

Amended Explanation Page

SummaCare, Inc.
Amended Cover Page
12/31/14

SummaCare, Inc. has amended the 12/31/14 Annual Statement to reflect a change in its tax provision and a change in the value of common stock. The financial statement changes are as follows:

Assets:
Line 2.2, Common stocks increased by \$978,818.
Line 18.1, Federal income taxes recoverable decreased by \$322,746.

Liabilities:
Line 31, Unassigned funds increased by \$656,072.

The Annual Statement pages affected by these changes were:

2	26	SI03	Supp2
3	29	SI04	MD&A
5	37	E12	
15	SI01	E16	



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2014
OF THE CONDITION AND AFFAIRS OF THE
SummaCare, Inc.

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	95202	Employer's ID Number	34-1726655
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[] N/A[X]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	10/23/1992		Commenced Business	03/01/1993		
Statutory Home Office	10 North Main Street (Street and Number)		Akron, OH, 44308 (City or Town, State, Country and Zip Code)			
Main Administrative Office	Akron, OH, 44308 (City or Town, State, Country and Zip Code)		10 North Main Street (Street and Number)		(330)996-8410 (Area Code) (Telephone Number)	
Mail Address	P.O. Box 3620 (Street and Number or P.O. Box)		Akron, OH, 44309-3620 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	Akron, OH, 44308 (City or Town, State, Country and Zip Code)		10 North Main Street (Street and Number)		(330)996-8410 (Area Code) (Telephone Number)	
Internet Website Address	SummmaCare.com					
Statutory Statement Contact	Roy Douglas Hall (Name)		(330)996-8410-62057 (Area Code)(Telephone Number)(Extension)			
	hallroy@summacare.com (E-Mail Address)		(330)996-8553 (Fax Number)			

OFFICERS

Name	Title	#
Martin Paul Hauser	CEO	
Robert Andrew Gerberry	Secretary	
Thomas Gene Knoll	Chairman	
Kathleen Tirbovich Geier	Vice Chairman	
Judith Ann Macro	Assistant Secretary	
James Edward McNutt	Assistant Treasurer	
Brian Keith Derrick	Treasurer	

OTHERS

Anne Armao, VP - Marketing and Product Development
James Loveless, VP - Individual Product Line
Donald Novosel, VP - Contracting & Network Development
Claude Vincenti, President

Kevin Cavalier, VP - Sales
Judith Macro, VP - Corporate Services, Compliance Officer
Annette Ruby, VP - Health Services Management

Keith Johnson, VP - Third Party Administrator
James McNutt, VP - Finance, CFO
Mumtaz Ibrahim M.D., Chief Medical Officer

DIRECTORS OR TRUSTEES

Martin Paul Hauser
Vincent Hadar Johnson Jr. M.D.
Erik Newman Steele D.O.
Richard Allen Merolla
Kenneth Eugene Berkovitz M.D.
Richard Howard Marsh
Rajiv Vishnu Taliwal M.D.

Thomas Gene Knoll
Thomas Joseph Strauss
John Byron Silvers Ph.D.
Jay Curtis Williamson M.D.
Bradley Hall Crombie M.D
Kathleen Tirbovich Geier
James Ross McLivaine

State of Ohio
County of Summit ss

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

(Signature) Claude Maurius Vincenti (Printed Name) 1. President (Title)	(Signature) Robert Andrew Gerberry (Printed Name) 2. Secretary (Title)	(Signature) Brian Keith Derrick (Printed Name) 3. Treasurer (Title)
Subscribed and sworn to before me this 6th day of May, 2015	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[] No[X] 2 05/12/2015 14

(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	39,356,279		39,356,279	66,726,800
2.	Stocks (Schedule D)				
2.1	Preferred stocks				
2.2	Common Stocks	31,459,090		31,459,090	
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....5,157,571, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....198,792, Schedule DA)	5,356,363		5,356,363	29,355,170
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)				4,415,441
9.	Receivables for securities				
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	76,171,732		76,171,732	100,497,411
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	147,640		147,640	337,254
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	272,980	244,511	28,469	65,002
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers				16,592
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				322,745
18.2	Net deferred tax asset	1,426,202	72,990	1,353,212	1,326,941
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)	257,101	257,101		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	924,988		924,988	497,960
24.	Health care (\$.....6,540,592) and other amounts receivable	8,006,750	1,466,158	6,540,592	2,264,763
25.	Aggregate write-ins for other than invested assets	1,462,436	1,462,436		
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	88,669,829	3,503,196	85,166,633	105,328,668
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	88,669,829	3,503,196	85,166,633	105,328,668
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid assets	1,462,436	1,462,436		
2502.	Deposits				
2503.	Pharmacy Rebates				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,462,436	1,462,436		

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	30,744,997		30,744,997	30,198,125
2.	Accrued medical incentive pool and bonus amounts	105,000		105,000	84,000
3.	Unpaid claims adjustment expenses	563,174		563,174	506,160
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	875,708		875,708	355,212
9.	General expenses due or accrued	5,815,882		5,815,882	3,722,261
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated	263,639		263,639	631,988
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	4,037,599		4,037,599	39,241,363
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				7,246
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.....0 current)				
24.	TOTAL Liabilities (Lines 1 to 23)	42,405,999		42,405,999	74,746,355
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X		
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	30,084,767	30,084,767
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	12,675,867	497,546
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	42,760,634	30,582,313
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	85,166,633	105,328,668
DETAILS OF WRITE-INS					
2301.	Payroll liability				
2302.	Other accrued liabilities				
2303.	Medicaid Pharmacy Reserve				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	.....	X X X	X X X		
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	30,582,313	52,161,524
34.	Net income or (loss) from Line 32	1,981,388	9,115,187
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(18,540,910)	
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	(10,365,062)	9,279,805
39.	Change in nonadmitted assets	40,601,392	(40,689,030)
40.	Change in unauthorized and certified reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		(670)
45.	Surplus adjustments:		
45.1	Paid in		670
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus	(1,498,487)	714,827
48.	Net change in capital and surplus (Lines 34 to 47)	12,178,321	(21,579,211)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	42,760,634	30,582,313
DETAILS OF WRITE-INS			
4701.	Change in Minimum Pension Liability - Unrestricted Funds	(1,058,010)	714,827
4702.	Gain on sale of bonds	(117,730)	
4703.	Federal income tax adjustment	(322,746)	
4798.	Summary of remaining write-ins for Line 47 from overflow page	(1)	
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	(1,498,487)	714,827

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 1,181,854	..... 1,181,854
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a).....	.....
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b).....	.....
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e)..... 16,473	..... 16,473
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	TOTAL Gross investment income .....	..... 1,198,327	..... 1,198,327
11.	Investment expenses .....	.....	(g)..... 206,403
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g).....
13.	Interest expense .....	.....	(h).....
14.	Depreciation on real estate and other invested assets .....	.....	(i).....
15.	Aggregate write-ins for deductions from investment income .....	.....	.....
16.	TOTAL Deductions (Lines 11 through 15) .....	.....	..... 206,403
17.	Net Investment income (Line 10 minus Line 16) .....	.....	..... 991,924
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	.....	.....
(a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	..... 899,878	.....	..... 899,878	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	..... (18,540,910)	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	TOTAL Capital gains (losses) .....	..... 899,878	.....	..... 899,878	..... (18,540,910)	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..	.....	.....	.....	.....	.....

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

SummaCare, Inc.’s (the Company or SC) statutory financial statements are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI) and in accordance with the Accounting Practices and Procedures Manual.

The ODI recognizes only statutory accounting practices prescribed or permitted by the State of Ohio (the State) for determining its solvency under Ohio Insurance Law. NAIC SAP has been adopted as a component of the prescribed or permitted practices by the State with some modifications. These modifications include a five-year life on Electronic Data Processing (EDP) equipment and a 90-day limitation on collection of affiliate balances. Accordingly, the admitted assets, liabilities, capital and surplus of the Company as of December 31, 2014 and December 31, 2013 and the results of its operations and its cash flow for the years then ended have been determined in accordance with accounting principles prescribed or permitted by the ODI. Management believes the monetary effect on net income and statutory surplus between NAIC SAP and accounting principles prescribed or permitted by the ODI is not material.

	State of Domicile	Dec-14	Dec-13
Net Income			
1) SummaCare state basis (Page 4, Line 32, Columns 2 & 3)	OH	1,981,388	9,115,187
2) State Prescribed Practices that increase / (decrease) NAIC SAP:	OH	-	-
3) State Permitted Practices that increase / (decrease) NAIC SAP:	OH	-	-
4) NAIC SAP	OH	1,981,388	9,115,187
Surplus			
5) SummaCare state basis (Page 3, Line 33, Columns 3 & 4)	OH	42,760,634	30,582,313
6) State Prescribed Practices that increase / (decrease) NAIC SAP:	OH	-	-
7) State Permitted Practices that increase / (decrease) NAIC SAP:	OH	-	-
8) NAIC SAP	OH	42,760,634	30,582,313

B. Use of Estimates

The preparation of financial statements in conformity with *Accounting Practices and Procedures Manual*, the NAIC Annual Statement Instructions and other accounting practices prescribed or permitted by the ODI requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

C. Accounting Policy

The Company uses the following accounting policies:

- 1) Cash and Short-Term Investments
Cash and short-term investments include cash on hand, cash held in bank accounts (including overdrafts), interest bearing deposits, and money market instruments purchased with an original maturity of one year or less. Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- 3) Common stocks – SC carries its investment in its subsidiary, Summa Insurance Company, at audited statutory equity in accordance with SSAP No. 97, Investments in Subsidiary, Controlled and Affiliated Entities.
- 4) Preferred stocks – None.
- 5) Mortgage loans on real estate – None.
- 6) Loan backed securities – None.
- 7) In 2013, the Company carried an asset related to a Surplus Note issued by its former parent, Summa Insurance Company. This asset is classified as “Other Invested Assets” on the Assets page. Admittance of this asset was subject to section 3925.08(J) of the Ohio Revised Code.
- 8) Investments in joint ventures, partnerships and limited liability companies – None.
- 9) Accounting policy for derivatives – The Company does not invest in derivative instruments.
- 10) The Company anticipates investment income as a factor in premium deficiency calculation, in accordance with SSAP No. 54, Individual Group Accident and Health Contracts.

Notes to Financial Statements

- 11) The cost of healthcare services is recognized in the period in which services are provided. Healthcare expenses also include an estimate of the cost of services provided to the Company’s members by third party providers, which have been incurred but not reported to the Company. The estimate for incurred but not reported claims is based on actuarial projections of costs using historical paid claims data. Estimates are continually monitored and reviewed and, as settlements are made or estimates are adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of claims paid are dependent on future developments, management is of the opinion that the reserves for claims and the cost to process claims make a reasonable and appropriate provision to cover such claims.
- 12) The Company’s capitalization policy and predefined thresholds have not changed from the prior period.

2. Accounting Changes and Corrections of Errors – None.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – None.**
- B. Statutory Merger – None.**
- C. Assumption Reinsurance – None.**
- D. Impairment Loss – None.**

4. Discontinued Operations – None.

5. Investments

- A. Mortgage Loans – None.**
- B. Debt Restructuring – None.**
- C. Reverse Mortgages – None.**
- D. Loan backed securities – None.**
- E. Repurchase agreements – None.**
- F. Real Estate – None.**
- G. Investments in low-income housing tax credits – None.**
- H. Restricted Assets**

Notes to Financial Statements

	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 to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$0	\$0	\$0	\$0	\$0	\$0
b. Collateral held under security lending agreement:	\$0	\$0	\$0	\$0	\$0	\$0
c. Subject to repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
d. Subject to reverse repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
e. Subject to dollar repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
f. Subject to dollar reverse repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
g. Placed under option contracts	\$0	\$0	\$0	\$0	0.000	0.000
h. Letter stock or securities restricted as to sale	\$0	\$0	\$0	\$0	0.000	0.000
i. FHLB capital stock	\$0	\$0	\$0	\$0	0.000	0.000
j. On deposit with states	\$411,863	\$467,644	(\$55,781)	\$411,863	0.490	0.511
k. On deposit with other regulatory bodies	\$0	\$0	\$0	\$0	0.000	0.000
l. Pledged as collateral to FHLB	\$0	\$0	\$0	\$0	0.000	0.000
m. Pledged as collateral not captured in other categories	\$0	\$0	\$0	\$0	0.000	0.000
n. Other restricted assets						
o. Total restricted assets	\$411,863	\$467,644	(\$55,781)	\$411,863	0.490	0.511

- 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. For investments in joint ventures, partnerships and limited liability companies that exceed 10% of the admitted assets of the insurer – None.
- B. Impaired investments in joint ventures, partnerships and limited liability companies – None.

7. Investment Income

- A. The basis, by category of investment income, for excluding (nonadmitting) any investment income due and accrued - All accrued investment income was admitted for the period.
- B. Total amount excluded - None

8. Derivative Instruments – None.

9. Income Taxes

- A. The components of deferred tax asset as of December 31, 2014 and December 31, 2013 are:

B. Regarding deferred tax liabilities not recognized – None.

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

Notes to Financial Statements

	12/31/2014	12/31/2013	Change
1. Current Income Tax			
(a) Federal	\$878,831	\$3,158,887	(\$2,280,056)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	\$878,831	\$3,158,887	(\$2,280,056)
(d) Federal Income Tax on Net Capital Gains	\$0	\$0	\$0
(e) Utilization of Capital Loss Carry Forwards	\$0	\$0	\$0
(f) Other	\$0	\$0	\$0
(g) Federal and Foreign Income Taxes Incurred	\$878,831	\$3,158,887	(\$2,280,056)
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Unpaid Losses	\$94,330	\$111,254	(\$16,924)
(2) Unearned Premium Reserve	\$53,548	\$24,154	\$35,394
(3) Policyholder Reserves	\$118,317	\$141,228	(\$22,911)
(4) Investments	\$72,930	\$10,464,323	(\$10,391,334)
(5) Deferred Acquisition Costs	\$0	\$0	\$0
(6) Policyholder Dividends Accrual	\$0	\$0	\$0
(7) Fixed Assets	\$334,251	\$367,004	(\$32,753)
(8) Compensation and Benefits Accrual	\$0	\$0	\$0
(9) Pension Accrual	\$0	\$0	\$0
(10) Receivables - Nonadmitted	\$1,078,856	\$323,648	\$149,208
(11) Net Operating Loss Carry-Forward	\$0	\$0	\$0
(12) Other (Including items < 5% of total ordinary assets)	\$1,870	\$425	\$1,445
Subtotal	\$1,760,161	\$12,038,037	(\$10,277,875)
(b) Statutory Valuation Allowance	\$0	\$0	\$0
(c) Nonadmitted	\$72,930	\$10,464,323	(\$10,391,333)
(d) Admitted Ordinary Deferred Tax Assets	\$1,687,171	\$1,573,714	\$113,457
(e) Capital			
(1) Investments	\$0	\$0	\$0
(2) Net Capital Loss Carry-Forward	\$0	\$0	\$0
(3) Real Estate	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(f) Statutory Valuation Allowance Adjustment	\$0	\$0	\$0
(g) Nonadmitted	\$0	\$0	\$0
(h) Admitted Capital Deferred Tax Assets	\$0	\$0	\$0
(i) Admitted Deferred Tax Assets	\$1,687,171	\$1,573,714	\$113,457
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$0	\$0	\$0
(2) Fixed Assets	\$0	\$0	\$0
(3) Deferred and Uncollected Premium	\$0	\$0	\$0
(4) Policyholder Reserves	\$0	\$0	\$0
(5) Other	\$333,959	\$246,773	\$87,187
Subtotal	\$333,959	\$246,773	\$87,187
(b) Capital			
(1) Investments	\$0	\$0	\$0
(2) Real Estate	\$0	\$0	\$0
(3) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(c) Deferred Tax Liabilities	\$333,959	\$246,773	\$87,187
4. Net Deferred Tax Assets / Liabilities	\$1,353,212	\$1,326,941	\$26,271

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

	December 31, 2014	Effective Tax Rate
Provision computed at statutory rate	\$972,474	34.0%
Change in nonadmitted assets	\$10,271,420	359.1%
Total statutory income taxes incurred	\$11,243,894	393.1%
Federal income taxes incurred	\$878,831	30.7%
Change in net deferred income taxes	\$10,365,063	362.4%
Total statutory income taxes	\$11,243,894	393.1%

E. Amounts of operating loss and tax credit carry-forwards available for tax purposes

- The company does not have net operating loss or tax credit carry-forwards as of December 31, 2014.
- There are no income taxes available for recoupment in the event of future net losses.
- The Company has no protective tax deposits reported as admitted assets under Section 6603 of the internal Revenue Service Code as of December 31, 2014 and December 31, 2013.

F. Consolidation of Federal Income Tax Return

Summa Health System Corporation files a consolidated federal income tax which includes the following entities: SummaCare, Inc., Summa Insurance Company, Summa Integrated Services Organization, Apex Benefits Services, LLC, Summa Insurance Agency, LLC, Wadsworth-Rittman Professional Services Corporation, Ohio Health

Notes to Financial Statements

Choice, Summa Management Services Organization, Health Care Center Physicians, Patient Centered Collaborative and Cornerstone Medical Services. Allocation of federal income taxes is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of the Relationships

SummaCare, Inc. is a wholly owned subsidiary of Summa Health System Corporation (SHSC). Summa Insurance Company (SIC) is a wholly-owned subsidiary of SummaCare, Inc.

Other affiliated organizations of SummaCare include Summa Health System Community, HealthSpan Partners, Summa Health System (SHS), Summa Akron City & St. Thomas Hospitals (SACH/STH), Summa Health Network LLC (SHN), Apex Benefits Services, LLC (Apex), Summa Insurance Agency, LLC (SIA), Summa Barberton Hospital (BCH), Wadsworth-Rittman Professional Services Corporation, Summa Physicians, Inc. (SPI), Summa Foundation, Health Care Center Physicians Inc. (HCCP), Middlebury Assurance Corp. (MAC), Summa Enterprise Group (SEG), Summa Enterprise Group Properties (SEG Properties), Summa Rehabilitation Hospital, LLC, Ohio Health Choice, Inc. (OHC), Cornerstone Medical Services (Cornerstone), ARIS Teleradiology LLC (ARIS), Summa Western Reserve Hospital (SWRH), Ohio Sleep Disorders, Summa Accountable Care Organization (ACO), Akron Endoscopy Associates (Akron Endoscopy) Summa Integrated Services Organization (SISO), Summa Management Services Organization (SMSO), Patient Centered Collaborative, Health Innovations Ohio, LLC, and Medina-Summit ASC, LLC, Summa Robinson Health Ventures.

The Company is licensed in Ohio as a health-insuring corporation (HIC) under Chapter 1751 of the Ohio Revised Code. SC contracts with providers to provide comprehensive health care services to a defined enrolled population (members) for a predetermined monthly fee. The population from which the Company draws its membership is predominately located in Northeast Ohio. The Company is subject to competition from other health insuring companies as well as to the regulations of certain state and federal agencies. The Company is also subject to periodic financial examinations by those regulatory authorities.

B. & C. Transactions with Affiliated Organizations

SC members receive various medical services from SACH/STH, and other SHS subsidiaries. Certain members of the Board of Directors of the Company are members of the Board of Trustees of SACH/STH’s and SHS’s subsidiary and affiliated organizations.

The operating activities with affiliated entities as of December 31, 2014 and December 31, 2013 are as follows:

	2014	2013
Claims expense related to affiliated entities:		
SACH/STH	\$ 54,939,335	50,207,107
SPI	9,971,047	8,878,755
BCH	10,908,634	9,485,500
WRH	1,437,614	2,733,419
ACO	1,722,972	988,241
Management fees charged to OHC	1,360	1,649
Management fees charged to SHN	78,178	—
Management fees charged from SMSO	15,245,202	13,603,181
Management fees charged from SHN	268,394	333,500
Management fees charged from Apex	966,049	1,033,944
Corporate expense allocation paid to SHS	1,030,500	1,692,053

Notes to Financial Statements

D. The balances outstanding with affiliated entities as of December 31, 2014 and December 31, 2013 are as follows:

	Due from		Due to	
	2014	2013	2014	2013
SHN	\$ —	—	30,740	9,127
SIC	—	—	910,756	37,435,158
SACH / STH	—	—	405,065	311,110
OHC	98	118	—	—
Apex	924,890	497,842	—	—
SMSO	—	—	1,504,453	1,306,374
SIA	—	—	—	20,437
ACO	—	—	1,186,585	159,157
	\$ 924,988	497,960	4,037,599	39,241,363

E. Guarantees or undertakings – None.

F. In 2014 and 2013, the Company had a contract with SHN in which network contracting services and financial modeling services were provided by SHN. The Company recognized expense of \$268,394 and \$333,500 in 2014 and 2013, respectively, related to this arrangement, which is recorded within management and other fees paid to affiliates in the consolidated statements of income.

In 2014 and 2013 the Company contracted with SMSO for general administrative services, which include but are not limited to claims processing, customer service, eligibility, human resources, computer support, programming, finance, and other general administrative services. Fees are based on actual expenses allocated from SMSO to the Company. The Company recognized expense of \$15,245,202 and \$13,603,181 in 2014 and 2013, respectively

G. The Company’s common membership is held by its parent, Summa Health System Corporation.

H. Investments in upstream intermediate entities or ultimate parent – None.

I. Investments in SCA Entities

In 2014, the Company entered into an internal restructuring transaction in which SHSC contributed its stock ownership in SIC to SC. As part of this transaction, SHSC’s Class A nonvoting preferred membership interest in SC was cancelled. In addition, SC and SIC cancelled the \$35 million surplus note issued by SIC to SC, and the funds were reclassified as a capital contribution from SC to SIC. SC also made an additional capital contribution to SIC in the amount of \$15 million. As of December 31, 2014, the Company owned 100% of the common stock of SIC, whose carrying value is exceeds 10% of the admitted assets of SC. The Company carries SIC at audited statutory equity. Assets, liabilities and net losses of SIC as of December 31, 2014 were:

Assets - \$71,513,629
Liabilities - \$40,054,539
Net Loss - \$13,508,684

In 2013, the Company carried an asset related to a Surplus Note issued by its former parent, Summa Insurance Company. This asset was classified as “Other Invested Assets” on the Assets page. Admittance of this asset was subject to section 3925.08(J) of the Ohio Revised Code. The total amount invested was \$35,000,000. After application of 3925.08(J) of the Ohio Revised Code, the amount admitted related to this asset is \$4,276,063 as of December 31, 2013.

J. Investments in impaired SCA entities – None.

K. Investments in foreign insurance subsidiaries – None.

L. Investment in downstream noninsurance holding company – None.

11. Debt

SC has no debt as of December 31, 2014.

12. Retirement Plans

A. Defined Benefit Plan - None.

B. A narrative description of investment policy and strategies – Not applicable.

Notes to Financial Statements

- C. The fair value of each class of plan asset – Not applicable.
- D. A narrative description of the basis used to determine the long-term rate of return – Not applicable.
- E. Defined Contribution Plan – None.
- A. Multiemployer Plan – None.
- B. Consolidated / Holding Company Plan – None.
- C. Postemployment Benefits and Compensated Absences – None.
- D. Impact of Medicare Modernization Act on Postretirement Benefits – None.

13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

- 1.) On November 15, 2013, the Company converted from a for-profit corporation to a nonprofit corporation under Ohio law. At the time of conversion, the holder of all issued and outstanding shares of common stock (SIC) became a common member of the Corporation and such issued and outstanding shares of common stock were cancelled and extinguished.

Additionally, the holder of all issued and outstanding shares of Class A preferred stock (SHS) became a Class A preferred member of the Corporation and such issued and outstanding shares of Class A preferred stock were cancelled and extinguished.

In 2014, the Company entered into an internal restructuring transaction in which SHSC, which owned all of the outstanding stock of SIC, contributed its stock ownership in SIC to SC. As part of this transaction, SHSC’s Class A nonvoting preferred membership interest in SC was cancelled.

- 2.) Dividends rate, liquidation value – Not applicable.
- 3.) Dividend Restrictions – Not applicable.
- 4.) Date and amounts of dividends paid – Not applicable.
- 5.) Portion of reporting entity’s profits that can be paid as ordinary dividends – Not applicable.
- 6.) Restrictions on unassigned funds – None.
- 7.) Mutual Reciprocal - None.
- 8.) Stock held by the Company for special purposes – None.
- 9.) Special surplus funds – None.
- 10.) The portion of unassigned funds represented or reduced by :

Nonadmitted Asset Values – \$3,503,196
Unrealized Gains (Losses) – \$533,673
- 11.) Surplus notes – None.
- 12.) Restatement in a quasi-reorganization – Not applicable
- 13.) Quasi-reorganization – Not applicable.

14. Contingencies

- A. Contingent commitments – None.
- B. Assessments – None
- C. Gain contingencies – None.
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None.
- E. All other contingencies – None.

15. Leases

Notes to Financial Statements

A. Lessee Leasing Arrangements.

- 1.) The company leases equipment and its facility under noncancelable operating leases expiring at various dates from 2013 to 2016. Rent expense was approximately \$1,116,790 as of December 31, 2014 and was \$1,024,620 for year ending December 31, 2013.
- 2.) Future minimum payments under noncancelable operating leases are as follows:

Year ended December 31:	
2014	2,059,232
2015	2,115,030
2016	1,938,777
Total minimum future commitment	\$ <u><u>6,113,039</u></u>

- 3.) The Company has not entered into any sale-leaseback transactions.

B. Lessor Leasing Arrangements - None

- 16. Information Regarding Off-Balance Sheet Risk – Not Applicable.
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liability – Not Applicable.
- 18. Gains or Loss to the Reporting Entity from Uninsured Plans – Not Applicable.
- 19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators – Not Applicable.
- 20. Fair Value Measurement – The Company does not have any financial instruments carried at fair value.
- 21. Other Items
 - A. Extraordinary Items – None.
 - B. Troubled Debt Restructuring – None.
 - C. Other Disclosures and Unusual Items – None.
 - D. Business Interruption Insurance Recoveries – None.
 - E. State Transferable and Non-transferable Tax Credits – None.
 - F. Subprime Mortgage Related Exposure – None.
 - G. Retained Assets – None.
- 22. Events Subsequent – None.
- 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)

If yes, give full details.

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

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?
Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$ _____
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$ _____

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

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$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 that were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes () No (X)

If yes, what is the amount of the reinsurance credits, whether an asset or a reduction of a liability, taken for such new agreements or amendments? \$ _____

B. Uncollectible Reinsurance – None.

C. Commutation of Ceded Reinsurance – None.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination – None.

25. Changes in Incurred Claims and Claims Adjustment Expenses

Activity in claims unpaid is summarized as follows:

Notes to Financial Statements

	2014	2013
Balance at January 1	\$ 30,198,125	25,647,359
Incurring related to:		
Current year	284,511,631	244,990,032
Prior years	(677,125)	(8,816,359)
Total	283,834,506	236,173,673
Paid related to:		
Current year	253,766,634	214,818,907
Prior years	29,521,000	16,804,000
Total	283,287,634	231,622,907
Balance at End of Period	\$ 30,744,997	30,198,125

Reserves as of December 31, 2013 were \$30,198,125. As of December 31, 2014, \$29,521,000 has been paid for incurred claims attributable to insured events of prior years. There are no reserves remaining for prior years as of December 31, 2014. Therefore, there has been \$677,125 in favorable development since December 31, 2013 to December 31, 2014. This favorable development 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. Healthcare Receivables

The company receives pharmacy rebates on a quarterly basis. As of December 31, 2014, a receivable was recorded equal to two quarters of rebates. For quarter ending December 31, 2014, pharmacy rebates receivable were estimated by multiplying the most recent rebate received by two (two quarters). Pharmacy rebates receivable are recorded as nonadmitted assets in accordance with SSAP No. 84.

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	\$1,601,646	\$561,092	\$0	\$0	\$561,092
9/30/2014	\$1,944,155	\$1,310,354	\$0	\$0	\$1,310,354
6/30/2014	\$1,680,029	\$1,973,930	\$0	\$0	\$1,973,930
3/31/2014	\$1,536,507	\$2,079,178	\$0	\$0	\$2,079,178
12/31/2013	\$1,700,000	\$1,982,004	\$0	\$0	\$1,982,004
9/30/2013	\$1,000,000	\$1,318,428	\$0	\$0	\$1,318,428
6/30/2013	\$1,220,851	\$1,742,117	\$0	\$0	\$1,742,117
3/31/2013	\$1,025,020	\$1,090,029	\$0	\$0	\$1,090,029
12/31/2012	\$1,242,133	\$1,479,198	\$0	\$0	\$1,479,198
9/30/2012	\$1,077,790	\$1,470,868	\$0	\$0	\$1,470,868
6/30/2012	\$1,342,850	\$1,406,969	\$0	\$0	\$1,406,969
3/31/2012	\$866,461	\$924,093	\$0	\$0	\$924,093
12/31/2011	\$1,368,000	\$1,473,271	\$0	\$0	\$1,473,271

29. Participating Policies – None.

30. Premium Deficiency Reserves

Notes to Financial Statements

Premium deficiency losses are recognized when it is probable that expected claim expenses will exceed future premiums on existing health contracts. For purposes of premium deficiency losses, contracts are grouped in a manner consistent with the Company’s method of acquiring, servicing and measuring the profitability of such contracts. There were no premium deficiency reserves recorded as of December 31, 2014 and December 31, 2013, respectively.

31. Anticipated Salvage Value and Subrogation – None

FIVE-YEAR HISTORICAL DATA

	1 2014	2 2013	3 2012	4 2011	5 2010
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	85,166,633	105,328,668	88,308,822	93,089,313	86,953,205
2. TOTAL Liabilities (Page 3, Line 24)	42,405,999	74,746,355	36,147,298	44,599,264	42,545,736
3. Statutory surplus	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	42,760,634	30,582,313	52,161,524	48,490,049	44,407,469
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	315,686,847	277,576,364	283,277,051	277,256,846	294,198,694
6. TOTAL Medical and Hospital Expenses (Line 18)	283,915,317	236,239,851	218,409,628	217,980,323	228,155,325
7. Claims adjustment expenses (Line 20)	3,971,607	3,584,312	4,681,575	4,130,890	4,585,416
8. TOTAL Administrative Expenses (Line 21)	26,842,932	26,835,927	55,971,272	50,064,537	54,139,480
9. Net underwriting gain (loss) (Line 24)	956,991	10,916,274	4,214,576	5,081,096	7,318,473
10. Net investment gain (loss) (Line 27)	1,891,802	1,354,383	1,435,275	1,278,041	1,057,153
11. TOTAL Other Income (Lines 28 plus 29)	11,426	3,417	19,978	23,342	15,132
12. Net income or (loss) (Line 32)	1,981,388	9,115,187	3,898,469	3,646,758	5,145,543
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(6,010,493)	19,280,548	4,434,149	1,576,141	11,017,718
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	42,760,634	30,582,313	52,161,524	48,490,049	44,407,469
15. Authorized control level risk-based capital	15,778,766	9,523,332	8,989,756	8,946,199	9,646,442
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	32,654	28,447	24,556	23,367	27,567
17. TOTAL Members Months (Column 6, Line 7)	395,053	336,743	290,327	281,800	331,836
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	90.0	85.1	85.5	85.0	84.4
20. Cost containment expenses	0.2	0.2	0.6	0.7	0.6
21. Other claims adjustment expenses	1.0	1.1	1.2	1.0	1.1
22. TOTAL Underwriting Deductions (Line 23)	99.7	96.1	109.3	106.1	106.1
23. TOTAL Underwriting Gain (Loss) (Line 24)	0.3	3.9	1.7	2.0	2.7
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	29,615,812	16,887,178	23,184,175	20,754,940	18,885,621
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	30,282,125	25,693,359	26,678,944	23,437,007	23,262,255
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)	31,459,090				
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated		4,415,441			
32. TOTAL of Above Lines 26 to 31	31,459,090	4,415,441			
33. TOTAL Investment in Parent Included in Lines 26 to 31 above		4,415,441			

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[] N/A[X]

If no, please explain::