      |  | 7,341,509                                  |                             | 7,341,509       |
| 12. Equipment .....  |                                      |  | 244,141                                    |                             | 244,141         |
| 13. Cost or depreciation of EDP equipment and software .....               |                                      |  | 6,112,607                                  |                             | 6,112,607       |
| 14. Outsourced services including EDP, claims, and other services .....    | 752,150                              | 34,897,729                                 | 9,167,180                                  |                             | 44,817,059      |
| 15. Boards, bureaus and association fees .....                             |                                      |  |  |                             | 0               |
| 16. Insurance, except on real estate .....                                 |                                      |  | 235,788                                    |                             | 235,788         |
| 17. Collection and bank service charges .....                              |                                      |  | 164,040                                    |                             | 164,040         |
| 18. Group service and administration fees .....                            |                                      |  |  |                             | 0               |
| 19. Reimbursements by uninsured plans .....                                |                                      |  |  |                             | 0               |
| 20. Reimbursements from fiscal intermediaries .....                        |                                      |  |  |                             | 0               |
| 21. Real estate expenses .....   |                                      |  | 302,611                                    |                             | 302,611         |
| 22. Real estate taxes .....  |                                      |  | 207,768                                    |                             | 207,768         |
| 23. Taxes, licenses and fees:  |                                      |  |  |                             |                 |
| 23.1 State and local insurance taxes .....                                 |                                      |  | 338,316                                    |                             | 338,316         |
| 23.2 State premium taxes .....   |                                      |  | 105,221,260                                |                             | 105,221,260     |
| 23.3 Regulatory authority licenses and fees .....                          |                                      |  | 159,291                                    |                             | 159,291         |
| 23.4 Payroll taxes .....   |                                      |  | 2,434,591                                  |                             | 2,434,591       |
| 23.5 Other (excluding federal income and real estate taxes) .....          |                                      |  | 11,573,948                                 |                             | 11,573,948      |
| 24. Investment expenses not included elsewhere .....                       |                                      |  |  | 126,398                     | 126,398         |
| 25. Aggregate write-ins for expenses .....                                 | 0                                    | 0  | 0  | 0                           | 0               |
| 26. Total expenses incurred (Lines 1 to 25) .....                          | 752,150                              | 34,897,729                                 | 217,214,429                                | 126,398                     | (a) 252,990,706 |
| 27. Less expenses unpaid December 31, current year .....                   |                                      | 2,661,900                                  | 61,992,563                                 |                             | 64,654,463      |
| 28. Add expenses unpaid December 31, prior year .....                      | 0                                    | 1,143,000                                  | 15,731,975                                 | 0                           | 16,874,975      |
| 29. Amounts receivable relating to uninsured plans, prior year .....       | 0                                    | 0  | 0  | 0                           | 0               |
| 30. Amounts receivable relating to uninsured plans, current year .....     |                                      |  |  |                             | 0               |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) ..... | 752,150                              | 33,378,829                                 | 170,953,841                                | 126,398                     | 205,211,218     |
| <b>DETAILS OF WRITE-INS</b>  |                                      |  |  |                             |                 |
| 2501. ....   |                                      |  |  |                             |                 |
| 2502. ....   |                                      |  |  |                             |                 |
| 2503. ....   |                                      |  |  |                             |                 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  | 0                                    | 0  | 0  | 0                           | 0               |
| 2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above) .....      | 0                                    | 0  | 0  | 0                           | 0               |

(a) Includes management fees of \$ .....115,924,408 to affiliates and \$ .....to non-affiliates.

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**EXHIBIT OF NET INVESTMENT INCOME**

|   | 1<br>Collected<br>During Year | 2<br>Earned<br>During Year |
|---|-------------------------------|----------------------------|
| 1. U.S. Government bonds .....  | (a) 210,227                   | 236,659                    |
| 1.1 Bonds exempt from U.S. tax .....  | (a) .....                     | .....                      |
| 1.2 Other bonds (unaffiliated) .....  | (a) 1,875,930                 | 1,974,772                  |
| 1.3 Bonds of affiliates .....   | (a) 0                         | .....                      |
| 2.1 Preferred stocks (unaffiliated) .....                                     | (b) 0                         | .....                      |
| 2.11 Preferred stocks of affiliates .....                                     | (b) 0                         | .....                      |
| 2.2 Common stocks (unaffiliated) .....  | (b) 0                         | .....                      |
| 2.21 Common stocks of affiliates .....  | (b) 0                         | .....                      |
| 3. Mortgage loans .....   | (c) .....                     | .....                      |
| 4. Real estate .....  | (d) .....                     | .....                      |
| 5. Contract loans .....   | (e) 146,514                   | 169,056                    |
| 6. Cash, cash equivalents and short-term investments .....                    | (f) .....                     | .....                      |
| 7. Derivative instruments .....   | (f) .....                     | .....                      |
| 8. Other invested assets .....  | 0                             | 0                          |
| 9. Aggregate write-ins for investment income .....                            | 0                             | 0                          |
| 10. Total gross investment income .....                                       | 2,232,671                     | 2,380,487                  |
| 11. Investment expenses .....   | (g) 126,398                   | .....                      |
| 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) .....                     | 0                          |
| 15. Aggregate write-ins for deductions from investment income .....           | 0                             | 126,398                    |
| 16. Total deductions (Lines 11 through 15) .....                              | 0                             | 126,398                    |
| 17. Net investment income (Line 10 minus Line 16) .....                       | 2,254,089                     | 2,254,089                  |
| <b>DETAILS OF WRITE-INS</b>   |                               |                            |
| 0901. .....   | .....                         | .....                      |
| 0902. .....   | .....                         | .....                      |
| 0903. .....   | .....                         | .....                      |
| 0998. Summary of remaining write-ins for Line 9 from overflow page .....      | 0                             | 0                          |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....         | 0                             | 0                          |
| 1501. .....   | .....                         | .....                      |
| 1502. .....   | .....                         | .....                      |
| 1503. .....   | .....                         | .....                      |
| 1598. Summary of remaining write-ins for Line 15 from overflow page .....     | 0                             | 0                          |
| 1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above) .....        | 0                             | 0                          |

- (a) Includes \$ 26,103 accrual of discount less \$ 776,943 amortization of premium and less \$ 202,698 paid for accrued interest on purchases.  
 (b) Includes \$ ..... accrual of discount less \$ ..... 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 \$ ..... paid for accrued interest on purchases.  
 (d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.  
 (e) Includes \$ ..... accrual of discount less \$ 34,842 amortization of premium and less \$ 5,019 paid for accrued interest on purchases.  
 (f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.  
 (g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.  
 (i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

|  | 1<br>Realized<br>Gain (Loss)<br>On Sales or<br>Maturity | 2<br>Other<br>Realized<br>Adjustments | 3<br>Total Realized Capital<br>Gain (Loss)<br>(Columns 1 + 2) | 4<br>Change in<br>Unrealized Capital<br>Gain (Loss) | 5<br>Change in<br>Unrealized Foreign<br>Exchange Capital<br>Gain (Loss) |
|--|---|---------------------------------------|---|---|---|
| 1. U.S. Government bonds .....   | .....   | .....                                 | 0   | .....   | .....   |
| 1.1 Bonds exempt from U.S. tax .....                                     | .....   | .....                                 | 0   | .....   | .....   |
| 1.2 Other bonds (unaffiliated) .....                                     | 46,889  | 0                                     | 46,889  | 0   | 0   |
| 1.3 Bonds of affiliates .....  | 0   | 0                                     | 0   | 0   | 0   |
| 2.1 Preferred stocks (unaffiliated) .....                                | 0   | 0                                     | 0   | 0   | 0   |
| 2.11 Preferred stocks of affiliates .....                                | 0   | 0                                     | 0   | 0   | 0   |
| 2.2 Common stocks (unaffiliated) .....                                   | 36,257  | 0                                     | 36,257  | 0   | 0   |
| 2.21 Common stocks of affiliates .....                                   | 0   | 0                                     | 0   | 128,996   | 0   |
| 3. Mortgage loans .....  | 0   | 0                                     | 0   | 0   | 0   |
| 4. Real estate .....   | 0   | 0                                     | 0   | 0   | 0   |
| 5. Contract loans .....  | .....   | .....                                 | 0   | .....   | .....   |
| 6. Cash, cash equivalents and short-term investments .....               | .....   | .....                                 | 0   | .....   | .....   |
| 7. Derivative instruments .....  | .....   | .....                                 | 0   | .....   | .....   |
| 8. Other invested assets .....   | 0   | 0                                     | 0   | 716,585   | 0   |
| 9. Aggregate write-ins for capital gains (losses) .....                  | 0   | 0                                     | 0   | 0   | 0   |
| 10. Total capital gains (losses) .....                                   | 83,146  | 0                                     | 83,146  | 845,581   | 0   |
| <b>DETAILS OF WRITE-INS</b>  |   |                                       | .....   | .....   | .....   |
| 0901. .....  | .....   | .....                                 | 0   | .....   | .....   |
| 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 through 0903 plus 0998) (Line 9 above) .....    | 0   | 0                                     | 0   | 0   | 0   |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**EXHIBIT OF NONADMITTED ASSETS**

|   | 1<br>Current Year Total<br>Nonadmitted Assets | 2<br>Prior Year Total<br>Nonadmitted Assets | 3<br>Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
|---|---|---|---|
| 1. Bonds (Schedule D).....  | 0   | 0   | 0   |
| 2. Stocks (Schedule D):   |   |   |   |
| 2.1 Preferred stocks .....  | 0   | 0   | 0   |
| 2.2 Common stocks .....   | 0   | 0   | 0   |
| 3. Mortgage loans on real estate (Schedule B):  |   |   |   |
| 3.1 First liens .....   | 0   | 0   | 0   |
| 3.2 Other than first liens .....  | 0   | 0   | 0   |
| 4. Real estate (Schedule A):  |   |   |   |
| 4.1 Properties occupied by the company .....  | 0   | 0   | 0   |
| 4.2 Properties held for the production of income.....   | 0   | 0   | 0   |
| 4.3 Properties held for sale .....  | 0   | 0   | 0   |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....     | 0   | 0   | 0   |
| 6. Contract loans .....   | 0   | 0   | 0   |
| 7. Derivatives (Schedule DB).....   | 0   | 0   | 0   |
| 8. Other invested assets (Schedule BA) .....  | 0   | 0   | 0   |
| 9. Receivables for securities .....   | 0   | 0   | 0   |
| 10. Securities lending reinvested collateral assets (Schedule DL).....  | 0   | 0   | 0   |
| 11. Aggregate write-ins for invested assets .....   | 0   | 0   | 0   |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....   | 0   | 0   | 0   |
| 13. Title plants (for Title insurers only).....   | 0   | 0   | 0   |
| 14. Investment income due and accrued .....   | 0   | 0   | 0   |
| 15. Premiums and considerations:  |   |   |   |
| 15.1 Uncollected premiums and agents' balances in the course of collection.....                                     | 0   | 0   | 0   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....                  | 0   | 0   | 0   |
| 15.3 Accrued retrospective premiums.....  | 0   | 0   | 0   |
| 16. Reinsurance:  |   |   |   |
| 16.1 Amounts recoverable from reinsurers .....  | 0   | 0   | 0   |
| 16.2 Funds held by or deposited with reinsured companies .....  | 0   | 0   | 0   |
| 16.3 Other amounts receivable under reinsurance contracts .....   | 0   | 0   | 0   |
| 17. Amounts receivable relating to uninsured plans .....  | 0   | 0   | 0   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....                                  | 0   | 0   | 0   |
| 18.2 Net deferred tax asset.....  | 2,122,783                                     | 2,425,831                                   | 303,048   |
| 19. Guaranty funds receivable or on deposit .....   | 0   | 0   | 0   |
| 20. Electronic data processing equipment and software.....  | 0   | 0   | 0   |
| 21. Furniture and equipment, including health care delivery assets.....   | 0   | 0   | 0   |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....                                    | 0   | 0   | 0   |
| 23. Receivables from parent, subsidiaries and affiliates .....  | 0   | 0   | 0   |
| 24. Health care and other amounts receivable.....   | 3,241,584                                     | 1,750,038                                   | (1,491,546)   |
| 25. Aggregate write-ins for other-than-invested assets .....  | 535,954                                       | 699,083                                     | 163,129   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 5,900,321                                     | 4,874,952                                   | (1,025,369)   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                                    | 0   | 0   | 0   |
| 28. Total (Lines 26 and 27).....  | 5,900,321                                     | 4,874,952                                   | (1,025,369)   |
| <b>DETAILS OF WRITE-INS</b>   |   |   |   |
| 1101. ....  |   |   |   |
| 1102. ....  |   |   |   |
| 1103. ....  |   |   |   |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   | 0   | 0   | 0   |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....  | 0   | 0   | 0   |
| 2501. Prepaid Expenses.....   | 529,287                                       | 672,416                                     | 143,129   |
| 2502. Intangibles, net.....   | 6,667   | 26,667                                      | 20,000  |
| 2503. ....  |   |   | 0   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   | 0   | 0   | 0   |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 535,954                                       | 699,083                                     | 163,129   |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

| Source of Enrollment  | Total Members at End of |                    |                     |                    |                   | 6<br>Current Year<br>Member Months |
|---|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
|   | 1<br>Prior Year         | 2<br>First Quarter | 3<br>Second Quarter | 4<br>Third Quarter | 5<br>Current Year |                                    |
| 1. Health Maintenance Organizations.....                                | 172,208                 | 180,737            | 225,836             | 261,934            | 293,572           | 2,828,216                          |
| 2. Provider Service Organizations.....                                  | 0                       |                    |                     |                    |                   |                                    |
| 3. Preferred Provider Organizations.....                                | 0                       |                    |                     |                    |                   |                                    |
| 4. Point of Service.....  | 0                       |                    |                     |                    |                   |                                    |
| 5. Indemnity Only.....  | 0                       |                    |                     |                    |                   |                                    |
| 6. Aggregate write-ins for other lines of business.....                 | 0                       | 0                  | 0                   | 0                  | 0                 | 0                                  |
| 7. Total  | 172,208                 | 180,737            | 225,836             | 261,934            | 293,572           | 2,828,216                          |
| <b>DETAILS OF WRITE-INS</b>   |                         |                    |                     |                    |                   |                                    |
| 0601.....   |                         |                    |                     |                    |                   |                                    |
| 0602.....   |                         |                    |                     |                    |                   |                                    |
| 0603.....   |                         |                    |                     |                    |                   |                                    |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... | 0                       | 0                  | 0                   | 0                  | 0                 | 0                                  |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)         | 0                       | 0                  | 0                   | 0                  | 0                 | 0                                  |

## NOTES TO FINANCIAL STATEMENTS

### (1) Summary of Significant Accounting Policies

#### A. Accounting Practices

The accompanying financial statements of Buckeye Community Health Plan, Inc. (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under Ohio Insurance Law.

The Ohio Department of Insurance recognizes only statutory accounting practices for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Ohio insurance law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual*, version effective March 2014 (NAIC SAP), has been adopted as a component of prescribed or permitted practices by the State of Ohio. The state has adopted NAIC SAP with no prescribed differences.

|  | State of<br>Domicile | 2014           | 2013           |
|--|----------------------|----------------|----------------|
| <b><u>NET INCOME</u></b>   |                      |                |                |
| (1) Buckeye Community Health Plan state basis (Page 4, Line 32, Columns 2 & 4)   | Ohio                 | \$ (946,839)   | \$ 13,140,305  |
| (2) State Prescribed Practices that increase/(decrease) NAIC SAP:<br>e.g., Depreciation of fixed assets                      |                      |                |                |
|  | Ohio                 | -              | -              |
| (3) State Permitted Practices that increase/(decrease) NAIC SAP:<br>e.g., Depreciation of fixed assets, home office property |                      |                |                |
|  | Ohio                 | -              | -              |
| (4) NAIC SAP (1-2-3=4)   | Ohio                 | \$ (946,839)   | \$ 13,140,305  |
| <b><u>SURPLUS</u></b>  |                      |                |                |
| (5) Buckeye Community Health Plan state basis (Page 3, Line 33, Columns 3 & 4)   | Ohio                 | \$ 123,144,159 | \$ 105,714,489 |
| (6) State Prescribed Practices that increase/(decrease) NAIC SAP:<br>e.g., Goodwill, net<br>e.g., Fixed Assets, net          |                      |                |                |
|  | Ohio                 | -              | -              |
| (7) State Permitted Practices that increase/(decrease) NAIC SAP:<br>e.g., Home Office Property                               |                      |                |                |
|  | Ohio                 | -              | -              |
| (8) NAIC SAP (5-6-7=8)   | Ohio                 | \$ 123,144,159 | \$ 105,714,489 |

#### 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 disclosures 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

1. Cash and short-term investments are carried at cost, which approximates fair value. Short-term investments include securities purchased within twelve months or less of maturity date.
2. Bonds are carried at amortized cost with the accretion of discounts and amortization of premiums being computed under the scientific method.
3. Common stocks in affiliates are carried based on the underlying GAAP equity of the investee.
4. The Company holds no preferred stocks.
5. The Company holds no mortgage loans.
6. Loan-backed securities are carried at amortized cost. Adjustments are applied prospectively.
7. The Company has investments in subsidiaries, controlled and affiliated companies reported on an equity basis in the amount of \$6.1 million in common stock.
8. The Company has minor interests in joint venture that do not exceed 10% of admitted assets. The Company carries these interests based on the underlying audited GAAP equity of the investee.
9. The Company holds no derivatives.
10. The Company reviews expectations regarding the profitability of contracts in force to determine whether a premium deficiency reserve is required. The Company considers anticipated investment income when calculating its premium deficiency reserves. The adequacy of reserve requirements is continually reviewed by management, with any reductions in the reserve being recorded as a beneficial effect in the statement of revenue and expense. The Company has a premium deficiency reserve of \$6,458,428 at December 31, 2014.
11. Unpaid losses and loss adjustment expenses include amounts determined from claims estimates and 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 to be

## **NOTES TO FINANCIAL STATEMENTS**

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 liability is continually reviewed and any adjustments are reflected in the period determined.

12. There were no changes to the capitalization policy.
13. Pharmaceutical rebates are based on actual pharmaceutical claims experience.

### **(2) Accounting Changes and Corrections of Errors**

None

### **(3) Business Combinations and Goodwill**

#### **A. Statutory Purchase Method**

1. Purchase of Family Health Plan, Inc.

The Company purchased the Medicaid-related assets of Family Health Plan, Inc. in November 2003. As a result of the purchase, the Company recorded \$1.8 million in intangible assets (state contracting rights, non-compete agreements, provider contracts/network) and \$5.1 million in goodwill. General administrative expenses include \$80,000 in intangible amortization and \$506,413 in goodwill amortization expense as of December 31, 2014.

2. Purchase of Summa Care, Inc.

The Company purchased the Medicaid-related assets of SummaCare, Inc., in May 2005. As a result of the purchase, the Company recorded \$520,000 in intangible assets (state contracting rights, non-compete agreements, provider contracts/network) and \$29.8 million in goodwill. General administrative expenses include \$20,000 in intangible amortization and \$2,987,077 in goodwill amortization expense as of December 31, 2014.

#### **B. Statutory Merger**

Purchase of MediPlan Corporation

The Company purchased MediPlan Corporation from Aultman Health Foundation, Inc., in June 2006. This transaction was treated as a statutory merger per SSAP No.68.

#### **C. Assumption Reinsurance – None.**

#### **D. Impairment Loss – None.**

### **(4) Discontinued Operations**

None

### **(5) Investments**

#### **A. Mortgage Loans, including Mezzanine Real Estate Loans – None.**

#### **B. Debt Restructuring – None.**

#### **C. Reverse Mortgages – None.**

#### **D. Loan-Backed Securities**

1. Prepayment assumptions were obtained from Bloomberg.

2. There are no securities within the scope of this statement with a recognized other-than-temporary impairment.

3. Not applicable: there are no securities with a recognized other-than-temporary impairment.

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

##### **a. The aggregate amount of unrealized losses:**

1. Less than 12 Months \$11,324
2. 12 Months or Longer \$34,340

##### **b. The aggregate related fair value of securities with unrealized losses:**

1. Less than 12 Months \$14,716,651
2. 12 Months or Longer \$3,190,437

5. For any security in an unrealized loss position, the Company assesses whether it intends to sell the security or if it is more likely than not that the Company will be required to sell the security before recovery of the

## NOTES TO FINANCIAL STATEMENTS

amortized cost basis for reasons such as liquidity, contractual or regulatory purposes. If the security meets this criterion, the decline in fair value is other-than-temporary and is recorded in earnings. The Company does not intend to sell these securities prior to maturity; therefore, there is no indication of other than temporary impairment of these securities.

### E. Repurchase Agreements and/or Securities Lending Transactions

1. For repurchase agreements, Company policies require a minimum of 100% of the fair value of securities purchased under repurchase agreements to be maintained as collateral.
2. NONE
3. Collateral Received

#### a. Aggregate Amount Collateral Received

|   | <u>Fair</u><br><u>Value</u> |
|---|-----------------------------|
| 1. Repurchase Agreement   |                             |
| (a) Open  | \$ _____                    |
| (b) 30 Days or Less   | <u>100,000</u>              |
| (c) 31 to 60 Days   | _____                       |
| (d) 61 to 90 Days   | _____                       |
| (e) Greater than 90 Days  | _____                       |
| (f) Sub-Total   | <u>100,000</u>              |
| (g) Securities Received   | _____                       |
| (h) Total Collateral Received   | <u>100,000</u>              |
| 2. Securities Lending   |                             |
| (a) Open  | \$ _____                    |
| (b) 30 Days or Less   | _____                       |
| (c) 31 to 60 Days   | _____                       |
| (d) 61 to 90 Days   | _____                       |
| (e) Greater than 90 Days  | _____                       |
| (f) Sub-Total   | \$ _____                    |
| (g) Securities Received   | _____                       |
| (h) Total Collateral Received   | <u>_____</u>                |
| 3. Dollar Repurchase Agreement  |                             |
| (a) Open  | \$ _____                    |
| (b) 30 Days or Less   | _____                       |
| (c) 31 to 60 Days   | _____                       |
| (d) 61 to 90 Days   | _____                       |
| (e) Greater than 90 Days  | _____                       |
| (f) Sub-Total   | <u>_____</u>                |
| (g) Securities Received   | _____                       |
| (h) Total Collateral Received   | <u>_____</u>                |
| b. The fair value of the collateral and of the portion of that collateral that it has sold or repledged         | <u>100,000</u>              |
| c. The collateral is in the form of U.S. Treasury securities and is held by the Company's securities custodian. |                             |

### F. Real Estate- None.

### G. Low-income housing tax credit- None.

### H. Restricted Assets

1. Restricted Assets (Including Pledged)

## NOTES TO FINANCIAL STATEMENTS

| Restricted Asset Category   | 1  | 2                                      | 3                                | 4                                      | 5   | 6   |
|---|--|--|----------------------------------|--|---|---|
|   | Total Gross Restricted from Current Year | Total Gross Restricted From Prior Year | Increase/ (Decrease) (1 minus 2) | Total Current Year Admitted Restricted | Percentage Gross Restricted to Total Assets | Percentage Admitted Restricted to Total Admitted Assets |
| a. Subject to contractual obligation for which liability is not shown |  |  |                                  |  |   |   |
| b. Collateral held under security lending agreements                  |  |  |                                  |  |   |   |
| c. Subject to repurchase agreements                                   | \$ 100,000                               | \$ -                                   | \$ 100,000                       | \$ 100,000                             | 0.03%                                       | 0.03%   |
| d. Subject to reverse repurchase agreements                           |  |  |                                  |  |   |   |
| e. Subject to dollar repurchase agreements                            |  |  |                                  |  |   |   |
| f. Subject to dollar reverse repurchase agreements                    |  |  |                                  |  |   |   |
| g. Placed under option contracts                                      |  |  |                                  |  |   |   |
| h. Letter stock or securities restricted as to sale                   |  |  |                                  |  |   |   |
| i. FHLB Capital Stock   |  |  |                                  |  |   |   |
| j. On deposit with states   | \$ 400,079                               | \$ 400,239                             | \$ (160)                         | \$ 400,079                             | 0.1%  | 0.1%  |
| k. On deposit with other regulatory bodies                            |  |  |                                  |  |   |   |
| l. Pledged as collateral to FHLB (including assets backing funding)   |  |  |                                  |  |   |   |
| m. Pledged as collateral not captured in other categories             |  |  |                                  |  |   |   |
| n. Other restricted assets  |  |  |                                  |  |   |   |
| o. Total Restricted Assets  | \$ 500,079                               | \$ 400,239                             | \$ 99,840                        | \$ 500,079                             | 0.1%  | 0.1%  |
| 2.  |  |  |                                  |  |   |   |

3. Detail of Assets Pledged as Collateral Not Captured in Other Categories- None.

4. Detail of Other Restricted Assets- None.

The following long-term investments can be liquidated within 24 hours without incurring a significant penalty (defined as greater than 20%).

|       | Amortized Cost | Market Value  |
|-------|----------------|---------------|
| Bonds | \$156,397,194  | \$154,909,318 |

- I. Working Capital Finance Investments - None
- J. Offsetting and Netting of Assets and Liabilities - None
- K. Structured Notes - None

### (6) Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investment in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

### (7) Investment Income

- A. Investment income due and accrued with amounts greater than 90 days past due are excluded from surplus.
- B. The total amount excluded was \$0.

### (8) Derivative Instruments

The Company had no derivative instruments during the statement periods.

### (9) Income Taxes

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.

## NOTES TO FINANCIAL STATEMENTS

### A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

The 12/31/14 and 12/31/13 balances and related disclosures are calculated and presented pursuant to SSAP 101.

| (1)   | DTA/DTL Components   | 2014              |           |                   | 2013              |                |                   | Change             |              |                    |
|---|--|-------------------|-----------|-------------------|-------------------|----------------|-------------------|--------------------|--------------|--------------------|
|   |  | Ordinary          | Capital   | Total             | Ordinary          | Capital        | Total             | Ordinary           | Capital      | Total              |
| (a)   | Gross deferred tax assets                                    | 8,953,085         | 229,780   | 9,182,865         | 6,365,523         | 86,559         | 6,452,082         | 2,587,562          | 143,221      | 2,730,783          |
| (b)   | Statutory valuation allowance adjustment                     | -                 | -         | -                 | -                 | -              | -                 | -                  | -            | -                  |
| (c)   | Adjusted gross deferred tax assets                           | 8,953,085         | 229,780   | 9,182,865         | 6,365,523         | 86,559         | 6,452,082         | 2,587,562          | 143,221      | 2,730,783          |
| (d)   | Deferred tax assets nonadmitted                              | (2,057,250)       | (65,534)  | (2,122,784)       | (2,425,831)       | -              | (2,425,831)       | 368,581            | (65,534)     | 303,047            |
| (e)   | Net admitted deferred tax assets                             | 6,895,835         | 164,246   | 7,060,081         | 3,939,692         | 86,559         | 4,026,251         | 2,956,143          | 77,687       | 3,033,830          |
| (f)   | Deferred tax liabilities                                     | (24,688)          | (164,246) | (188,934)         | (19,213)          | (95,239)       | (114,452)         | (5,475)            | (69,007)     | (74,482)           |
| (g)   | Net admitted deferred tax asset/(Net deferred tax liability) | <u>6,871,147</u>  | <u>-</u>  | <u>6,871,147</u>  | <u>3,920,479</u>  | <u>(8,680)</u> | <u>3,911,799</u>  | <u>2,950,668</u>   | <u>8,679</u> | <u>2,959,347</u>   |
| <b>(2) Admission calculation components:</b>                          |  |                   |           |                   |                   |                |                   |                    |              |                    |
|   | Description  | 2014              |           |                   | 2013              |                |                   | Change             |              |                    |
|   |  | Ordinary          | Capital   | Total             | Ordinary          | Capital        | Total             | Ordinary           | Capital      | Total              |
| <b>Admission calculation under ¶11.a.-¶11.c.</b>                      |  |                   |           |                   |                   |                |                   |                    |              |                    |
| (a)   | FIT recoverable by loss carryback ¶11.a.]                    | 6,001,867         | -         | 6,001,867         | 3,042,521         | -              | 3,042,521         | 2,959,346          | -            | 2,959,346          |
| (b)   | Expected to be realized ¶11.b.] (lesser of i. or ii.)        | 869,281           | -         | 869,281           | 869,280           | -              | 869,280           | 1                  | -            | 1                  |
| 1.  | Expected to be realized ¶11.b.i.]                            | <u>869,281</u>    | <u>-</u>  | <u>869,281</u>    | <u>869,280</u>    | <u>-</u>       | <u>869,280</u>    | <u>1</u>           | <u>-</u>     | <u>1</u>           |
| 2.  | Surplus limitation ¶11.b.ii.]                                | <u>11,627,301</u> | <u>-</u>  | <u>11,627,301</u> | <u>14,671,225</u> | <u>-</u>       | <u>14,671,225</u> | <u>(3,043,924)</u> | <u>-</u>     | <u>(3,043,924)</u> |
| (c)   | DTL offset ¶11.c.]   | 24,687            | 164,246   | 188,933           | 27,891            | 86,559         | 114,450           | (3,204)            | 77,687       | 74,483             |
| (d)   | Total admitted under ¶11.a.-¶11.c.]                          | 6,895,835         | 164,246   | 7,060,080         | 3,939,692         | 86,559         | 4,026,251         | 2,956,142          | 77,687       | 3,033,829          |
|   | Deferred tax liabilities                                     | (24,688)          | (164,246) | (188,934)         | (19,213)          | (95,239)       | (114,452)         | (5,475)            | (69,007)     | (74,482)           |
| <b>Net admitted deferred tax asset/liability under ¶11.a.-¶11.c.]</b> |  |                   |           |                   |                   |                |                   |                    |              |                    |
|   |  | <u>6,871,147</u>  | <u>-</u>  | <u>6,871,146</u>  | <u>3,920,479</u>  | <u>(8,680)</u> | <u>3,911,799</u>  | <u>2,950,667</u>   | <u>8,680</u> | <u>2,959,346</u>   |

### (3) Information used in expected to be realized calculation ¶11.b.]

**2014**

|     |                              |                    |                   |
|-----|------------------------------|--------------------|-------------------|
| (a) | ExDTA ACL RBC or other ratio | <u>316%</u>        | <u>439%</u>       |
| (b) | Adjusted capital and surplus | <u>116,273,010</u> | <u>97,819,924</u> |

(c) Did the company avail itself of a tax planning strategy involving  Yes  No

### B. Temporary differences for which DTLs have not been established:

n/a

### C. Current tax and change in deferred tax:

#### (1) Current income taxes incurred consist of the following major components:

|     | Description  | 2014             | 2013             |
|-----|--|------------------|------------------|
| (a) | Current federal income tax expense                     | 9,207,744        | 7,784,247        |
| (b) | Foreign Taxes  | -                | -                |
| (c) | Subtotal   | <u>9,207,744</u> | <u>7,784,247</u> |
| (d) | Tax on capital gains/(losses)                          | -                | -                |
| (e) | Settlement of IRS audit                                | -                | 614,871          |
| (f) | Other, including prior year underaccrual (overaccrual) | 75,768           | (680,843)        |
| (g) | Federal and foreign income taxes incurred              | <u>9,283,512</u> | <u>7,718,275</u> |

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

| (2)                 | DTAs Resulting From Book/Tax Differences In             | December 31,            | December 31,            | Change                  |
|---------------------|---|-------------------------|-------------------------|-------------------------|
|                     |   | 2014                    | 2013                    |                         |
| <b>(a) Ordinary</b> |   |                         |                         |                         |
| (1)                 | Discounting of unpaid losses and LAE                    | 1,281,518               | 1,021,414               | 260,104                 |
| (2)                 | Unearned premiums                                       | 13,912                  | 1,384                   | 12,528                  |
| (3)                 | Marketplace Reinsurance                                 | 1,879                   | -                       | 1,879                   |
| (4)                 | Accrued expenditures                                    | 1,400                   | 483,228                 | (481,828)               |
| (5)                 | Nonadmitted assets                                      | 1,322,138               | 857,192                 | 464,946                 |
| (6)                 | Goodwill & Intangible Amortization                      | 4,071,788               | 3,888,592               | 183,196                 |
| (7)                 | Other (separately disclose items >5%)                   | <u>2,260,450</u>        | <u>113,713</u>          | <u>2,146,737</u>        |
| (99)                | Gross ordinary DTAs                                     | 8,953,085               | 6,365,523               | 2,587,562               |
| (b)                 | Statutory valuation adjustment adjustment - ordinary    | -                       | -                       | -                       |
| (c)                 | Nonadmitted ordinary DTAs (-)                           | <u>(2,057,250)</u>      | <u>(2,425,831)</u>      | <u>368,581</u>          |
| (d)                 | Admitted ordinary DTAs                                  | <u>6,895,835</u>        | <u>3,939,692</u>        | <u>2,956,143</u>        |
| <b>(e) Capital</b>  |   |                         |                         |                         |
| (1)                 | Other (separately disclose items >5%)                   | 229,780                 | -                       | 229,780                 |
|                     | Unrealized capital losses                               | -                       | 86,559                  | (86,559)                |
| (99)                | Gross capital DTAs                                      | 229,780                 | 86,559                  | 143,221                 |
| (f)                 | Statutory valuation adjustment adjustment - capital (-) | -                       | -                       | -                       |
| (g)                 | Nonadmitted capital DTAs (-)                            | <u>(65,534)</u>         | <u>-</u>                | <u>(65,534)</u>         |
| (h)                 | Admitted capital DTAs                                   | <u>164,246</u>          | <u>86,559</u>           | <u>77,687</u>           |
| (i)                 | <b>Admitted DTAs</b>                                    | <b><u>7,060,081</u></b> | <b><u>4,026,251</u></b> | <b><u>3,033,830</u></b> |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

| (3) DTLs Resulting From<br>Book/Tax Differences In | December 31,<br>2014 | December 31,<br>2013 | Change           |
|--|----------------------|----------------------|------------------|
| (a) Ordinary                                       |                      |                      |                  |
| (1) Investments                                    | (8,703)              | (3,228)              | (5,475)          |
| (2) Prepaid expenses                               | (15,985)             | (15,985)             | -                |
| (99) Ordinary DTLs                                 | (24,688)             | (19,213)             | (5,475)          |
| (b) Capital  |                      |                      |                  |
| (1) Investments                                    | -                    | (95,239)             | 95,239           |
| Unrealized capital gains                           | (164,246)            | -                    | (164,246)        |
| (99) Capital DTLs                                  | (164,246)            | (95,239)             | (69,007)         |
| (c) DTLs   | <b>(188,934)</b>     | <b>(114,452)</b>     | <b>(74,482)</b>  |
| (4) Net deferred tax assets/liabilities            | <b>6,871,147</b>     | <b>3,911,799</b>     | <b>2,959,348</b> |

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

|   | December 31,<br>2014 | December 31,<br>2013 | Change           |
|---|----------------------|----------------------|------------------|
| Total deferred tax assets                                   | 9,182,865            | 6,452,082            | 2,730,783        |
| Total deferred tax liabilities                              | (188,934)            | (114,452)            | (74,481)         |
| Net deferred tax assets/liabilities                         | 8,993,931            | 6,337,630            | 2,656,301        |
| Statutory valuation allowance adjustment (*see explanation) | -                    | -                    | -                |
| Net deferred tax assets/liabilities after SVA               | 8,993,931            | 6,337,630            | 2,656,301        |
| Tax effect of unrealized gains/(losses)                     | 164,246              | (86,559)             | 250,805          |
| Change in net deferred income tax [(charge)/benefit]        | <b>9,158,177</b>     | <b>6,251,071</b>     | <b>2,907,106</b> |

**\*Statutory valuation allowance**

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2014 and 2013 was \$0 and \$0, respectively. The net change in the total valuation allowance adjustments for the year ended

**D. Reconciliation of federal income tax rate to actual effective rate:**

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

| Description  | 2014             | Tax Effect    | 2013             | Tax Effect    |
|--|------------------|---------------|------------------|---------------|
| Income Before Taxes                                  | 8,336,671        |               | 20,858,580       |               |
| Statutory Rate                                       | 35%              |               | 35%              |               |
| Income Before Taxes                                  | 2,917,835        | 35.00%        | 7,300,503        | 35.00%        |
| Tax-Exempt Interest (Net of proration)               | (136,295)        | -1.63%        | (210,606)        | -1.01%        |
| Proration  |                  | 0.00%         | 31,421           | 0.15%         |
| Health Insurer Fee                                   | 4,058,284        | 48.68%        | 0                | 0             |
| Dividends Received Deduction                         | -                | 0.00%         | 0                | 0.00%         |
| Meals & Entertainment, Lobbying Expenses, Etc.       | (25)             | 0.00%         | (670)            | 0.00%         |
| Statutory Valuation Allowance                        | -                | 0.00%         | 0                | 0.00%         |
| Deferred Taxes on Nonadmitted Assets                 | (464,946)        | -5.58%        | (2,767)          | -0.01%        |
| Other, Including Prior Year True-Up                  | 1,553            | 0.02%         | 2,252            | 0.01%         |
| Total  | <b>6,376,406</b> | <b>76.49%</b> | <b>7,120,133</b> | <b>34.14%</b> |
| Federal income taxed incurred [expense/(benefit)]    | 9,283,512        | 111.36%       | 7,718,275        | 37.00%        |
| Tax on capital gains/(losses)                        | -                | 0.00%         | 0                | 0.00%         |
| Change in net deferred income tax [charge/(benefit)] | (2,907,106)      | -34.87%       | (598,142)        | -2.87%        |
| Total statutory income taxes                         | <b>6,376,406</b> | <b>76.49%</b> | <b>7,120,133</b> | <b>34.14%</b> |

**E. Carryforwards, recoverable taxes, and IRC §6603 deposits:**

At December 31, 2014, the Company had no net operating loss or tax credit carryforwards available for tax purposes.

The following is income tax expense for 2013 and 2014 that is available for recoupment in the event of future net losses:

| Year  | Ordinary          | Capital  | Total             |
|-------|-------------------|----------|-------------------|
| 2013  | 8,399,118         | 0        | 8,399,118         |
| 2014  | 9,207,744         | 0        | 9,207,744         |
| Total | <b>17,606,862</b> | <b>0</b> | <b>17,606,862</b> |

Deposits admitted under IRC § 6603

**None**

## **NOTES TO FINANCIAL STATEMENTS**

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

|   |   |
|---|---|
| Absolute Total Care, Inc.                           | Home State Health Plan, Inc.            |
| AECC Total Vision Health Plan of Texas, Inc.        | IlliCare Health Plan, Inc.              |
| Bankers Reserve Life Insurance Company of Wisconsin | Kentucky Spirit Health Plan, Inc.       |
| California Health & Wellness Plan                   | Louisiana Health Care Connections, Inc. |
| Celtic Insurance Company                            | Magnolia Health Plan, Inc.              |
| CeltiCare Health Plan of Massachusetts, Inc.        | Managed Health Services Insurance Corp. |
| Coordinated Care Corporation                        | Peach State Health Plan, Inc.           |
| Coordinated Care of Washington, Inc.                | Sunflower State Health Plan, Inc.       |
| Granite State Health Plan, Inc.                     | Sunshine State Health Plan, Inc.        |
| Hallmark Life Insurance Co.                         | Superior HealthPlan, Inc.               |

The method of allocation among companies is subject to a written agreement whereby allocation is made primarily on a separate company basis using the percentage method pursuant to provisions of IRC Sections § 1502 and § 1552 and Treasury Regulations § 1.1502 and § 1.1552. This percentage method allocates a tax asset (i.e. intercompany receivable) for any benefit derived by the consolidated group for the member's losses or credits that offset consolidated taxable income. In accordance with the tax sharing agreement, each member shall pay to Parent or receive from the Parent the amount of tax liability or benefit reported on each member's proforma federal income tax return within 90 days of the date Parent files its consolidated federal income tax return.

### **(10) Information Concerning Parent, Subsidiaries and Affiliates**

A, B, C, D, F

During 2014 and 2013, Centene Management Company, LLC, a wholly owned subsidiary of Centene Corporation, provided data, claims processing, case management, care coordination and general management services to the Company. Medical and administrative expenses for the period ending December 31, 2014 and December 31, 2013 included \$136,523,916 and \$94,655,632, respectively, for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included \$3,452,065 and \$506,375, respectively, for true-up of management fees and expenses paid on behalf of the company.

Nursewise, LP provided triage services to the Company. Medical expenses for the period ending December 31, 2014 and December 31, 2013 included \$2,535,813 and \$2,112,604, respectively, for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included \$0 and (\$187,244), respectively, for such services. Nurse Response, Inc. provided triage services to the Company. Medical expenses for the period ending December 31, 2014 included \$3,592 for such services. Amounts due (to) from at December 31, 2014 included \$0 for such services.

US Script, Inc. provided pharmacy benefit management services to the Company. Medical expenses for the period ending December 31, 2014 and December 31, 2013 included \$198,819,996 and \$127,664,671, respectively, for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included \$163,464 and (\$2,409,945), respectively, for such services.

Cenpatico Behavioral Health, LLC provided mental health services to the Company. Medical expenses for the period ending December 31, 2014 and December 31, 2013 included \$24,910,494 and \$18,655,907, respectively, for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included (\$6,467,989) and (\$27,143), respectively, for such services.

OptiCare Vision Company, Inc. provided vision management services to the Company. Medical expenses for the period ending December 31, 2014 and December 31, 2013 included \$4,888,834 and \$3,598,698, respectively, for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included (\$498,604) and (\$312,567), respectively, for such services.

Nurtur Health, Inc. provided chronic pulmonary disease management services to the Company. Medical expenses for the period ending December 31, 2014 and December 31, 2013 included \$2,881,059 and \$2,383,809, respectively for such services. Amounts due (to) from at December 31, 2014 and December 31, 2013 included (\$265,803) and (\$207,360), respectively for such services.

The Company made a \$6.0 million investment in Health Plan Real Estate Holding, Inc. (HPREHI) on December 4, 2013 by purchasing 60 shares of HPREHI's common stock for cash. HPREHI is wholly owned by affiliates of Centene Corporation, the Company's parent company. The Company's common stock investment in HPREHI is measured and reported in the Company's statutory financial statements using the equity method in accordance with SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and at December 31, 2014 and December 31, 2014 the reported value is \$6.0 million and \$6.1 million, respectively.

E. Guarantees- None.

G. Control Relationship- The Company is wholly owned by Centene Corporation.

H. Upstream Intermediate Entity- None.

I. Investment in SCA Entity

## **NOTES TO FINANCIAL STATEMENTS**

The Company has an investment in an SCA that does not exceed 10% of admitted assets.

- J. Investment in Impaired SCA Entity- None.
- K. Investment in Foreign Insurance Subsidiary- None.
- L. Investment in Downstream Noninsurance Holding Company- None.

### **(11) Debt**

- A. Capital Notes - None
- B. Federal Home Loan Bank Agreements - None

### **(12) Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and Other Postretirement Benefit Plans.**

- A. Defined Benefit Plans - None
- B. Description of investment policies and strategies – Not applicable
- C. Narrative description of the basis used to determine the overall expected long-term rate-of-return-on-assets assumption – Not applicable
- D. Fair value of each class of plan assets – No plan assets held
- E. Defined Contribution Plans - None
- F. Multiemployer Plans - None
- G. Consolidated/Holding Company Plans - None
- H. Post-Employment Benefits and Compensated Absences - None
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - None

### **(13) Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

- 1) The Company has 10,000 shares authorized, 100 shares issued, 100 shares outstanding at \$100 par value.
- 2) The Company had no preferred stock outstanding.
- 3) The Company is restricted from paying any extraordinary dividend or distribution to its shareholders until thirty days after the superintendent has received notice of the distribution and has not within the thirty day period disapproved the dividend or distribution. An extraordinary dividend or distribution is one in which the fair market value, together with that of any other dividends or distributions made within the preceding twelve months, exceeds the greater of ten percent of the Company's surplus as of the thirty-first day of December next preceding, or the Company's net income for the twelve month period ending the thirty-first day of December next preceding. In addition, any dividend or distribution paid from other than earned surplus shall be considered extraordinary.
- 4) The Company paid no dividends for the years ended December 31, 2014 and 2013.
- 5) The Company is able to pay ordinary dividends to stockholders provided that the dividend or distribution of cash or other property, whose fair market value, together with that of other dividends or distributions made within the preceding twelve months, does not exceed the greater of ten percent of the Company's surplus or net income of the Company's twelve-month period ending the thirty-first day of December next preceding.
- 6) 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.
- 7) The Company has no advances to surplus not repaid.
- 8) The Company held no stock for special purposes such as conversion of preferred stock, employee stock options, or stock purchase warrants.
- 9) The increase in the special surplus funds from the prior year is due to the projected annual fee under section 9010 of the Affordable Care Act to be paid on September 30, 2015 based on business written in 2014.
- 10) The impact to unassigned funds (surplus) by cumulative unrealized losses was \$694,854.
- 11) The Company did not issue any surplus debentures or similar obligations.
- 12) There have been no quasi-reorganizations.

## **NOTES TO FINANCIAL STATEMENTS**

13) The Company has not been involved in a quasi-reorganization in the last 10 years.

### **(14) Liabilities, Contingencies and Assessments**

- A. Contingent Commitments – The Company has outstanding commitments of approximately \$820,000 for additional investments in joint ventures and limited partnerships.
- B. Assessments – None.
- C. Gain Contingencies – None.
- D. Claims related to extra contractual obligation and bad faith losses stemming from lawsuits- None.
- E. Joint and Several Liabilities – None.
- F. All Other Contingencies – Various lawsuits against the Company have arisen in the course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

The Company has recognized an impairment charge of \$41,685 related to the member premium receivable outstanding as of December 31, 2014. The \$7,196 member receivable recognized as of 12/31/14 has a reasonable possibility that it will be uncollectible.

### **(15) Leases**

None.

### **(16) Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

None.

### **(17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.**

- A. Transfers of Receivables reported as Sales - None
- B. Transfers and Servicing of Financial Assets - None
- C. Wash Sales - None

### **(18) Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

- A. ASO Plans - None
- B. ASC Plans - None
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract- None

### **(19) Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.**

None.

### **(20) Fair Value Measurements**

- A. Assets and liabilities recorded at fair value in the statutory statement of admitted assets, liabilities and capital and surplus are categorized based upon the extent to which the fair value estimates are based upon observable or unobservable inputs.

The following table summarizes fair value measurements by level at December 31, 2014 for assets and liabilities measured at fair value on a recurring basis:

**NOTES TO FINANCIAL STATEMENTS**

| Description for each class of asset or liability | (Level 1)             | (Level 2)   | (Level 3)   | Total                 |
|--|-----------------------|-------------|-------------|-----------------------|
| <b>a. Assets at fair value</b>                   |                       |             |             |                       |
| Cash, Cash Equivalents & Short Term Investments  | \$ 166,564,644        | \$ -        | \$ -        | \$ 166,564,644        |
| Perpetual Preferred stock                        |                       |             |             |                       |
| Industrial and Misc                              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Parent, Subsidiaries and Affiliates              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Total Perpetual Preferred Stocks                 | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Bonds  |                       |             |             |                       |
| U.S. Governments                                 | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Industrial and Misc                              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Hybrid Securities                                | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Parent, Subsidiaries and Affiliates              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Total Bonds                                      | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Common Stock                                     |                       |             |             |                       |
| Industrial and Misc                              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Parent, Subsidiaries and Affiliates              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Total Common Stocks                              | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Derivative assets                                |                       |             |             |                       |
| Interest rate contracts                          | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Foreign exchange contracts                       | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Credit contracts                                 | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Commodity futures contracts                      | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Commodity forward contracts                      | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Total Derivatives                                | \$ -                  | \$ -        | \$ -        | \$ -                  |
| Separate account assets                          | \$ -                  | \$ -        | \$ -        | \$ -                  |
| <b>Total assets at fair value</b>                | <b>\$ 166,564,644</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 166,564,644</b> |
| <b>b. Liabilities at fair value</b>              |                       |             |             |                       |
| Derivative liabilities                           | \$ -                  | \$ -        | \$ -        | \$ -                  |
| <b>Total liabilities at fair value</b>           | <b>\$ -</b>           | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>           |

The following table summarizes fair value measurements by level at December 31, 2013 for assets and liabilities measured at fair value on a recurring basis:

| Description for each class of asset or liability | (Level 1)            | (Level 2)   | (Level 3)   | Total                |
|--|----------------------|-------------|-------------|----------------------|
| <b>a. Assets at fair value</b>                   |                      |             |             |                      |
| Cash, Cash Equivalents & Short Term Investments  | \$ 60,170,000        | \$ -        | \$ -        | \$ 60,170,000        |
| Perpetual Preferred stock                        |                      |             |             |                      |
| Industrial and Misc                              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Parent, Subsidiaries and Affiliates              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Total Perpetual Preferred Stocks                 | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Bonds  |                      |             |             |                      |
| U.S. Governments                                 | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Industrial and Misc                              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Hybrid Securities                                | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Parent, Subsidiaries and Affiliates              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Total Bonds                                      | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Common Stock                                     |                      |             |             |                      |
| Industrial and Misc                              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Parent, Subsidiaries and Affiliates              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Total Common Stocks                              | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Derivative assets                                |                      |             |             |                      |
| Interest rate contracts                          | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Foreign exchange contracts                       | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Credit contracts                                 | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Commodity futures contracts                      | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Commodity forward contracts                      | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Total Derivatives                                | \$ -                 | \$ -        | \$ -        | \$ -                 |
| Separate account assets                          | \$ -                 | \$ -        | \$ -        | \$ -                 |
| <b>Total assets at fair value</b>                | <b>\$ 60,170,000</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 60,170,000</b> |
| <b>b. Liabilities at fair value</b>              |                      |             |             |                      |
| Derivative liabilities                           | \$ -                 | \$ -        | \$ -        | \$ -                 |
| <b>Total liabilities at fair value</b>           | <b>\$ -</b>          | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>          |

B. None

C. The following table summarizes the aggregate fair value measurements by level at December 31, 2014 for all financial instruments. The table includes \$2,766,880 of bonds classified as short-term.

| Type of Financial Instrument | Aggregate Fair Value  | Admitted Assets       | Level I              | Level II              | Level III           | Not Practicable (Carrying Value) |
|------------------------------|-----------------------|-----------------------|----------------------|-----------------------|---------------------|----------------------------------|
| Bonds                        | \$ 155,409,896        | \$ 155,562,961        | \$ 19,945,762        | \$ 131,464,135        | \$ 4,000,000        | \$ -                             |
| Common Stock                 | \$ -                  | \$ -                  | \$ -                 | \$ -                  | \$ -                | \$ -                             |
| Perpetual Preferred Stock    | \$ -                  | \$ -                  | \$ -                 | \$ -                  | \$ -                | \$ -                             |
| Mortgage Loans               | \$ -                  | \$ -                  | \$ -                 | \$ -                  | \$ -                | \$ -                             |
| <b>Total</b>                 | <b>\$ 155,409,896</b> | <b>\$ 155,562,961</b> | <b>\$ 19,945,762</b> | <b>\$ 131,464,135</b> | <b>\$ 4,000,000</b> | <b>\$ -</b>                      |

The following table summarizes the aggregate fair value measurements by level at December 31, 2013 for all financial instruments.

**NOTES TO FINANCIAL STATEMENTS**

| <u>Type of Financial Instrument</u> | <u>Aggregate Fair Value</u> | <u>Admitted Assets</u> | <u>Level I</u>       | <u>Level II</u>      | <u>Level III</u>    | <u>Not Practicable (Carrying Value)</u> |
|-------------------------------------|-----------------------------|------------------------|----------------------|----------------------|---------------------|---|
| Bonds                               | \$ 109,533,203              | \$ 110,360,210         | \$ 19,865,595        | \$ 85,667,609        | \$ 4,000,000        | \$ -                                    |
| Common Stock                        | -                           | -                      | -                    | -                    | -                   | -                                       |
| Perpetual Preferred Stock           | -                           | -                      | -                    | -                    | -                   | -                                       |
| Mortgage Loans                      | -                           | -                      | -                    | -                    | -                   | -                                       |
| <b>Total</b>                        | <b>\$ 109,533,203</b>       | <b>\$ 110,360,210</b>  | <b>\$ 19,865,595</b> | <b>\$ 85,667,609</b> | <b>\$ 4,000,000</b> | <b>\$ -</b>                             |

D. None

**(21) Other Items**

- A. Extraordinary Items - None
- B. Troubled Debt Restructuring: Debtors - None
- C. Other Disclosures and Unusual Items - Assets on Deposit with Government Authorities or Trustees  
Assets in the amount of \$400,079 and \$400,239 at December 31, 2014 and December 31, 2013, respectively, were on deposit with government authorities or trustees as required by law.
- D. Business Interruption Insurance Recoveries – None
- E. State Transferable Tax Credits and Non-transferable Tax Credits – None
- F. Subprime Mortgage Related Risk Exposure- None
- G. Retained Assets- None

**(22) Events Subsequent**

Type I

None

Type II – Nonrecognized Subsequent Events

Subsequent events have been considered through 3/2/2015 for the statutory statement issued on 3/2/2015.

On January 1, 2015, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2014, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2015, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2015 to be \$21,882,897. This assessment is not expected to have a significant impact to the Company's risk based capital as of December 31, 2015 compared to the Company's risk based capital as of December 31, 2014. Had the estimated ACA fee assessment payable been recorded as of December 31, 2014 the estimated impact to risk based capital would have been a reduction from approximately 304% risk based capital to approximately 261% risk based capital. Reporting the ACA assessment as of December 31, 2014, would not have triggered a RBC action level. During 2015, we expect to be reimbursed by Ohio Department of Medicaid in order to maintain actuarial soundness of our premiums, which would offset this negative surplus and RBC impact that could occur on an interim basis.

|   | <u>Current Year</u> | <u>Prior Year</u> |
|---|---------------------|-------------------|
| A. ACA fee assessment payable for the upcoming year   | \$ 21,882,897       | \$ 10,800,000     |
| B. ACA fee assessment paid  | \$ 11,595,097       | \$ -              |
| C. Premium written subject to ACA 9010 assessment   | \$ 1,157,824,436    | \$ 791,260,889    |
| D. Total Adjusted Capital before surplus adjustment   | \$ 123,144,159      |                   |
| E. Authorized Control Level before surplus adjustment   | \$ 36,832,197       |                   |
| F. Total Adjusted Capital after surplus adjustment  | \$ 101,261,262      |                   |
| G. Authorized Control Level after surplus adjustment  | \$ 36,832,197       |                   |
| H. Would reporting the ACA assessment as of December 31, 2014, have triggered an RBC action level (YES/NO)? | No                  |                   |

**(23) Reinsurance**

- A. Ceded Reinsurance Report

## **NOTES TO FINANCIAL STATEMENTS**

### **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 charted in a country other than the United States (excluding U.S. Branches of such companies) which 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 credits? Yes ( ) No (X)
2. Does the company 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 which, 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, not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date for this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
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 which were in-force or which had existing reserves established by the company as of the effective date of the agreement? Yes ( ) No (X)

#### **B. Uncollectible Reinsurance**

None

#### **C. Commutation of Reinsurance Reflected in Income and Expenses**

None

#### **D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

None

### **(24) Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A., B., C.

The Company is required to pay a rebate to the State of Ohio (the State) in the event profits relating to contracts with the State exceed established levels. The Company estimates the minimum loss ratio rebate. Amounts are estimated monthly and paid to the State annually. As such, the Company may report an aggregate health policy reserve, contingent upon (a) the Company's financial performance during the State's fiscal year and (b) any minimum loss ratio rebate payments made to the State during the reporting period. The estimates made throughout the reporting period are reported as changes in unearned premium reserve. In 2014, the Company had net premiums related to these contracts of \$433,923,370 representing 33% Company's total net premiums in 2014.

Medicare revenue paid to the Company is subject to retroactive adjustment predicated upon membership acuity. Based on member encounter data the Company submits to CMS, the Company's Medicare revenue is subject to adjustment for up to two years after a member's eligibility month. Adjustments to earned premium are estimated based primarily upon members' utilization patterns. In 2014 and 2013, the Company had net premiums related to this contract of \$42,393,010 and \$15,137,965, respectively, representing 3% and 2% of the Company's total net premiums in 2014 and 2013, respectively.

D. Medical Loss Ratio Rebates Required per Public Health Service Act - None

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

|  |              |
|--|--------------|
| 1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? | Yes          |
| 2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year                     |              |
| a) <i>Permanent ACA Risk Adjustment Program</i>  |              |
| Assets   |              |
| 1) Premium adjustments receivable due to ACA Risk Adjustment   | \$ -         |
| Liabilities  |              |
| 2) Risk adjustment user fees payable for ACA Risk Adjustment   | \$ 575       |
| 3) Premium adjustments payable due to ACA Risk Adjustment  | \$ 240,862   |
| Operations (Revenue & Expense)   |              |
| 4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk adjustment                                   | \$ (240,862) |
| 5) Reported in expenses as ACA risk adjustment user fees (incurred/paid)   | \$ 575       |
| b) <i>Transitional ACA Reinsurance Program</i>   |              |
| Assets   |              |
| 1) Amounts recoverable for claims paid due to ACA Reinsurance  | \$ 187,315   |
| 2) Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)   | \$ 30,222    |
| 3) Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance  | \$ -         |
| Liabilities  |              |
| 4) Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums   | \$ 5,369     |
| 5) Ceded reinsurance premiums payable due to ACA Reinsurance   | \$ 26,845    |
| 6) Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance  | \$ -         |
| Operations (Revenue & Expense)   |              |
| 7) Ceded reinsurance premiums due to ACA Reinsurance   | \$ 26,845    |
| 8) Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments  | \$ (217,536) |
| 9) ACA Reinsurance contributions - not reported as ceded premium   | \$ 5,369     |
| c) <i>Temporary ACA Risk Corridors Program</i>   |              |
| Assets   |              |
| 1) Accrued retrospective premium due to ACA Risk Corridors   | \$ -         |
| Liabilities  |              |
| 2) Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors  | \$ 41,609    |
| Operations (Revenue & Expense)   |              |
| 3) Effect of ACA Risk Corridors on net premium income  | \$ (41,609)  |
| 4) Effect of ACA Risk Corridors on change in reserves for rate credits   | \$ -         |

**(25) Change in Incurred Claims and Claims Adjustment Expenses**

Reserves for incurred claims and claim adjustment expenses as of December 31, 2013 were \$75.1 million and \$1.1 million. As of December 31, 2014, \$65.5 million and \$1.1 million have been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$.6 million and \$0 as a result of the reestimation of unpaid claims and claim adjustment expenses. Therefore, there has been \$9 million in favorable prior-year development. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

**(26) Intercompany Pooling Arrangements**

None.

**(27) Structured Settlements**

None

**(28) Health Care Receivables**

1. At December 31, 2014, the Company had admitted pharmacy rebate receivables of \$785,242. These are admitted in accordance with SSAP No. 84 as they are estimated amounts related solely to actual prescriptions filled during the 3 months immediately preceding the reporting date. The amounts are estimated based on historical per script rebates and the actual number of scripts during the period.

## NOTES TO FINANCIAL STATEMENTS

| Quarter    | Estimated Pharmacy Rebates as Reported on Financial Statements | Pharmacy Rebates as Billed or Otherwise Confirmed | Actual Rebates Received Within 90 Days of Billing | Actual Rebates Received Within 91 to 180 Days of Billing | Actual Rebates Received More Than 180 Days After Billing |
|------------|--|---|---|--|--|
| 12/31/2014 | 785,242  | 785,242   |   |  | -  |
| 9/30/2014  | 672,760  | 732,219   |   |  | -  |
| 6/30/2014  | 391,451  | 482,880   |   |  | -  |
| 3/31/2014  | 258,441  | 393,376   |   |  | 266,738  |
|            |  |   |   |  |  |
| 12/31/2013 | 251,389  | 390,311   |   |  | 390,058  |
| 9/30/2013  | 229,879  | 354,578   |   |  | 354,578  |
| 6/30/2013  | 211,079  | 344,044   |   |  | 344,044  |
| 3/31/2013  | 114,663  | 175,071   |   |  | 175,071  |
|            |  |   |   |  |  |
| 12/31/2012 | 130,989  | 217,987   |   |  | 217,987  |
| 9/30/2012  | 127,365  | 3,757   |   |  | 3,757  |
| 6/30/2012  | 151,899  | 9,669   |   |  | 9,669  |
| 3/31/2012  | 196,360  | 7,812   |   |  | 7,812  |

2. Risk Sharing Receivables – None.

**(29) Participating Policies**

None

**(30) Premium Deficiency Reserves**

- |   |   |
|---|---|
| 1. Liability carried for premium deficiency reserves              | \$6,458,428   |
| 2. Date of the most recent evaluation of this liability           | 1/30/2015   |
| 3. Was anticipated investment income utilized in the calculation? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

**(31) Anticipated Salvage and Subrogation**

None

## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

## GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 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. 12/31/2012
- 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. 12/31/2012
- 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). 03/20/2014
- 3.4 By what department or departments? Ohio Department of Insurance.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [ X ]
- 4.12 renewals? Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [ X ]
- 4.22 renewals? Yes [ ] No [ X ]
- 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. Yes [ ] No [ X ]

| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

| 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
| .....            | .....               |
| .....            | .....               |
| .....            | .....               |
| .....            | .....               |
| .....            | .....               |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**GENERAL INTERROGATORIES**

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1<br>Affiliate Name | 2<br>Location<br>(City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---------------------|--------------------------------|----------|----------|-----------|----------|
|                     |                                |          |          |           |          |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
KPMG, LLP 10 South Broadway, Suite 900, Saint Louis, MO 63102.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Arthur L. Baldwin III, Milliman USA, 1301 Fifth Avenue, Seattle, WA 98101-2605.....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ X ] No [ ]  
Health Plan Real Estate Holding, Inc.....
- 12.11 Name of real estate holding company  
12.12 Number of parcels involved.....3  
12.13 Total book/adjusted carrying value \$.....6,140,750
- 12.2 If yes, provide explanation  
Buckeye Community Health Plan, Inc. owns 60 shares in Health Plan Real Estate Holding, Inc., an affiliated company.....
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [ X ] No [ ]
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] 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).

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**GENERAL INTERROGATORIES**

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

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

**BOARD OF DIRECTORS**

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [ X ] No [ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [ X ] No [ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [ X ] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans): 20.11 To directors or other officers \$.....0  
20.12 To stockholders not officers \$.....0  
20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans): 20.21 To directors or other officers \$.....0  
20.22 To stockholders not officers \$.....0  
20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year: 21.21 Rented from others \$.....0  
21.22 Borrowed from others \$.....0  
21.23 Leased from others \$.....0  
21.24 Other \$.....0
- 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 \$.....0  
22.22 Amount paid as expenses \$.....0  
22.23 Other amounts paid \$.....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

**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
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] NA [ X ]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] NA [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] NA [ X ]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] NA [ X ]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- |  |          |
|--|----------|
| 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2                   | \$.....0 |
| 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....0 |
| 24.103 Total payable for securities lending reported on the liability page                                       | \$.....0 |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**GENERAL INTERROGATORIES**

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [  ] No [  ]

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

|   |                 |
|---|-----------------|
| 25.21 Subject to repurchase agreements  | \$ .....100,000 |
| 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 Placed under option agreements  | \$ .....0       |
| 25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock | \$ .....0       |
| 25.27 FHLB Capital Stock  | \$ .....0       |
| 25.28 On deposit with states  | \$ .....400,079 |
| 25.29 On deposit with other regulatory bodies   | \$ .....0       |
| 25.30 Pledged as collateral – excluding collateral pledged to an FHLB                 | \$ .....0       |
| 25.31 Pledged as collateral to FHLB – including assets backing funding agreements     | \$ .....0       |
| 25.32 Other   | \$ .....0       |

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|----------------------------|------------------|-------------|
| .....                      | .....            | .....       |
| .....                      | .....            | .....       |
| .....                      | .....            | .....       |
| .....                      | .....            | .....       |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [  ] No [  ]

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

Yes [  ] No [  ] N/A [  ]

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [  ] No [  ]

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

\$.....

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [  ] No [  ]

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

| 1<br>Name of Custodian(s)         | 2<br>Custodian's Address                  |
|-----------------------------------|---|
| Wells Fargo.....                  | 230 W. Monroe St., Chicago, IL 60606..... |
| Brown Brothers Harriman & Co..... | 140 Broadway, New York, NY 10005.....     |
| Bank of America.....              | 135 South LaSalle, Chicago, IL 60603..... |

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<br>Name(s) | 2<br>Location(s) | 3<br>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 [  ]

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

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
| .....              | .....              | .....               | .....       |
| .....              | .....              | .....               | .....       |
| .....              | .....              | .....               | .....       |

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**GENERAL INTERROGATORIES**

- 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<br>Central Registration Depository Number(s) | 2<br>Name | 3<br>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<br>CUSIP #  | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted Carrying Value |
|---------------|--------------------------|-----------------------------------|
| .....         | .....                    | .....                             |
| .....         | .....                    | .....                             |
| .....         | .....                    | .....                             |
| 29.2999 TOTAL |                          | 0                                 |

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

| 1<br>Name of Mutual Fund<br>(from above table) | 2<br>Name of Significant Holding<br>of the Mutual Fund | 3<br>Amount of Mutual Fund's<br>Book/Adjusted Carrying Value<br>Attributable to the Holding | 4<br>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<br>Statement (Admitted)<br>Value | 2<br>Fair Value | 3<br>Excess of Statement<br>over Fair Value (-),<br>or Fair Value<br>over Statement (+) |
|----------------------------|------------------------------------|-----------------|---|
| 30.1 Bonds.....            | 244,719,162                        | 244,466,096     | (253,066)   |
| 30.2 Preferred Stocks..... | 0                                  | 0               | 0   |
| 30.3 Totals                | 244,719,162                        | 244,466,096     | (253,066)   |

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

Bond pricing is obtained from Brown Brothers Harriman who receives pricing from Interactive Data Corp, the original source.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [ 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:

## GENERAL INTERROGATORIES

## OTHER

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ ..... 0
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | \$.....          |
| .....     | \$.....          |
| .....     | \$.....          |

- 34.1 Amount of payments for legal expenses, if any? \$ ..... 19,689
- 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<br>Name          | 2<br>Amount Paid |
|--------------------|------------------|
| Thompson Hine..... | \$..... 19,130   |

- 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<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | \$.....          |
| .....     | \$.....          |
| .....     | \$.....          |

## GENERAL INTERROGATORIES

### PART 2 - HEALTH INTERROGATORIES

|      |  |                                 |                      |
|------|--|---------------------------------|----------------------|
| 1.1  | Does the reporting entity have any direct Medicare Supplement Insurance in force?  | Yes [ ] No [ X ]                |                      |
| 1.2  | If yes, indicate premium earned on U. S. business only.  | \$ ..... 0                      |                      |
| 1.3  | What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....  | \$ .....                        |                      |
| 1.31 | Reason for excluding .....   |                                 |                      |
| 1.4  | Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above   | \$ .....                        |                      |
| 1.5  | Indicate total incurred claims on all Medicare Supplement insurance.   | \$ ..... 0                      |                      |
| 1.6  | Individual policies:   |                                 |                      |
|      | Most current three years:  |                                 |                      |
| 1.61 | Total premium earned   | \$ ..... 0                      |                      |
| 1.62 | Total incurred claims  | \$ ..... 0                      |                      |
| 1.63 | Number of covered lives  | ..... 0                         |                      |
|      | All years prior to most current three years:   |                                 |                      |
| 1.64 | Total premium earned   | \$ ..... 0                      |                      |
| 1.65 | Total incurred claims  | \$ ..... 0                      |                      |
| 1.66 | Number of covered lives  | ..... 0                         |                      |
| 1.7  | Group policies:  |                                 |                      |
|      | Most current three years:  |                                 |                      |
| 1.71 | Total premium earned   | \$ ..... 0                      |                      |
| 1.72 | Total incurred claims  | \$ ..... 0                      |                      |
| 1.73 | Number of covered lives  | ..... 0                         |                      |
|      | All years prior to most current three years:   |                                 |                      |
| 1.74 | Total premium earned   | \$ ..... 0                      |                      |
| 1.75 | Total incurred claims  | \$ ..... 0                      |                      |
| 1.76 | Number of covered lives  | ..... 0                         |                      |
| 2.   | Health Test:   |                                 |                      |
|      |  | 1<br>Current Year               | 2<br>Prior Year      |
| 2.1  | Premium Numerator  | \$ ..... 1,325,855,870          | \$ ..... 795,033,635 |
| 2.2  | Premium Denominator  | \$ ..... 1,325,855,870          | \$ ..... 795,033,635 |
| 2.3  | Premium Ratio (2.1/2.2)  | ..... 1.000                     | ..... 1.000          |
| 2.4  | Reserve Numerator  | \$ ..... 178,654,056            | \$ ..... 75,518,212  |
| 2.5  | Reserve Denominator  | \$ ..... 178,654,056            | \$ ..... 75,486,212  |
| 2.6  | Reserve Ratio (2.4/2.5)  | ..... 1.000                     | ..... 1.000          |
| 3.1  | Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?  | Yes [ ] No [ X ]                |                      |
| 3.2  | If yes, give particulars:  |                                 |                      |
| 4.1  | Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?  | Yes [ X ] No [ ]                |                      |
| 4.2  | If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?   | Yes [ ] No [ ]                  |                      |
| 5.1  | Does the reporting entity have stop-loss reinsurance?  | Yes [ X ] No [ ]                |                      |
| 5.2  | If no, explain:  |                                 |                      |
| 5.3  | Maximum retained risk (see instructions)   | 5.31 Comprehensive Medical      | \$ ..... 255,000     |
|      |  | 5.32 Medical Only               | \$ .....             |
|      |  | 5.33 Medicare Supplement        | \$ .....             |
|      |  | 5.34 Dental and Vision          | \$ .....             |
|      |  | 5.35 Other Limited Benefit Plan | \$ .....             |
|      |  | 5.36 Other                      | \$ .....             |
| 6.   | Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements: |                                 |                      |
|      | The Company protects subscribers and their dependents against the risk of insolvency through the reinsurance contract with Bankers Reserve Life Insurance Company of Wisconsin.  |                                 |                      |
| 7.1  | Does the reporting entity set up its claim liability for provider services on a service date basis?  | Yes [ X ] No [ ]                |                      |
| 7.2  | If no, give details  |                                 |                      |
| 8.   | Provide the following information regarding participating providers:   |                                 |                      |
|      | 8.1 Number of providers at start of reporting year   | ..... 31,448                    |                      |
|      | 8.2 Number of providers at end of reporting year   | ..... 31,036                    |                      |
| 9.1  | Does the reporting entity have business subject to premium rate guarantees? .....  | Yes [ ] No [ X ]                |                      |
| 9.2  | If yes, direct premium earned:   |                                 |                      |
|      | 9.21 Business with rate guarantees between 15-36 months  | .....                           |                      |
|      | 9.22 Business with rate guarantees over 36 months  | .....                           |                      |

## GENERAL INTERROGATORIES

## PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [ ] No [ X ]

10.2 If yes:

|   |         |
|---|---------|
| 10.21 Maximum amount payable bonuses          | \$..... |
| 10.22 Amount actually paid for year bonuses   | \$..... |
| 10.23 Maximum amount payable withholds        | \$..... |
| 10.24 Amount actually paid for year withholds | \$..... |

11.1 Is the reporting entity organized as:

|   |                  |
|---|------------------|
| 11.12 A Medical Group/Staff Model,                  | Yes [ ] No [ X ] |
| 11.13 An Individual Practice Association (IPA), or, | Yes [ ] No [ X ] |
| 11.14 A Mixed Model (combination of above) ?        | Yes [ X ] No [ ] |

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

11.3 If yes, show the name of the state requiring such net worth.

11.4 If yes, show the amount required.

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

11.6 If the amount is calculated, show the calculation

N/A

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

| 1               | Name of Service Area |
|-----------------|----------------------|
| Adams.....      |                      |
| Allen.....      |                      |
| Ashland.....    |                      |
| Ashtabula.....  |                      |
| Athens.....     |                      |
| Auglaize.....   |                      |
| Belmont.....    |                      |
| Brown.....      |                      |
| Butler.....     |                      |
| Carroll.....    |                      |
| Champaign.....  |                      |
| Clark.....      |                      |
| Clermont.....   |                      |
| Clinton.....    |                      |
| Columbiana..... |                      |
| Coshocton.....  |                      |
| Crawford.....   |                      |
| Cuyahoga.....   |                      |
| Darke.....      |                      |
| Defiance.....   |                      |
| Delaware.....   |                      |
| Erie.....       |                      |
| Fairfield.....  |                      |
| Fayette.....    |                      |
| Franklin.....   |                      |
| Fulton.....     |                      |
| Gallia.....     |                      |
| Geauga.....     |                      |
| Greene.....     |                      |
| Guernsey.....   |                      |
| Hamilton.....   |                      |
| Hancock.....    |                      |
| Hardin.....     |                      |
| Harrison.....   |                      |
| Henry.....      |                      |
| Highland.....   |                      |
| Hocking.....    |                      |
| Holmes.....     |                      |
| Huron.....      |                      |
| Jackson.....    |                      |
| Jefferson.....  |                      |
| Knox.....       |                      |
| Lake.....       |                      |
| Lawrence.....   |                      |
| Licking.....    |                      |
| Logan.....      |                      |
| Lorain.....     |                      |
| Lucas.....      |                      |
| Madison.....    |                      |
| Mahoning.....   |                      |
| Marion.....     |                      |
| Medina.....     |                      |
| Meigs.....      |                      |
| Mercer.....     |                      |
| Miami.....      |                      |
| Monroe.....     |                      |
| Montgomery..... |                      |
| Morgan.....     |                      |

## GENERAL INTERROGATORIES

## PART 2 - HEALTH INTERROGATORIES

| 1<br>Name of Service Area |
|---------------------------|
| Morrow.....               |
| Muskingum.....            |
| Noble.....                |
| Ottawa.....               |
| Paulding.....             |
| Perry.....                |
| Pickaway.....             |
| Pike.....                 |
| Portage.....              |
| Preble.....               |
| Putnam.....               |
| Richland.....             |
| Ross.....                 |
| Sandusky.....             |
| Scioto.....               |
| Seneca.....               |
| Shelby.....               |
| Stark.....                |
| Summit.....               |
| Trumbull.....             |
| Tuscarawas.....           |
| Union.....                |
| Van Wert.....             |
| Vinton.....               |
| Warren.....               |
| Washington.....           |
| Wayne.....                |
| Williams.....             |
| Wood.....                 |
| Wyandot.....              |

- 13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [ X ]  
 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....  
 13.3 Do you act as an administrator for health savings accounts? Yes [ ] No [ X ]  
 13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....

- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers? Yes [ ] No [ N/A [ X ] ]  
 14.2 If the answer to 14.1 is yes, please provide the following:

| 1<br>Company Name | 2<br>NAIC<br>Company<br>Code | 3<br>Domiciliary<br>Jurisdiction | 4<br>Reserve Credit | Assets Supporting Reserve Credit |                          |            |
|-------------------|------------------------------|----------------------------------|---------------------|----------------------------------|--------------------------|------------|
|                   |                              |                                  |                     | 5<br>Letters of Credit           | 6<br>Trust<br>Agreements | 7<br>Other |
|                   |                              |                                  |                     |                                  |                          |            |

15. Provide the following for Individual ordinary life insurance\* policies (U.S. business Only) for the current year:

- 15.1 Direct Premium Written (prior to reinsurance ceded) \$ ..... 0  
 15.2 Total incurred claims \$ ..... 0  
 15.3 Number of covered lives ..... 0

|   |
|---|
| *Ordinary Life Insurance Includes   |
| Term (whether full underwriting, limited underwriting, jet issue, "short form app")       |
| Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app") |
| Variable Life (with or without Secondary Guarantee)                                       |
| Universal Life (with or without Secondary Guarantee)                                      |
| Variable Universal Life (with or without Secondary Guarantee)                             |

**FIVE - YEAR HISTORICAL DATA**

|  | 1<br>2014     | 2<br>2013   | 3<br>2012   | 4<br>2011   | 5<br>2010    |
|--|---------------|-------------|-------------|-------------|--------------|
| <b>Balance Sheet (Pages 2 and 3)</b>   |               |             |             |             |              |
| 1. Total admitted assets (Page 2, Line 28)   | 368,211,634   | 199,278,953 | 161,131,760 | 159,583,275 | 136,919,056  |
| 2. Total liabilities (Page 3, Line 24)   | 245,067,475   | 93,564,462  | 70,396,582  | 74,086,042  | 56,535,178   |
| 3. Statutory surplus   | 1,700,000     | 1,700,000   | 1,700,000   | 1,700,000   | 1,700,000    |
| 4. Total capital and surplus (Page 3, Line 33)   | 123,144,159   | 105,714,489 | 90,735,176  | 85,497,233  | 80,383,879   |
| <b>Income Statement (Page 4)</b>   |               |             |             |             |              |
| 5. Total revenues (Line 8)   | 1,325,855,870 | 795,033,635 | 728,263,308 | 606,779,058 | 546,816,027  |
| 6. Total medical and hospital expenses (Line 18)   | 1,060,816,906 | 620,036,510 | 568,688,733 | 467,479,554 | 412,356,766  |
| 7. Claims adjustment expenses (Line 20)  | 35,649,879    | 23,858,908  | 21,559,482  | 18,344,005  | 16,609,419   |
| 8. Total administrative expenses (Line 21)   | 217,214,429   | 131,994,149 | 119,965,884 | 99,514,167  | 99,915,952   |
| 9. Net underwriting gain (loss) (Line 24)  | 6,041,123     | 18,819,173  | 18,049,209  | 21,441,332  | 20,881,757   |
| 10. Net investment gain (loss) (Line 27)   | 2,337,235     | 2,034,653   | 2,006,711   | 2,316,522   | 3,584,411    |
| 11. Total other income (Lines 28 plus 29)  | (41,685)      | 0           | 0           | 0           | 0            |
| 12. Net income or (loss) (Line 32)   | (946,839)     | 13,140,305  | 12,998,217  | 15,560,516  | 21,028,613   |
| <b>Cash Flow (Page 6)</b>  |               |             |             |             |              |
| 13. Net cash from operations (Line 11)   | 140,605,972   | 40,436,878  | 13,294,093  | 40,139,720  | (36,530,952) |
| <b>Risk-Based Capital Analysis</b>   |               |             |             |             |              |
| 14. Total adjusted capital   | 123,144,159   | 105,714,489 | 90,735,176  | 85,497,233  | 80,383,879   |
| 15. Authorized control level risk-based capital  | 36,832,197    | 23,186,894  | 20,958,133  | 18,028,544  | 16,147,932   |
| <b>Enrollment (Exhibit 1)</b>  |               |             |             |             |              |
| 16. Total members at end of period (Column 5, Line 7)  | 293,572       | 172,208     | 157,002     | 159,059     | 159,321      |
| 17. Total members months (Column 6, Line 7)  | 2,828,216     | 1,964,376   | 1,968,840   | 1,926,956   | 1,897,839    |
| <b>Operating Percentage (Page 4)</b>   |               |             |             |             |              |
| (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0   |               |             |             |             |              |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)                                  | 100.0         | 100.0       | 100.0       | 100.0       | 100.0        |
| 19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)                       | 80.0          | 78.0        | 78.1        | 77.0        | 75.4         |
| 20. Cost containment expenses  | 0.1           | 0.1         | 0.1         | 0.2         | 0.0          |
| 21. Other claims adjustment expenses   | 2.6           | 2.9         | 2.9         | 2.8         | 3.0          |
| 22. Total underwriting deductions (Line 23)  | 99.5          | 97.6        | 97.5        | 96.5        | 96.2         |
| 23. Total underwriting gain (loss) (Line 24)   | 0.5           | 2.4         | 2.5         | 3.5         | 3.8          |
| <b>Unpaid Claims Analysis</b>  |               |             |             |             |              |
| (U&I Exhibit, Part 2B)   |               |             |             |             |              |
| 24. Total claims incurred for prior years (Line 13, Col. 5)  | 66,156,399    | 41,055,216  | 50,615,427  | 37,952,429  | 35,642,588   |
| 25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]                          | 75,161,318    | 48,644,619  | 53,820,052  | 42,656,155  | 44,769,604   |
| <b>Investments In Parent, Subsidiaries and Affiliates</b>  |               |             |             |             |              |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)   | 0             | 0           | 0           | 0           | 0            |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)                                  | 0             | 0           | 0           | 0           | 0            |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)                                     | 6,140,750     | 6,011,754   | 0           | 0           | 0            |
| 29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) | 0             | 0           | 0           | 0           | 0            |
| 30. Affiliated mortgage loans on real estate   | 0             | 0           | 0           | 0           | 0            |
| 31. All other affiliated   | 0             | 0           | 0           | 0           | 0            |
| 32. Total of above Lines 26 to 31  | 6,140,750     | 6,011,754   | 0           | 0           | 0            |
| 33. Total investment in parent included in Lines 26 to 31 above                                    |               | 0           | 0           | 0           | 0            |

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes  No

If no, please explain

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Allocated by States and Territories

| State, Etc.  | 1<br>Active Status | Direct Business Only            |                           |                         |  |   |                                  |                                |                             |
|--|--------------------|---------------------------------|---------------------------|-------------------------|--|---|----------------------------------|--------------------------------|-----------------------------|
|  |                    | 2<br>Accident & Health Premiums | 3<br>Medicare Title XVIII | 4<br>Medicaid Title XIX | 5<br>Federal Employees Health Benefits Plan Premiums | 6<br>Life & Annuity Premiums & Other Considerations | 7<br>Property/ Casualty Premiums | 8<br>Total Columns 2 Through 7 | 9<br>Deposit-Type Contracts |
| 1. Alabama   | AL                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 2. Alaska  | AK                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 3. Arizona   | AZ                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 4. Arkansas  | AR                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 5. California  | CA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 6. Colorado  | CO                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 7. Connecticut   | CT                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 8. Delaware  | DE                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 9. District of Columbia  | DC                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 10. Florida  | FL                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 11. Georgia  | GA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 12. Hawaii   | HI                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 13. Idaho  | ID                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 14. Illinois   | IL                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 15. Indiana  | IN                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 16. Iowa   | IA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 17. Kansas   | KS                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 18. Kentucky   | KY                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 19. Louisiana  | LA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 20. Maine  | ME                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 21. Maryland   | MD                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 22. Massachusetts  | MA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 23. Michigan   | MI                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 24. Minnesota  | MN                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 25. Mississippi  | MS                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 26. Missouri   | MO                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 27. Montana  | MT                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 28. Nebraska   | NE                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 29. Nevada   | NV                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 30. New Hampshire  | NH                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 31. New Jersey   | NJ                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 32. New Mexico   | NM                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 33. New York   | NY                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 34. North Carolina   | NC                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 35. North Dakota   | ND                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 36. Ohio   | OH                 | L 2,251,193                     | 42,393,672                | 1,290,881,231           |  |   |                                  | 1,335,526,096                  | 0                           |
| 37. Oklahoma   | OK                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 38. Oregon   | OR                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 39. Pennsylvania   | PA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 40. Rhode Island   | RI                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 41. South Carolina   | SC                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 42. South Dakota   | SD                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 43. Tennessee  | TN                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 44. Texas  | TX                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 45. Utah   | UT                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 46. Vermont  | VT                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 47. Virginia   | VA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 48. Washington   | WA                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 49. West Virginia  | WV                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 50. Wisconsin  | WI                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 51. Wyoming  | WY                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 52. American Samoa   | AS                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 53. Guam   | GU                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 54. Puerto Rico  | PR                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 55. U.S. Virgin Islands  | VI                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 56. Northern Mariana Islands   | MP                 | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 57. Canada   | CAN                | N                               |                           |                         |  |   |                                  | 0                              | 0                           |
| 58. Aggregate other alien  | OT                 | XXX 0                           | 0                         | 0                       | 0  | 0   | 0                                | 0                              | 0                           |
| 59. Subtotal   |                    | XXX 2,251,193                   | 42,393,672                | 1,290,881,231           |  |   |                                  | 1,335,526,096                  | 0                           |
| 60. Reporting entity contributions for Employee Benefit Plans        |                    | XXX                             |                           |                         |  |   |                                  | 0                              |                             |
| 61. Total (Direct Business)  | (a) 1              | 2,251,193                       | 42,393,672                | 1,290,881,231           | 0  | 0   | 0                                | 1,335,526,096                  | 0                           |
| <b>DETAILS OF WRITE-INS</b>  |                    |                                 |                           |                         |  |   |                                  |                                |                             |
| 58001.   |                    | XXX                             |                           |                         |  |   |                                  |                                |                             |
| 58002.   |                    | XXX                             |                           |                         |  |   |                                  |                                |                             |
| 58003.   |                    | XXX                             |                           |                         |  |   |                                  |                                |                             |
| 58998. Summary of remaining write-ins for Line 58 from overflow page |                    | XXX 0                           | 0                         | 0                       | 0  | 0   | 0                                | 0                              | 0                           |
| 58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) |                    | XXX 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. The Company only has business in Ohio

(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

|   |            |    |       |
|---|------------|----|-------|
| Centene Corporation                                 | 42-1406317 | DE |       |
| Centene Management Company LLC                      | 39-1864073 | WI |       |
| CMC Real Estate Co. LLC                             | 20-0057283 | DE |       |
| Centene Center LLC                                  | 26-4094682 | DE |       |
| CMC Hanley, LLC                                     | 46-4234827 | MO |       |
| Cantina Laredo Clayton, LP                          | 36-4783005 | DE |       |
| GPT Acquisition LLC                                 | 45-5431787 | DE |       |
| Clayton Property Investment LLC                     | 45-4372065 | DE |       |
| Bankers Reserve Life Insurance Company of Wisconsin | 39-0993433 | WI | 71013 |
| Health Plan Real Estate Holding, Inc (17%)          | 46-2860967 | MO |       |
| CenCorp Health Solutions, Inc                       | 22-3889471 | DE |       |
| Cenphiny Mgmt, LLC                                  | 42-1565805 | DE |       |
| NurseWise Holdings LLC                              | 42-1565807 | DE |       |
| NurseWise LP  | 52-2379566 | DE |       |
| Nurse Response, Inc                                 | 20-4730372 | DE |       |
| Bridgeway Health Solutions, LLC                     | 20-4980875 | DE |       |
| Bridgeway Health Solutions of Arizona, LLC          | 20-4980818 | AZ |       |
| Nurtur Health, Inc                                  | 06-1476380 | DE |       |
| Family Care & Workforce Diversity                   |            |    |       |
| Consultants LLC d/b/a Worklife Innovations          | 06-1404277 | CT |       |
| Wellness By Choice, LLC                             | 16-1686991 | NY |       |
| Cenpatico Behavioral Health, LLC                    | 68-0461584 | CA |       |
| Cenpatico Behavioral Health of TX, Inc              | 74-3018565 | TX | 12525 |
| CBHSP Arizona, Inc                                  | 86-0782736 | AZ |       |
| Integrated Mental Health Mgmt, LLC                  | 74-2892993 | TX |       |
| Integrated Mental Health Services                   | 74-2785494 | TX |       |
| Cenpatico Behavioral Health of Arizona, LLC         | 20-1624120 | AZ | 14704 |
| Cenpatico of Louisiana, Inc.                        | 45-2303998 | LA | 15357 |
| OptiCare Managed Vision, Inc                        | 20-4730341 | DE |       |
| OptiCare Vision Insurance Co, Inc                   | 36-4520004 | SC |       |
| AECC Total Vision Health Plan of Texas, Inc         | 75-2592153 | TX | 95302 |
| OptiCare Vision Company, Inc                        | 20-4773088 | DE |       |
| Ocucare Systems, Inc                                | 65-0094759 | FL |       |
| Total Vision, Inc                                   | 20-4861241 | DE |       |
| Dental Health & Wellness, Inc                       | 46-2783884 | DE |       |
| Dental Health & Wellness of Louisiana, Inc.         | 46-4168814 | LA | 15525 |
| Peach State Health Plan, Inc                        | 20-3174593 | GA | 12315 |
| Health Plan Real Estate Holding, Inc (21%)          | 46-2860967 | MO |       |
| Buckeye Community Health Plan, Inc                  | 32-0045282 | OH | 11834 |
| Health Plan Real Estate Holding, Inc (13%)          | 46-2860967 | MO |       |
| Absolute Total Care, Inc                            | 20-5693998 | SC | 12959 |

## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART

|  |            |    |       |
|--|------------|----|-------|
| Health Plan Real Estate Holding, Inc (1%)                  | 46-2860967 | MO |       |
| Coordinated Care Corporation d/b/a Managed Health Services | 39-1821211 | IN | 95831 |
| Health Plan Real Estate Holding, Inc (15%)                 | 46-2860967 | MO |       |
| Healthy Washington Holdings, Inc.                          | 46-5523218 | DE |       |
| Coordinated Care of Washington, Inc.                       | 46-2578279 | WA | 15352 |
| Managed Health Services Insurance Corp                     | 39-1678579 | WI | 96822 |
| Health Plan Real Estate Holding, Inc (2%)                  | 46-2860967 | MO |       |
| Hallmark Life Insurance Co                                 | 86-0819817 | AZ | 60078 |
| Celtic Group, Inc  | 36-2979209 | DE |       |
| Celtic Insurance Company                                   | 06-0641618 | IL | 80799 |
| Novasys Health, Inc  | 27-2221367 | DE |       |
| CeltiCare Health Plan Holdings LLC                         | 26-4278205 | DE |       |
| CeltiCare Health Plan of Massachusetts, Inc.               | 26-4818440 | MA | 13632 |
| Superior HealthPlan, Inc                                   | 74-2770542 | TX | 95647 |
| Health Plan Real Estate Holding, Inc (21%)                 | 46-2860967 | MO |       |
| LSM Holdco, Inc.   | 46-2794037 | DE |       |
| Lifeshare Management Group, LLC                            | 46-2798132 | NH |       |
| Healthy Louisiana Holdings LLC                             | 27-0916294 | DE |       |
| Louisiana Healthcare Connections, Inc                      | 27-1287287 | LA | 13970 |
| Magnolia Health Plan Inc                                   | 20-8570212 | MS | 13923 |
| CCTX Holdings, LLC   | 20-2074217 | DE |       |
| Centene Holdings, LLC                                      | 20-2074277 | DE |       |
| Centene Company of Texas, LP                               | 74-2810404 | TX |       |
| US Script, Inc   | 77-0578529 | DE |       |
| LBB Industries, Inc  | 76-0511700 | TX |       |
| RX Direct, Inc   | 75-2612875 | TX |       |
| US Script IPA, LLC   | 46-2307356 | NY |       |
| IlliniCare Health Plan, Inc                                | 27-2186150 | IL | 14053 |
| Health Plan Real Estate Holding, Inc (5%)                  | 46-2860967 | MO |       |
| Sunshine Health Holding LLC                                | 26-0557093 | FL |       |
| Sunshine State Health Plan, Inc                            | 20-8937577 | FL | 13148 |
| Access Health Solutions LLC                                | 56-2384404 | FL |       |
| Kentucky Spirit Health Plan, Inc                           | 45-1294925 | KY | 14100 |
| Healthy Missouri Holding, Inc                              | 45-5070230 | MO |       |
| Home State Health Plan, Inc                                | 45-2798041 | MO | 14218 |
| Health Plan Real Estate Holding, Inc (5%)                  | 46-2860967 | MO |       |
| Sunflower State Health Plan, Inc                           | 45-3276702 | KS | 14345 |
| Casenet LLC  | 90-0636938 | DE |       |
| Granite State Health Plan, Inc                             | 45-4792498 | NH | 14226 |
| Centurion Group, Inc                                       | 61-1450727 | DE |       |
| Centurion LLC  | 90-0766502 | DE |       |

## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART

|  |            |    |
|--|------------|----|
| Centurion of Virginia, LLC                                 | 47-1577742 | VA |
| Centurion of Vermont, LLC                                  | 47-1686283 | VT |
| Centurion of Pennsylvania, LLC                             | 47-1229365 | PA |
| Centurion of Tennessee, LLC                                | 30-0752651 | TN |
| Massachusetts Partnership for Correctional Healthcare, LLC | 61-1696004 | MA |
| Centurion of Idaho, LLC                                    | 46-3590120 | ID |
| Centurion of Michigan, LLC                                 | 46-1041008 | MI |
| Centurion of Minnesota, LLC                                | 46-2717814 | MN |
| Centurion of Missouri, LLC                                 | 46-4102134 | MO |
| Centurion of West Virginia, LLC                            | 46-4839132 | WV |
| MHS Travel & Charter, Inc                                  | 43-1795436 | WI |
| Health Care Enterprises, LLC                               | 46-4855483 | DE |
| California Health and Wellness Plan                        | 46-0907261 | CA |
| Bridgeway Advantage Solutions, Inc                         | 46-4195563 | AZ |
| Specialty Therapeutic Care Holdings, LLC                   | 27-3617766 | DE |
| Specialty Therapeutic Care, GP, LLC                        | 73-1698807 | TX |
| Specialty Therapeutic Care, LP                             | 73-1698808 | TX |
| AcariaHealth, Inc.   | 45-2780334 | DE |
| AcariaHealth Pharmacy #14, Inc                             | 27-1599047 | CA |
| AcariaHealth Pharmacy #11, Inc                             | 20-8192615 | TX |
| AcariaHealth Pharmacy #12, Inc                             | 27-2765424 | NY |
| AcariaHealth Pharmacy #13, Inc                             | 26-0226900 | CA |
| AcariaHealth Pharmacy, Inc                                 | 13-4262384 | CA |
| HomeScripts, LLC   | 27-3707698 | MI |
| U.S. Medical Management Holdings, Inc                      | 27-0275614 | DE |
| Phoenix Home Health Care Holdings, Inc                     | 27-0275730 | DE |
| U.S. Medical Management, LLC (4%)                          | 38-3153946 | DE |
| Pinnacle Home Care Holdings, Inc                           | 27-0275563 | DE |
| U.S. Medical Management, LLC (1%)                          | 38-3153946 | DE |
| ComfortBrook Hospice Holdings, Inc                         | 27-0275782 | DE |
| U.S. Medical Management, LLC (1%)                          | 38-3153946 | DE |
| U.S. Medical Management, LLC (14%)                         | 38-3153946 | DE |
| U.S. Medical Management, LLC (48%)                         | 38-3153946 | DE |
| RMED, LLC  | 31-1733889 | FL |
| Heritage Home Hospice, LLC                                 | 51-0581762 | MI |
| Rapid Respiratory Services, LLC                            | 20-4364776 | DE |
| Grace Hospice of Austin, LLC                               | 20-2827613 | MI |
| Seniorcorps Peninsula, LLC                                 | 26-4435532 | VA |
| ComfortBrook Hospice, LLC                                  | 20-1530070 | OH |
| R&C Healthcare, LLC  | 33-1179031 | TX |
| Comfort Hospice of Texas, LLC                              | 20-4996551 | MI |
| A N J, LLC   | 20-0927034 | TX |

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 - ORGANIZATIONAL CHART**

|  |            |     |
|--|------------|-----|
| Grace Hospice of San Antonio, LLC      | 20-2827526 | MI  |
| Pinnacle Senior Care of Missouri, LLC  | 46-0861469 | MI  |
| Grace Hospice of Grand Rapids, LLC     | 45-0679248 | MI  |
| Country Style Health Care, LLC         | 03-0556422 | TX  |
| Grace Hospice of Indiana, LLC          | 45-0634905 | MI  |
| Phoenix Home Health Care, LLC          | 14-1878333 | DE  |
| Grace Hospice of Virginia, LLC         | 45-5080637 | MI  |
| Traditional Home Health Services, LLC  | 75-2635025 | TX  |
| Comfort Hospice of Missouri, LLC       | 45-5080567 | MI  |
| Family Nurse Care, LLC                 | 38-2751108 | MI  |
| Grace Hospice of Colorado, LLC         | 45-5080675 | MI  |
| Family Nurse Care II, LLC              | 20-5108540 | MI  |
| Grace Hospice of Wisconsin, LLC        | 46-1708834 | MI  |
| Family Nurse Care of Ohio, LLC         | 20-3920947 | MI  |
| Hospice DME Company, LLC               | 46-1734288 | MI  |
| Pinnacle Senior Care of Wisconsin, LLC | 46-4229858 | WI  |
| Pinnacle Home Care, LLC                | 76-0713516 | TX  |
| USMM Accountable Care Network, LLC     | 46-5730959 | DE  |
| USMM Accountable Care Partners, LLC    | 46-5735993 | DE  |
| USMM Accountable Care Solutions, LLC   | 46-5745748 | DE  |
| North Florida Health Services, Inc     | 59-3519060 | FL  |
| MHS Consulting, International, Inc     | 20-8630006 | DE  |
| PRIMEROSALUD, S.L.                     |            | ESP |

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**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Buckeye Community Health Plan, Inc.**