



QUARTERLY STATEMENT

AS OF JUNE 30, 2015
OF THE CONDITION AND AFFAIRS OF THE

CareSource

NAIC Group Code	3683 (Current Period)	3683 (Prior Period)	NAIC Company Code	95201	Employer's ID Number	31-1143265
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health []	Property/Casualty []	Hospital, Medical & Dental Service or Indemnity []			
	Dental Service Corporation []	Vision Service Corporation []	Health Maintenance Organization [X]			
	Other []		Is HMO Federally Qualified? Yes [X] No []			
Incorporated/Organized	06/12/1985	Commenced Business	10/01/1988			
Statutory Home Office	230 North Main Street (Street and Number)		Dayton, OH, US 45402 (City or Town, State, County and Zip Code)			
Main Administrative Office	230 North Main Street (Street and Number)		Dayton, OH, US 45402 (City or Town, State, County and Zip Code)	937-531-3300 (Area Code) (Telephone Number)		
Mail Address	PO Box 8738 (Street and Number or P.O. Box)		Dayton, OH, US 45401-8738 (City or Town, State, County and Zip Code)			
Primary Location of Books and Records	230 North Main Street (Street and Number)		Dayton, OH, US 45402 (City or Town, State, County and Zip Code)	937-531-2159 (Area Code) (Telephone Number)		
Internet Web Site Address	www.caresource.com					
Statutory Statement Contact	Tarlton Thomas (Name)		937-531-2159 (Area Code) (Telephone Number) (Extension)			
	Tarlton.Thomas@caresource.com (E-Mail Address)		937-396-3438 (FAX Number)			

OFFICERS

Name	Title	Name	Title
Pamela B. Morris	President & Chief Executive Officer	L. Tarlton Thomas III	Chief Financial Officer
Bobby L. Jones	Chief Operating Officer	Craig Thiele M.D.	Chief Medical Officer

OTHER OFFICERS

Stephen L. Ringel	President, Ohio Market
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DIRECTORS OR TRUSTEES

Pamela B. Morris	Michael E. Ervin M.D.	William F. Marsteller D.C.	Gary L. LeRoy M.D.
Craig Brown	Ellen S. Leffak	Douglas A. Fecher	David T. Miller
David Kaelber M.D.			

State of Ohio

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County of Montgomery

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.

Pamela B. Morris
President & Chief Executive Officer

L. Tarlton Thomas III
Chief Financial Officer

Bobby L. Jones
Chief Operating Officer

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

Subscribed and sworn to before me this
day of ,

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	713,343,002		713,343,002	593,906,916
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	110,549,942		110,549,942	106,665,509
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 348,890,322), cash equivalents (\$ 280,799,496) and short-term investments (\$ 23,335,348)	653,025,166		653,025,166	786,677,628
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	756,453	756,453	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,477,674,563	756,453	1,476,918,110	1,487,250,054
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	5,952,649		5,952,649	5,294,046
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	131,857,391	2,644,793	129,212,598	135,352,487
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	9,243,835		9,243,835	6,671,595
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	28,634,031		28,634,031	14,361,359
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$ 79,561,027) and other amounts receivable	90,839,592	11,278,565	79,561,027	72,001,099
25. Aggregate write-ins for other-than-invested assets	409,214	409,214	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,744,611,275	15,089,025	1,729,522,250	1,720,930,640
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	1,744,611,275	15,089,025	1,729,522,250	1,720,930,640
DETAILS OF WRITE-INS				
1101. Investment in CareSource Foundation	756,453	756,453	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)	756,453	756,453	0	0
2501. Prepaid Assets	409,214	409,214	0	0
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	409,214	409,214	0	0

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 17,171,976 reinsurance ceded)	749,390,323		749,390,323	795,029,033
2. Accrued medical incentive pool and bonus amounts	552,475		552,475	615,600
3. Unpaid claims adjustment expenses	15,125,307		15,125,307	14,834,958
4. Aggregate health policy reserves including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	2,165,056		2,165,056	2,800,000
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	29,777,202		29,777,202	22,606,577
9. General expenses due or accrued	95,047,279		95,047,279	111,714,587
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable	742,590		742,590	2,595
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 interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	17,007,272		17,007,272	28,546,384
16. Derivatives		0	0	0
17. Payable for securities			0	535,717
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans	631,643		631,643	711,803
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	910,439,147		910,439,147	977,397,254
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX		0
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	17,200,000	17,200,000
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	801,883,103	726,333,386
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	819,083,103	743,533,386
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,729,522,250	1,720,930,640
DETAILS OF WRITE-INS				
2301.			0	0
2302.			0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		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	0	0
3001. Contributed Surplus (Land)	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

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	7,790,748	6,192,932	13,475,134
2. Net premium income (including \$ non-health premium income)	XXX	3,322,570,724	2,507,782,339	5,597,141,999
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	0
4. Fee-for-service (net of \$ medical expenses).....	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	5,801,135	6,252,834	10,716,696
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	3,328,371,859	2,514,035,173	5,607,858,695
Hospital and Medical:				
9. Hospital/medical benefits		2,043,847,741	1,611,161,863	3,476,241,599
10. Other professional services		13,513,919	15,651,276	35,159,528
11. Outside referrals			0	0
12. Emergency room and out-of-area		151,503,829	110,601,072	250,243,606
13. Prescription drugs		649,719,495	426,172,703	980,682,526
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		2,141,718	1,349,499	3,981,067
16. Subtotal (Lines 9 to 15)	0	2,860,726,702	2,164,936,413	4,746,308,326
Less:				
17. Net reinsurance recoveries		14,721,412	8,281,605	16,425,044
18. Total hospital and medical (Lines 16 minus 17)	0	2,846,005,290	2,156,654,808	4,729,883,282
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 47,866,508 cost containment expenses.....		59,867,937	47,901,677	98,118,439
21. General administrative expenses.....		364,737,253	291,834,448	643,130,419
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....			0	0
23. Total underwriting deductions (Lines 18 through 22)	0	3,270,610,480	2,496,390,933	5,471,132,140
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	57,761,379	17,644,240	136,726,555
25. Net investment income earned		8,493,779	7,752,829	20,237,984
26. Net realized capital gains (losses) less capital gains tax of \$.....		62,233	2,713,323	3,699,069
27. Net investment gains (losses) (Lines 25 plus 26)	0	8,556,012	10,466,152	23,937,053
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0	0
29. Aggregate write-ins for other income or expenses	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	66,317,391	28,110,392	160,663,608
31. Federal and foreign income taxes incurred	XXX		0	0
32. Net income (loss) (Lines 30 minus 31)	XXX	66,317,391	28,110,392	160,663,608
DETAILS OF WRITE-INS				
0601. Pay for Performance Revenue (P4P).....	XXX	5,801,135	6,252,834	10,716,696
0602.	XXX		0	0
0603.	XXX		0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	5,801,135	6,252,834	10,716,696
0701.	XXX		0	0
0702.	XXX		0	0
0703.	XXX		0	0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.			0	0
1402.			0	0
1403.			0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901.			0	0
2902.			0	0
2903.			0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	743,533,386	604,859,056	604,859,056
34. Net income or (loss) from Line 32	66,317,391	28,110,392	160,663,608
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 \$	3,480,076	1,639,018	(2,519,880)
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax		0	0
39. Change in nonadmitted assets	6,674,464	886,788	(17,018,724)
40. Change in unauthorized and certified reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	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		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital	(922,216)	(1,474,658)	(2,450,674)
46. Dividends to stockholders		0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	75,549,715	29,161,540	138,674,330
49. Capital and surplus end of reporting period (Line 33 plus 48)	819,083,101	634,020,596	743,533,386
DETAILS OF WRITE-INS			
4701.		0	0
4702.		0	0
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	3,342,695,776	2,583,638,661	5,573,378,365
2. Net investment income.....	11,635,837	13,166,891	30,484,865
3. Miscellaneous income.....	(2,221,864)	325,032	7,369,792
4. Total (Lines 1 to 3).....	3,352,109,749	2,597,130,584	5,611,233,022
5. Benefit and loss related payments.....	2,895,675,867	1,909,945,769	4,366,116,888
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	465,581,830	334,528,212	720,159,916
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9).....	3,361,257,697	2,244,473,981	5,086,276,804
11. Net cash from operations (Line 4 minus Line 10).....	(9,147,948)	352,656,604	524,956,218
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	124,257,516	106,662,664	217,845,458
12.2 Stocks.....	6,903,468	46,043,733	59,161,162
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	0	535,717
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	131,160,984	152,706,397	277,542,337
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	247,432,030	207,625,065	261,816,649
13.2 Stocks.....	7,307,825	61,968,133	92,215,803
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	535,717	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	255,275,573	269,593,199	354,032,452
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(124,114,588)	(116,886,802)	(76,490,116)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	(1,000,000)	(2,000,000)	(2,000,000)
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	610,073	(9,220,420)	6,534,752
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(389,927)	(11,220,420)	4,534,752
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(133,652,464)	224,549,382	453,000,854
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	786,677,628	333,676,773	333,676,773
19.2 End of period (Line 18 plus Line 19.1).....	653,025,164	558,226,155	786,677,628

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group							
Total Members at end of:										
1. Prior Year	1,275,430	24,459	.0	0	0	.0	0	.974	.1,226,038	23,959
2. First Quarter	1,322,324	48,599	.0	0	0	.0	0	0	.1,249,844	23,881
3. Second Quarter	1,283,566	49,291	.0	0	0	.0	0	0	.1,211,445	22,830
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	7,790,748	270,996							7,377,459	142,293
Total Member Ambulatory Encounters for Period:										
7. Physician	4,071,707	.86,617							.3,800,305	184,785
8. Non-Physician	3,455,327	56,263							2,269,361	1,129,703
9. Total	7,527,034	142,880	0	0	0	0	0	0	6,069,666	1,314,488
10. Hospital Patient Days Incurred	598,317	10,259							532,867	55,191
11. Number of Inpatient Admissions	96,485	1,667							88,353	6,465
12. Health Premiums Written (a)	3,342,027,690	78,458,239						13,630	2,874,550,472	389,005,349
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	3,342,027,690	78,458,239						13,630	2,874,550,472	389,005,349
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	2,938,797,754	53,125,841						1,486,158	2,580,417,843	303,767,912
18. Amount Incurred for Provision of Health Care Services	2,860,726,706	60,180,598						(50,590)	2,480,921,516	319,675,182

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims unpaid (Reported)						
0199999 Individually listed claims unpaid.....	0	.0	0	.0	0	0
0299999 Aggregate accounts not individually listed-uncovered.....						
0399999 Aggregate accounts not individually listed-covered	126,497,761	16,629,258	6,343,090	5,886,568	12,379,905	167,736,582
0499999 Subtotals	126,497,761	16,629,258	6,343,090	5,886,568	12,379,905	167,736,582
0599999 Unreported claims and other claim reserves	XXX	XXX	XXX	XXX	XXX	598,825,717
0699999 Total amounts withheld	XXX	XXX	XXX	XXX	XXX	
0799999 Total claims unpaid	XXX	XXX	XXX	XXX	XXX	766,562,299
0899999 Accrued medical incentive pool and bonus amounts	XXX	XXX	XXX	XXX	XXX	552,475

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	10,932,125	42,193,716	1,379,904	16,659,993	12,312,029	15,187,896
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	1,459,266	25,856	86,633	(175)	1,545,899	1,607,185
7. Title XIX - Medicaid	516,715,701	2,061,498,331	128,632,738	491,463,028	645,348,439	692,277,686
8. Other health	88,932,593	214,835,319	9,539,165	101,629,038	98,471,758	85,956,265
9. Health subtotal (Lines 1 to 8).....	618,039,685	2,318,553,222	139,638,440	609,751,884	757,678,125	795,029,032
10. Health care receivables (a).....	(971,480)	48,062,104	0	0	(971,480)	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	5,793	2,199,054	0	552,475	5,793	615,600
13. Totals (Lines 9-10+11+12)	619,016,958	2,272,690,172	139,638,440	610,304,359	758,655,398	795,644,632

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

NOTES TO FINANCIAL STATEMENTS

1A. Summary of Significant Accounting Policies

Basis of Presentation – CareSource (CS's) statutory-basis financial statements are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI). The ODI requires that insurance companies domiciled in the State of Ohio prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners *Accounting Practices and Procedures Manual* (NAIC AP&P) subject to any deviation prescribed or permitted by the ODI.

Accounting practices and procedures of the NAIC, as prescribed or permitted by the insurance department of the applicable states of domicile, comprise a comprehensive basis of accounting other than accounting principles generally accepted in the United States (GAAP). The more significant differences are as follows:

Non-admitted Assets: Certain assets designated as “non-admitted,” principally prepaid assets, investments in CareSource Foundation, past due healthcare receivables, uncollectable member receivables, furniture and equipment, and other assets not specifically identified as an admitted asset within the NAIC AP&P are excluded from the accompanying balance sheets and are charged directly to unassigned surplus. In accordance with GAAP, such assets are included in the balance sheet to the extent that those assets are not impaired.

Reinsurance: Unpaid claims liabilities and premiums received in advance ceded to reinsurers have been reported as reductions of the related balances rather than as assets as would be required in accordance with GAAP.

Statements of Cash Flows: Cash, cash equivalents, and short-term investments in the statements of cash flows represent cash balances and investments with initial maturities of one year or less. In accordance with GAAP, the corresponding caption of cash and cash equivalents includes cash balances and investments with initial maturities of three months or less.

The effects of the foregoing variances from GAAP on the accompanying statutory-basis financial statements have not been quantified.

No significant differences exist between prescribed or permitted practices by the State of Ohio and NAIC SAP which materially affect the statutory basis net income or capital and surplus, as illustrated in the table below.

<u>NET INCOME</u>	<u>June 30, 2015</u>	<u>December 31, 2014</u>
1) State of Ohio Basis	\$ 66,317,391	\$ 160,663,608
2) State prescribed practices that increase/(decrease) SAP	-	-
3) State permitted practices that increase/(decrease) SAP	-	-
4) NAIC SAP	\$ 66,317,391	\$ 160,663,608
SURPLUS		
1) State of Ohio Basis	\$ 819,083,103	\$ 743,533,386
2) State prescribed practices that increase/(decrease) SAP	-	-
3) State permitted practices that increase/(decrease) SAP	-	-
4) NAIC SAP	\$ 819,083,103	\$ 743,533,386

1B. Use of Estimates – No change

1C. Accounting Policy – No change

Reinsurance

Certain premiums and benefits are ceded to another insurance company under a reinsurance agreement. The ceded reinsurance agreement provides CS with increased capacity to write larger risks and maintain its exposure to loss within its capital resources. CS remains obligated for amounts ceded in the event that the reinsurer does not meet their obligations.

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
	<u>Written & Earned Premiums</u>	<u>Written & Earned Premiums</u>
Direct premiums	\$3,342,027,689	\$2,520,391,751
Ceded premiums		
Non-affiliates	(19,456,965)	(12,609,411)
Affiliates	(0)	(0)
Net premiums	\$3,322,570,724	\$2,507,782,340

CS does not, directly or indirectly, control any reinsurer with whom CS conducts business. CS does not have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel the agreement.

Significant Provider

CS has an agreement with Children's Hospital and Physicians' Healthcare Networks dba Partners for Kids (PFK), for PFK to provide medical services to CS members. In connection with this contract, CS pays medical claims billed by non-PFK providers for CS members whom are less than 19 years old in the Central and Southeast Regions, and is later reimbursed by PFK. CS has recorded a liability for the incurred but not reported (IBNR) medical claims for these non-PFK provided services, and a related

NOTES TO FINANCIAL STATEMENTS

receivable which was secured by an irrevocable letter of credit from PFK's financial institution to CS in the amount of the IBNR accrual. Reinsurance for CS members for which PFK is providing the medical services are delegated to PFK with approval of the State of Ohio.

As of June 30, 2015, PFK was paid \$191,967,188 for services rendered, prior to chargebacks of \$102,784,652. Chargebacks resulted from CS directly paying certain non-PFK providers under the contract. The CS membership capitated by the provider constituted approximately 14% and 17% of total CS membership in 2015 and 2014.

At June 30, 2015, CS recorded a capitation chargeback receivable from PFK for \$16,334,282.

2. Accounting Changes and Correction of Errors – None

3. Business Combinations and Goodwill – None

4. Discontinued Operations – None

5. Investments

A. Mortgage Loans - None

B. Debt Restructuring - None

C. Reverse Mortgage - None

D. Loan-Backed Securities:

(1) Prepayment Assumptions - None

(2) Securities with a recognized OTTI – None

(3) Securities by CUSIP with a recognized OTTI - None

(4) Impaired Securities without recognized OTTI – None

(5) Additional information –

Management regularly reviews the value of CS's investments. If the value of any investment falls below its cost basis, the decline in value is analyzed to determine whether it is an other-than-temporary impairment. The decision to record an impairment loss incorporates both quantitative criteria and qualitative information. The Company considers a number of factors including, but not limited to: (a) the length of time and the extent to which the fair value has been less than book value, (b) the financial condition and near term prospects of the issuer, (c.i.) for non-interest-related declines in corporate and government bonds, the intent and ability of CS to retain its investment for a period of time sufficient to allow for any anticipated recovery in value, (c.ii.) for interest related declines in corporate and government bonds, the intent of CS to sell the investment at the reporting date, (c.iii.) for mortgage-backed securities, whether CS expects to recover the entire amortized cost basis of the security and whether CS has the intent to sell or intent and ability to hold the investments for a period of time sufficient to allow for any anticipated recovery in value, (d) whether the debtor is current on interest and principal payments, and (e) general market conditions and industry or sector specific factors. As of June 30, 2015 the Company holds \$3.59M of mortgage or other loan backed securities, none of which meet the criteria for impairment.

CS does not hold any investments as of June 30, 2015 that are subject to redemption restrictions or penalties therefore all holdings can be liquidated immediately upon request, without penalty.

E. Repurchase Agreements – None

F. Real estate

(1) Impairment Losses – None

(2) Sale of Real Estate – None

(3) Change of Plans – None

(4) Retail Land Sales – None

(5) Real Estate with Mortgage Loans – None

G. Low income housing – None

H. Restricted assets (Including Pledged) – None

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 – None

7. Investment Income – No change

8. Derivative Instruments – None

9. Income Taxes – No change

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties – No change

11. Debt – None.

12. Retirement Plans, Deferred Compensation, Post Employment Benefits and Compensated Absences and Other Post Retirement Benefit Plans – None

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations – No change

14. Contingencies – No change

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

NOTES TO FINANCIAL STATEMENTS

15. Leases – No change
16. Information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk
– Not applicable
17. Sale, transfer and servicing of financial assets and extinguishments of liabilities
 - a. Transfers of receivables reported as sales - None
 - b. Transfer and servicing of financial assets - None
 - c. Wash sales - None
18. Gain or Loss to the reporting entity from uninsured plans and the uninsured portion of partially insured plans – No Change
19. Direct premium written/produced by managing general agents/third party administrators – Not applicable
20. Fair Value Measurements –

The Company uses fair value measurements to record the fair value of certain assets and to estimate the fair value of financial instruments not recorded at fair value but required to be disclosed at fair value.

Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. The Company's Level 1 assets and liabilities primarily include exchange-traded equity securities.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The following discussion described the valuation methodologies utilized by the Company for assets measured or disclosed at fair value. Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial instrument, including discount rates, estimates of timing, amount of expected future cash flows, and the credit standing of the issuer.

Debt and Equity Securities

The fair values of actively traded debt and equity securities are determined through the use of third-party pricing services utilizing market observable inputs. Certain mortgage-backed securities for which the Company does not receive public quotations or for which the Company believes market activity to reflect distressed sales are valued using current market-consistent rates applicable to yield, credit quality and maturity of each security. When available, market observable inputs are used to estimate the fair values of these securities.

Cash, Cash Equivalents, and Short-Term Investments

The fair values of cash and cash equivalents are based on quoted market prices. Short term investments are stated at amortized cost, which approximates fair value.

(1) Fair Value Measurements at Reporting Date

<u>Fair Value Measurements at June 30, 2015</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
a. Assets at fair value				
Bonds				
U.S Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Hybrid Securities	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Bonds	\$ -	\$ -	\$ -	\$ -
Common Stock				
Industrial and Misc	\$ 110,549,942	\$ -	\$ -	\$ 110,549,942

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

NOTES TO FINANCIAL STATEMENTS

Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -
Total Common Stocks	\$ 110,549,942	\$ -	\$ -	\$ -	\$ 110,549,942
Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 110,549,942	\$ -	\$ -	\$ -	\$ 110,549,942

Fair Value Measurements at December 31, 2014	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds				
U.S Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Hybrid Securities	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Bonds	\$ -	\$ -	\$ -	\$ -
Common Stock				
Industrial and Misc	\$ 106,665,509	\$ -	\$ -	\$ 106,665,509
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Common Stocks	\$ 106,665,509	\$ -	\$ -	\$ 106,665,509
Total assets at fair value	\$ 106,665,509	\$ -	\$ -	\$ 106,665,509

The Company did not have any significant assets or liabilities measured at fair value on a nonrecurring basis as of June 30, 2015 or December 31, 2014. There were no transfers between Level 1 and Level 2 securities for the period ended June 30, 2015.

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy -- None
- (3) CareSource recognizes transfers between fair value levels at the end of each reporting period.
- (4) Level 2 securities – values determined through the use of third-party pricing services utilizing market observable inputs. CareSource does not have any investments with fair value measurements categorized within Level 3 as of June 30, 2015.
- (5) Derivative Assets/Liabilities – Not applicable

B) Other Fair Value Measurements – Not applicable

C) Aggregate Value of All Financial Instruments

June 30, 2015	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	715,486,358	713,343,002		715,486,358		
Common Stock	110,549,942	110,549,942	110,549,942			
Cash, Cash Equivalents, and Short-Term Investments	653,563,297	653,590,524	630,255,176	23,308,120		

December 31, 2014	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	598,145,149	593,906,916		598,145,149		
Common Stock	106,665,509	106,665,509	106,665,509			
Cash, Cash Equivalents, and Short-Term Investments	786,660,186	786,677,628	754,452,471	32,207,715		

D) Fair Value Not Estimable- Not applicable

21. Other Items –

A.-G- None

22. Events subsequent - Subsequent events have been considered through August 14, 2015 for the statutory statements issued on that date.

A. Type I – Recognized Subsequent Events – None

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

NOTES TO FINANCIAL STATEMENTS

Type II – Nonrecognized Subsequent Events - None

23. Reinsurance – No change

24. Retrospectively rated contracts & contracts subject to redetermination –

A.-D. – None

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

(1) Did the entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions?- Yes – The Company is not subject to the annual fee under section 9010 of the Affordable Care Act. CS is incorporated as a nonprofit in the state of Ohio and receives greater than 80% of gross revenues from government programs that target low-income, elderly or disabled populations.

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	AMOUNT
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ -
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 45,004
3. Premium adjustments payable due to ACA Risk Adjustment	\$2,165,056
Operations (Revenue & Expense)	
Reported as revenue in premium for accident and health contracts	
4. (written/collected) due to ACA Risk Adjustment	\$ (634,944)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$ 45,004
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ 8,990,903
Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra	
2. Liability	\$ -
Amounts receivable relating to uninsured plans for contributions for ACA	
3. Reinsurance	\$ -
Liabilities	
Liabilities for contributions payable due to ACA Reinsurance - not reported	
4. as ceded premium	\$ 245,624
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ 742,590
Liabilities for amounts held under uninsured plans contributions for ACA	
6. Reinsurance	\$ -
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$ 739,995
Reinsurance recoveries (income statement) due to ACA Reinsurance	
8. payments or expected payments	\$ 2,071,851
9. ACA Reinsurance contributions - not reported as ceded premium	\$ 245,624
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	\$ -
Liabilities	
Reserve for rate credits or policy experience rating refunds due to ACA Risk	
2. Corridors	\$ -
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ -
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ -

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balances.

Accrued During the Prior Year on Business Written Before December 31 of the Prior Year	Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year	Differences	Adjustments	Unsettled Balances as of the Reported Date

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

NOTES TO FINANCIAL STATEMENTS

	1	2	3	4	5	6	7	8	Prior Year Accrued Less Payments (Col 1 - 3)		Prior Year Accrued Less Payments (Col 2 - 4)		To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
									Receivable	(Payable)	Receivable	(Payable)					
									(Pa yab le)	Receivable	(Payable)	Receivable	(Payable)				
a. Permanent ACA Risk Adjustment Program																	
1. Premium adjustment receivable		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		A	\$ -	\$ -	\$ -
2. Premium adjustments (payable)		\$ -		\$ (2,800,000)		\$ -		\$ (2,800,000)		\$ -		\$ 634,944		B	\$ -	\$ (2,165,056)	
3. Subtotal ACA Permanent Risk Adjustment Program		\$ -		\$ (2,800,000)		\$ -		\$ (2,800,000)		\$ -		\$ 634,944			\$ -	\$ (2,165,056)	
b. Transitional ACA Reinsurance Program														R	Re ceivable		(Payable)
1. Amounts recoverable for claims paid	\$ 5,791,852	\$ -		\$ -		\$ 5,791,852	\$ -		\$ 1,127,200	\$ -			C	\$ 6,919,052	\$ -		
2. Amounts recoverable for claims unpaid (contra liability)	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			D	\$ -	\$ -		
3. Amounts receivable relating to uninsured plans	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			E	\$ -	\$ -		
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			F	\$ -	\$ -		
5. Ceded reinsurance premiums payable	\$ -	\$ (2,595)		\$ -		\$ -	\$ (2,595)		\$ -	\$ -			G	\$ -	\$ (2,595)		
6. Liability for amounts held under uninsured plans	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			H	\$ -	\$ -		
7. Subtotal ACA Transitional Reinsurance Program	\$ 5,791,852	\$ (2,595)		\$ -		\$ 5,791,852	\$ (2,595)		\$ 1,380,132	\$ -				\$ 7,171,984	\$ (2,595)		
c. Temporary ACA Risk Corridors Program																	
1. Accrued retrospective premium	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			I	\$ -	\$ -		
2. Reserve for rate credits or policy experience rating refunds	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			J	\$ -	\$ -		
3. Subtotal ACA Risk Corridors Program	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -		
d. Total for ACA Risk Sharing Provisions	\$ 5,791,852	\$ (2,802,595)		\$ -		\$ 5,791,852	\$ (2,802,595)		\$ 1,380,132	\$ 634,944				\$ 7,171,984	\$ (2,167,651)		

Explanation of Adjustments

- A. Prior year payable was decreased as a result of the final CMS risk adjustment payment due.
- B. Prior year receivable was increased due to increased reinsurance program reimbursement by CMS.
- C.
- D.
- E.
- F.
- G.
- H.
- I.
- J.

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2014 were \$795.6 million. As of June 30, 2015, \$619.0 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$139.6 million, therefore, there has been a \$37.0 million favorable prior-year development since December 31, 2014 to June 30, 2015. The change 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. Included in this decrease, the Company experienced \$33.5 million of favorable prior year claim development, combined with \$3.5 million of favorable experience in recoveries.

26. Intercompany Pooling Arrangements – None

27. Structured Settlements - Not applicable

28. Health Care Receivables – No change

29. Participating Policies - Not applicable

30. Premium Deficiency Reserves - Not deemed necessary

31. Anticipated Salvage and Subrogation – No change

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

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 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 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

.....

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012

6.2 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

6.3 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). 11/08/2013

6.4 By what department or departments?

Ohio Department of Insurance.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] NA []

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []

7.1 Has this 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]

7.2 If yes, give full information:

.....

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource**GENERAL INTERROGATORIES**

9.1 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.

9.11 If the response to 9.1 is No, please explain:

.....

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

.....

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

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

.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

13. Amount of real estate and mortgages held in short-term investments: \$

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$ 0
14.22 Preferred Stock	\$	\$ 0
14.23 Common Stock	\$	\$ 0
14.24 Short-Term Investments	\$	\$ 0
14.25 Mortgage Loans on Real Estate	\$	\$ 0
14.26 All Other	\$	\$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []

If no, attach a description with this statement.

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 16.3 Total payable for securities lending reported on the liability page \$.....

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

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

1 Name of Custodian(s)	2 Custodian Address
Fifth Third Bank.....	38 Fountain Square, Cincinnati, Ohio 45263.....
Citizens Bank.....	870 Westminster Street, RWR110, Providence, Rhode Island 02903.....
Huntington National Bank.....	41 South High Street, Columbus, Ohio 43287.....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

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

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

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

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

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [X] No []

18.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES
PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent.....	87.1 %
1.2 A&H cost containment percent.....	1.4 %
1.3 A&H expense percent excluding cost containment expenses.....	7.7 %
2.1 Do you act as a custodian for health savings accounts?.....	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$ _____
2.3 Do you act as an administrator for health savings accounts?.....	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
2.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$ _____

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

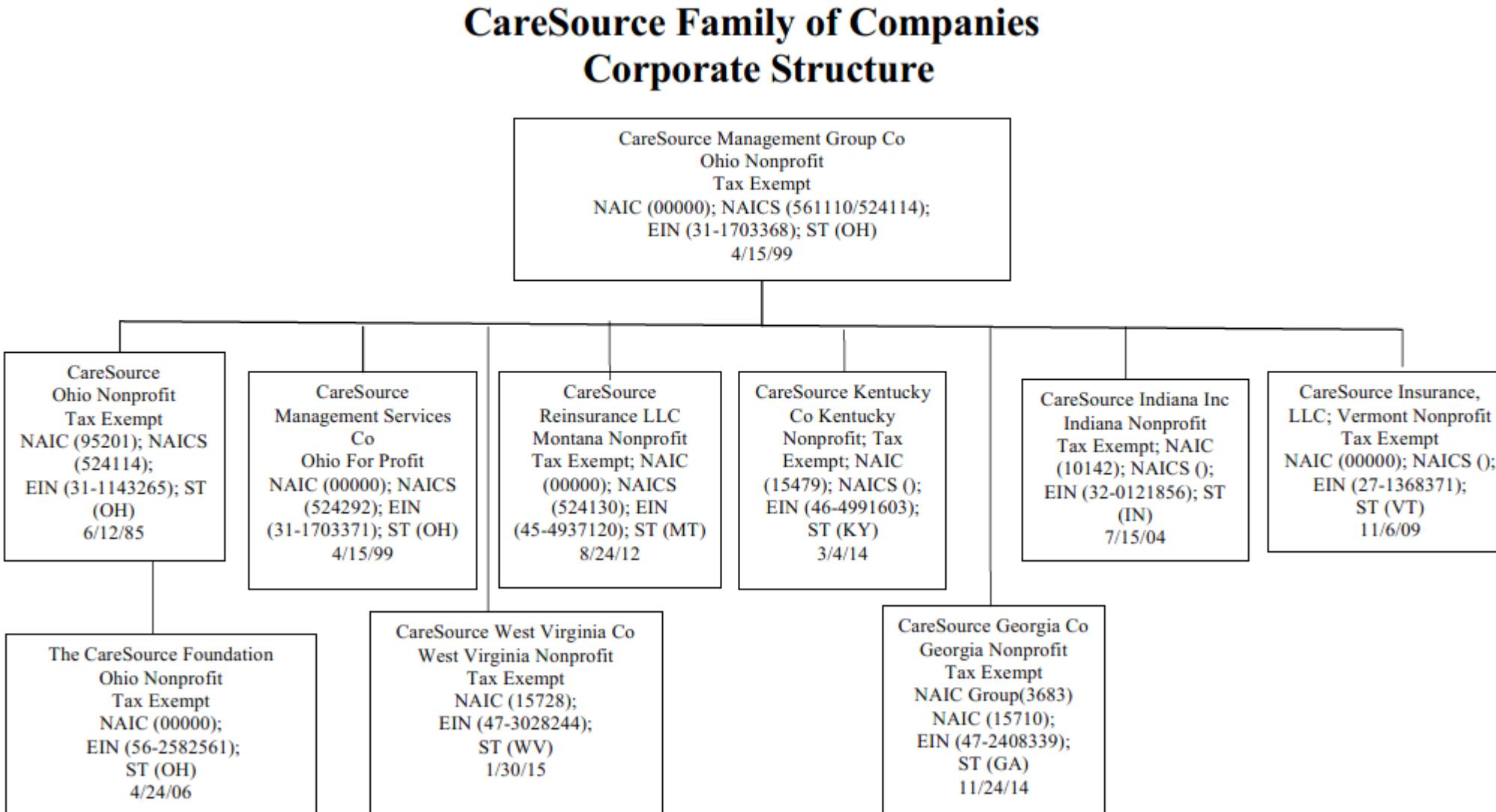
Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only						
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7
1. Alabama	AL							0
2. Alaska	AK							0
3. Arizona	AZ							0
4. Arkansas	AR							0
5. California	CA							0
6. Colorado	CO							0
7. Connecticut	CT							0
8. Delaware	DE							0
9. Dist. Columbia	DC							0
10. Florida	FL							0
11. Georgia	GA							0
12. Hawaii	HI							0
13. Idaho	ID							0
14. Illinois	IL							0
15. Indiana	IN							0
16. Iowa	IA							0
17. Kansas	KS							0
18. Kentucky	KY							0
19. Louisiana	LA							0
20. Maine	ME							0
21. Maryland	MD							0
22. Massachusetts	MA							0
23. Michigan	MI							0
24. Minnesota	MN							0
25. Mississippi	MS							0
26. Missouri	MO							0
27. Montana	MT							0
28. Nebraska	NE							0
29. Nevada	NV							0
30. New Hampshire	NH							0
31. New Jersey	NJ							0
32. New Mexico	NM							0
33. New York	NY							0
34. North Carolina	NC							0
35. North Dakota	ND							0
36. Ohio	OH	1,467,463,587	13,630	2,874,550,472			3,342,027,689	
37. Oklahoma	OK							0
38. Oregon	OR							0
39. Pennsylvania	PA							0
40. Rhode Island	RI							0
41. South Carolina	SC							0
42. South Dakota	SD							0
43. Tennessee	TN							0
44. Texas	TX							0
45. Utah	UT							0
46. Vermont	VT							0
47. Virginia	VA							0
48. Washington	WA							0
49. West Virginia	WV							0
50. Wisconsin	WI							0
51. Wyoming	WY							0
52. American Samoa	AS							0
53. Guam	GU							0
54. Puerto Rico	PR							0
55. U.S. Virgin Islands	VI							0
56. Northern Mariana Islands	MP							0
57. Canada	CAN							0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0
59. Subtotal		XXX	467,463,587	13,630	2,874,550,472	0	0	3,342,027,689
60. Reporting entity contributions for Employee Benefit Plans		XXX						0
61. Total (Direct Business)	(a)	1	467,463,587	13,630	2,874,550,472	0	0	3,342,027,689
DETAILS OF WRITE-INS								
58001		XXX						
58002		XXX						
58003		XXX						
58998	Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0
58999	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	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.

(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



STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
	The CareSource Board of Trustees controls both CareSource, the reporting entity, and CareSource Foundation. The CareSource Management Group Co Board of Trustees controls CareSource Management Group Co. CareSource Management Group Co. controls CSI, CS Insurance LLC, CareSource Kentucky Co, CareSource Reinsurance, LLC., CareSource Georgia Co., and CareSource West Virginia Co.....

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE A – VERIFICATION

Real Estate		1	2
	Year To Date	Prior Year Ended	December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition	0	0	0
2.2 Additional investment made after acquisition	0	0	0
3. Current year change in encumbrances	0	0	0
4. Total gain (loss) on disposals	0	0	0
5. Deduct amounts received on disposals	0	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0	0
7. Deduct current year's other-than-temporary impairment recognized	0	0	0
8. Deduct current year's depreciation	0	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0	0
10. Deduct total nonadmitted amounts	0	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans		1	2
	Year To Date	Prior Year Ended	December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition	0	0	0
2.2 Additional investment made after acquisition	0	0	0
3. Capitalized deferred interest and other	0	0	0
4. Accrual of discount	0	0	0
5. Unrealized valuation increase (decrease)	0	0	0
6. Total gain (loss) on disposals	0	0	0
7. Deduct amounts received on disposals	0	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest	0	0	0
10. Deduct current year's other-than-temporary impairment recognized	0	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0	0
12. Total valuation allowance	0	0	0
13. Subtotal (Line 11 plus Line 12)	0	0	0
14. Deduct total nonadmitted amounts	0	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets		1	2
	Year To Date	Prior Year Ended	December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition	0	0	0
2.2 Additional investment made after acquisition	0	0	0
3. Capitalized deferred interest and other	0	0	0
4. Accrual of discount	0	0	0
5. Unrealized valuation increase (decrease)	0	0	0
6. Total gain (loss) on disposals	0	0	0
7. Deduct amounts received on disposals	0	0	0
8. Deduct amortization of premium and depreciation	0	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0	0
10. Deduct current year's other-than-temporary impairment recognized	0	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0	0
12. Deduct total nonadmitted amounts	0	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks		1	2
	Year To Date	Prior Year Ended	December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	700,572,425	631,568,511	
2. Cost of bonds and stocks acquired	254,739,856	354,032,452	
3. Accrual of discount	80,669	203,146	
4. Unrealized valuation increase (decrease)	3,480,076	(2,519,880)	
5. Total gain (loss) on disposals	62,233	3,699,069	
6. Deduct consideration for bonds and stocks disposed of	131,160,984	277,006,619	
7. Deduct amortization of premium	3,881,330	9,404,254	
8. Total foreign exchange change in book/adjusted carrying value	0	0	
9. Deduct current year's other-than-temporary impairment recognized	0	0	
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)	823,892,944	700,572,425	
11. Deduct total nonadmitted amounts	0	0	
12. Statement value at end of current period (Line 10 minus Line 11)	823,892,944	700,572,425	

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	388,206,986	49,819,939	30,165,298	8,526,813	388,206,986	416,388,439	0	431,064,553
2. NAIC 2 (a).....	254,583,043	112,575,337	37,224,980	(10,646,295)	254,583,043	319,287,105	0	194,064,395
3. NAIC 3 (a).....	1,002,967	0	0	(162)	1,002,967	1,002,805	0	1,003,126
4. NAIC 4 (a).....	0	0	0	0	0	0	0	0
5. NAIC 5 (a).....	0	0	0	0	0	0	0	0
6. NAIC 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds.....	643,792,995	162,395,277	67,390,278	(2,119,644)	643,792,995	736,678,350	0	626,132,073
PREFERRED STOCK								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock.....	643,792,995	162,395,277	67,390,278	(2,119,644)	643,792,995	736,678,350	0	626,132,073

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$0 ; NAIC 2 \$0 ;

NAIC 3 \$0 ; NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	23,335,348	XXX	23,548,936	15	58,596

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	32,225,157	51,685,212
2. Cost of short-term investments acquired	23,251,381	40,191,864
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	31,859,000	58,362,000
7. Deduct amortization of premium.....	282,191	1,289,919
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	23,335,348	32,225,157
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	23,335,348	32,225,157

Schedule DB - Part A - Verification
NONE

Schedule DB - Part B - Verification
NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part C - Section 2
NONE

Schedule DB - Verification
NONE

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	404,833,157	99,399,850
2. Cost of cash equivalents acquired	280,799,496	414,125,737
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals	404,833,157	108,633,850
7. Deduct amortization of premium	0	58,580
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	280,799,496	404,833,157
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	280,799,496	404,833,157

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 2
NONE

Schedule B - Part 3
NONE

Schedule BA - Part 2
NONE

Schedule BA - Part 3
NONE

STATEMENT AS OF JUNE 30, 2015 OF THE CareSource

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous (Unaffiliated)									
.00287Y-AJ-8.	ABBVIE INC.		.05/21/2015	DAVIDSON D.A. + COMPANY INC.	7,548,900	7,500,000		.7,656	2FE
.06048W-QW-3.	BANK OF AMERICA CORP.		.05/27/2015	DAVIDSON D.A. + COMPANY INC.	10,000,000	10,000,000		.0	
.071813-AW-9.	BAXTER INTERNATIONAL INC.		.04/07/2015	DAVIDSON D.A. + COMPANY INC.	2,569,032	2,400,000		15,340	1FE
.075887-AU-3.	BECTON DICKINSON AND CO.		.05/06/2015	NATIONAL FINANCIAL SERVICES CO.	3,320,801	3,000,000		73,333	2FE
.12189T-BC-7.	BURLINGTN NORTH SANTA FE.		.05/07/2015	THE HUNTINGTON INVESTMENT COMPANY	5,561,875	5,000,000		26,764	1FE
.126650-CE-8.	CVS HEALTH CORP.		.06/05/2015	DAVIDSON D.A. + COMPANY INC.	6,573,632	6,538,000		48,218	2FE
.127055-AG-6.	CABOT CORP.		.04/01/2015	Adjustment				.0	2FE
.151020-AK-0.	CELGENE CORP.		.05/29/2015	NATIONAL FINANCIAL SERVICES CO.	1,935,337	1,900,000		13,110	2FE
.233851-AR-5.	DAIMLER FINANCE NA LLC.	R	.06/04/2015	DAVIDSON D.A. + COMPANY INC.	7,916,091	7,910,000		63,774	1FE
.256677-AB-1.	DOLLAR GENERAL CORP.		.06/17/2015	THE HUNTINGTON INVESTMENT COMPANY	4,966,651	5,000,000		17,448	2FE
.278642-AH-6.	EBAY INC.		.06/05/2015	DAVIDSON D.A. + COMPANY INC.	1,264,984	1,270,000		10,012	1FE
.28176E-AC-2.	EDWARDS LIFESCIENCES COR.		.06/19/2015	DAVIDSON D.A. + COMPANY INC.	5,135,400	5,000,000		27,552	2FE
.31428X-AR-7.	FEDEX CORP.		.06/05/2015	DAVIDSON D.A. + COMPANY INC.	1,200,850	1,000,000		32,222	2FE
.337738-AK-4.	FISERV INC.		.04/01/2015	Adjustment				21,363	2FE
.38148T-3H-0.	GOLDMAN SACHS GROUP INC.		.05/13/2015	THE HUNTINGTON INVESTMENT COMPANY	10,000,000	10,000,000		.0	2FE
.41283L-AD-7.	HARLEY-DAVIDSON FINL SER.		.05/22/2015	THE HUNTINGTON INVESTMENT COMPANY	5,087,273	5,000,000		24,333	1FE
.46625H-JA-9.	JPMORGAN CHASE & CO.		.04/20/2015	NATIONAL FINANCIAL SERVICES CO.	3,802,601	3,700,000		34,965	1FE
.500255-AP-9.	KOHL'S CORPORATION		.05/21/2015	DAVIDSON D.A. + COMPANY INC.	1,672,740	1,500,000		42,188	2FE
.501044-BM-2.	KROGER CO/THE		.06/19/2015	DAVIDSON D.A. + COMPANY INC.	11,375,033	9,813,000		16,682	2FE
.502441-AA-6.	LVMH MOET HENNESSY VUITT.	R	.05/22/2015	THE HUNTINGTON INVESTMENT COMPANY	5,199,509	5,143,000		34,822	1FE
.50540R-AK-8.	LAB CORP OF AMER HLDGS.		.05/22/2015	DAVIDSON D.A. + COMPANY INC.	2,033,906	2,000,000		11,532	2FE
.512807-AM-0.	LAM RESEARCH CORP.		.05/07/2015	THE HUNTINGTON INVESTMENT COMPANY	5,019,936	5,000,000		22,917	2FE
.524660-AT-4.	LEGGETT & PLATT INC.		.06/19/2015	DAVIDSON D.A. + COMPANY INC.	2,351,470	2,200,000		46,518	2FE
.53079E-AK-0.	LIBERTY MUTUAL GROUP INC.		.04/07/2015	NATIONAL FINANCIAL SERVICES CO.	5,378,242	5,000,000		51,181	2FE
.552081-AG-6.	LYONDELLBASELL IND NV	R	.06/05/2015	DAVIDSON D.A. + COMPANY INC.	2,178,900	2,000,000		15,278	2FE
.58405U-AD-4.	MEDCO HEALTH SOLUTIONS.		.05/29/2015	NATIONAL FINANCIAL SERVICES CO.	3,443,154	3,000,000		46,313	2FE
.60856B-AA-2.	MOLEX ELECTRONICS TECH.		.05/07/2015	DAVIDSON D.A. + COMPANY INC.	3,180,792	3,174,000		.8,881	2FE
.651229-AK-2.	NEWELL RUBBERMAID INC		.06/02/2015	DAVIDSON D.A. + COMPANY INC.	3,354,288	3,050,000		37,274	2FE
.747525-AG-8.	QUALCOMM INC.		.05/26/2015	THE HUNTINGTON INVESTMENT COMPANY	4,998,981	5,000,000		.1,750	1FE
.811065-AB-7.	SCRIPPS NETWORKS INTERAC.		.05/06/2015	NATIONAL FINANCIAL SERVICES CO.	5,020,807	5,000,000		63,785	2FE
.863667-AC-5.	STRYKER CORP.		.04/07/2015	DAVIDSON D.A. + COMPANY INC.	3,375,836	3,310,000		.1,839	1FE
.883203-BR-1.	TEXTRON INC.		.04/07/2015	DAVIDSON D.A. + COMPANY INC.	2,468,163	2,341,000		.5,714	2FE
.92343V-BD-5.	VERIZON COMMUNICATIONS.		.04/01/2015	Adjustment				.0	2FE
.94973V-BE-6.	WELLPOINT INC.		.05/29/2015	NATIONAL FINANCIAL SERVICES CO.	1,179,259	1,160,000		10,227	2FE
.959802-AT-6.	WESTERN UNION CO/THE		.06/25/2015	THE HUNTINGTON INVESTMENT COMPANY	2,745,247	2,675,000		7,182	2FE
.963320-AN-6.	WHIRLPOOL CORP.		.04/07/2015	NATIONAL FINANCIAL SERVICES CO.	1,173,510	1,100,000		22,840	2FE
.963320-AQ-9.	WHIRLPOOL CORP.		.06/04/2015	DAVIDSON D.A. + COMPANY INC.	1,583,899	1,575,000		10,290	2FE
.988498-AG-6.	YUM! BRANDS INC.		.05/07/2015	DAVIDSON D.A. + COMPANY INC.	5,255,200	5,000,000		.5,920	2FE
.98978V-AG-8.	ZOETIS INC.		.05/06/2015	NATIONAL FINANCIAL SERVICES CO.	5,008,543	5,000,000		26,042	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						157,241,608	151,559,000	905,263	XXX
8399997 - Subtotals - Bonds - Part 3						157,241,608	151,559,000	905,263	XXX
8399999 - Subtotals - Bonds						157,241,608	151,559,000	905,263	XXX
Common Stocks - Mutual Funds									
.46429B-6B-9.	ISHARES MSCI EAFE MINIMUM VOLATILITY		.06/25/2015	VARIOUS	9,565,000	650,294		.0	L
.73937B-63-9.	POWERSHARES S&P SMALLCAP LOW VOLATILITY		.06/25/2015	VARIOUS	14,558,000	488,352		.0	L
.73937B-64-7.	POWERSHARES S&P MIDCAP LOW VOLATILITY		.06/25/2015	VARIOUS	24,107,000	813,574		.0	L
.73937B-77-9.	POWERSHARES S&P 500 LOW VOLATILITY		.06/25/2015	VARIOUS	34,616,000	1,300,970		.0	L
9299999 - Common Stocks - Mutual Funds						3,253,190	XXX	0	XXX
Common Stocks - Money Market Mutual Funds									
.608993-85-3.	HUNTINGTON CONSERVATIVE DEPOSIT ACCOUNT		.06/30/2015	Direct	3,253,989,210	3,253,989		0	V
9399999 - Common Stocks - Money Market Mutual Funds						3,253,989	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						6,507,180	XXX	0	XXX
9799999 - Subtotals - Common Stocks						6,507,180	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						6,507,180	XXX	0	XXX
9999999 Totals						163,748,787	XXX	905,263	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Disposal Date	Foreign	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12+13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36202F-CG-1...	RMBS - G2 4593,.....	06/22/2015	Direct			39,301	39,301	40,756	40,639	0	-(1,338)	0	-(1,338)	0	39,301	0	0	0	.850	12/20/2039	1...
38374V-ZH-4...	CMO/RMBS - GNR 2009-54 NB	06/22/2015	Direct			85,196	85,196	.87,672	.86,838	0	-(1,642)	0	-(1,642)	0	.85,196	0	0	0	1,741	06/20/2037	
CMO/RMBS - GNR 2009-123																					
38376J-Y4-0...	GA,.....	06/22/2015	Direct			214,207	214,207	218,424	216,262	0	(2,055)	0	(2,055)	0	214,207	0	0	0	4,483	01/20/2038	1...
0599999 - Bonds - U.S. Governments						338,704	338,704	346,852	343,740	0	(5,036)	0	(5,036)	0	338,704	0	0	0	7,073	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3128KU-65-0...	RMBS - FG A63820.....	06/15/2015	Direct			4,567	4,567	4,572	4,571	0	-(4)	0	-(4)	0	4,567	0	0	0	.115	08/01/2037	1...
3133SH-UN-1...	RMBS - FG C90589.....	06/15/2015	Direct			8,188	8,188	8,311	8,269	0	(81)	0	(81)	0	8,188	0	0	0	.217	11/01/2022	
31371K-KE-0...	RMBS - FN 254193,.....	06/25/2015	Direct			7,539	7,539	7,652	7,609	0	(70)	0	(70)	0	7,539	0	0	0	.189	02/01/2022	1...
31371N-H2-4...	RMBS - FN 256849,.....	06/25/2015	Direct			6,675	6,675	6,704	6,701	0	(26)	0	(26)	0	6,675	0	0	0	.160	08/01/2037	
31411N-WW-3...	RMBS - FN 912461,.....	06/25/2015	Direct			402	402	.402	.400	0	2	0	2	0	.402	0	0	0	.10	03/01/2037	1...
31413T-LF-7...	RMBS - FN 954926,.....	06/25/2015	Direct			788	788	811	808	0	(20)	0	(20)	0	788	0	0	0	.21	07/01/2037	1...
31413T-ND-0...	RMBS - FN 954988,.....	06/25/2015	Direct			435	435	.448	.446	0	(11)	0	(11)	0	.435	0	0	0	.12	07/01/2037	
67755S-Q3-1...	OH ECON DEV-6-1XB.....	06/01/2015	Redemption			90,000	90,000	90,000	90,000	0	0	0	0	0	.90,000	0	0	0	1,519	06/01/2022	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						118,594	118,594	118,899	118,805	0	(211)	0	(211)	0	118,594	0	0	0	2,243	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
03523T-AT-5...	ANHEUSER-BUSCH INBEV NOR,.....	04/15/2015	Maturity			5,000,000	5,000,000	5,194,540	5,046,704	0	(46,704)	0	(46,704)	0	5,000,000	0	0	0	.90,625	04/15/2015	1FE
05530Q-AD-2...	BAT INT'L FINANCE PLC,.....	06/05/2015	Maturity			1,000,000	1,000,000	1,001,098	1,003,780	0	(3,780)	0	(3,780)	0	1,000,000	0	0	0	.70,000	06/05/2015	1FE
111021-AG-6...	BRITISH TELECOM PLC,.....	06/22/2015	Maturity			1,075,000	1,075,000	1,095,457	1,082,036	0	(7,036)	0	(7,036)	0	1,075,000	0	0	0	.10,750	06/22/2015	2FE
126408-GN-7...	CSX CORP,.....	04/01/2015	Maturity			1,432,000	1,432,000	1,527,246	1,452,386	0	(20,386)	0	(20,386)	0	1,432,000	0	0	0	.44,750	04/01/2015	2FE
126650-BT-0...	CVS CAREMARK CORP,.....	05/18/2015	Maturity			1,000,000	1,000,000	1,034,083	1,010,075	0	(10,075)	0	(10,075)	0	1,000,000	0	0	0	.16,250	05/18/2015	2FE
15189T-AG-2...	CENTERPOINT ENERGY,.....	06/01/2015	Maturity			5,000,000	5,000,000	5,397,250	5,130,950	0	(130,950)	0	(130,950)	0	5,000,000	0	0	0	.171,250	06/01/2015	2FE
172967-FD-8...	CITIGROUP INC,.....	05/19/2015	Maturity			1,900,000	1,900,000	1,993,503	1,928,606	0	(28,606)	0	(28,606)	0	1,900,000	0	0	0	.45,125	05/19/2015	1FE
22303Q-AK-6...	COVIDIEN INT'L FINANCE SA,.....	06/15/2015	Maturity			2,648,000	2,648,000	2,720,794	2,673,837	0	(25,837)	0	(25,837)	0	2,648,000	0	0	0	.37,072	06/15/2015	1FE
337738-AK-4...	FSI FER INC,.....	06/18/2015	Redemption			7,240,751	7,075,000	7,266,990	7,266,990	0	(37,652)	0	(37,652)	0	7,229,338	0	0	0	.11,413	11,289	06/15/2016
34530T-VH-3...	FORD MOTOR CREDIT CO LLC,.....	05/15/2015	Maturity			10,000,000	10,000,000	11,549,600	10,404,500	0	(404,500)	0	(404,500)	0	10,000,000	0	0	0	.600,000	05/15/2015	2FE
38141G-GT-5...	GOULDMAN SACHS GROUP INC,.....	05/04/2015	Maturity			7,650,000	7,650,000	7,900,753	7,716,484	0	(66,484)	0	(66,484)	0	7,650,000	0	0	0	.126,225	05/03/2015	1FE
46623E-JW-0...	JPMORGAN CHASE & CO,.....	04/23/2015	Maturity			2,285,000	2,285,000	2,287,422	2,285,557	0	(557)	0	(557)	0	2,285,000	0	0	0	.9,140	04/23/2015	1FE
487836-BG-2...	KELLOGG CO,.....	05/15/2015	Maturity			1,700,000	1,700,000	1,714,124	1,704,364	0	(4,364)	0	(4,364)	0	1,700,000	0	0	0	.9,563	05/15/2015	2FE
59156R-AN-8...	METLIFE INC,.....	06/15/2015	Maturity			3,000,000	3,000,000	2,875,650	2,990,928	0	9,072	0	9,072	0	3,000,000	0	0	0	.75,000	06/15/2015	1FE
637640-AF-0...	NATIONAL SEMI CONDUCTOR,.....	04/15/2015	Maturity			1,450,000	1,450,000	1,506,043	1,465,026	0	(15,026)	0	(15,026)	0	1,450,000	0	0	0	.28,638	04/15/2015	1FE
74432Q-AG-0...	PRUDENTIAL FINANCIAL INC,.....	06/15/2015	Maturity			500,000	500,000	537,250	505,463	0	(5,463)	0	(5,463)	0	500,000	0	0	0	.11,875	06/13/2015	2FE
74834L-AL-4...	QUEST DIAGNOSTIC INC,.....	04/09/2015	Redemption			4,886,508	4,750,000	5,135,356	4,882,608	0	(42,983)	0	(42,983)	0	4,839,625	0	0	0	.46,883	11,617	01/11/2015
74834L-AR-1...	QUEST DIAGNOSTIC INC,.....	05/01/2015	Various			1,052,471	1,025,000	1,059,789	1,055,574	0	(6,557)	0	(6,557)	0	1,049,017	0	0	0	.3,454	17,129	04/01/2016
87875U-AC-6...	TECO FINANCE INC,.....	05/01/2015	Maturity			3,400,000	3,400,000	3,645,242	3,469,334	0	(69,334)	0	(69,334)	0	3,400,000	0	0	0	.114,750	05/01/2015	
88166G-AA-6...	TEVA PHARMA FIN III/II/II,.....	06/15/2015	Maturity			2,075,000	2,075,000	2,123,342	2,088,265	0	(13,265)	0	(13,265)	0	2,075,000	0	0	0	.31,125	06/15/2015	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						64,294,730	63,965,995	67,575,532	57,896,476	0	(930,486)	0	(930,486)	0	64,232,980	0	0	0	61,749	61,749	1,672,273
8399997 - Subtotals - Bonds - Part 4						64,752,028	64,422,298	68,041,284	58,359,021	0	(935,733)	0	(935,733)	0	64,690,278	0	0	0	61,750	61,750	1,681,589
8399999 - Subtotals - Bonds						64,752,028	64,422,298	68,041,284	58,359,021	0	(935,733)	0	(935,733)	0	64,690,278	0	0	0	61,750	61,750	1,681,589
Common Stock - Mutual Funds																					
608993-85-3...	HUNTINGTON CONSERVATIVE DEPOSIT ACCOUNT,.....	06/30/2015	Direct			3,249,291,090	3,249,291	XXX	3,249,291	0	0	0	0	0	3,249,291	0	0	0	0	0	117
9299999 - Common Stocks - Mutual Funds																					XXX
9799997 - Subtotals - Common Stocks - Part 4						3,249,291	XXX	3,249,291	0	0	0	0	0	0	3,249,291	0	0	0	0	0	117
9799999 - Subtotals - Common Stocks						3,249,291	XXX	3,249,291	0	0	0	0	0	0	3,249,291	0	0	0	0	0	117
9899999 - Subtotals - Preferred and Common Stocks						3,249,291	XXX	3,249,291	0	0	0	0	0	0	3,249,291	0	0	0	0	0	117
9999999 Totals						68,001,319	XXX	71,290,575	58,359,021	0	(935,733)	0	(935,733)	0	67,939,569	0	0	0	61,750	61,750	1,681,706

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 0.

Schedule DB - Part A - Section 1
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part D - Section 1
NONE

Schedule DB - Part D - Section 2
NONE

Schedule DL - Part 1
NONE

Schedule DL - Part 2
NONE

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SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Fifth Third Bank.....	Dayton, Ohio.....	0.250	164,602		64,296,546	69,478,299	.65,191,375	XXX
Huntington Bank.....	Dayton, Ohio.....	0.050	.57,157		127,889,011	107,525,001	138,934,792	XXX
Independent Bank.....	Dayton, Ohio.....	0.000	.0		309,401	379,259	554,436	XXX
US Bank.....	Dayton, Ohio.....	0.180	.59,896		120,626,853	53,546,373	114,093,638	XXX
Charter One Bank.....	Dayton, Ohio.....	0.000	.92,854		.173,508,868	188,679,888	.30,116,081	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	374,509	0	486,630,679	419,608,819	348,890,322	XXX
0399999 Total Cash on Deposit	XXX	XXX	374,509	0	486,630,679	419,608,819	348,890,322	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total	XXX	XXX	374,509	0	486,630,679	419,608,819	348,890,322	XXX

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SCHEDULE E - PART 2 - CASH EQUIVALENTS

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