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# QUARTERLY STATEMENT AS OF SEPTEMBER 30, 2015 OF THE CONDITION AND AFFAIRS OF THE Alpha Dental Programs, Inc.

NAIC Group Code 2479 (current period) 2479 (prior period) NAIC Company Code 95163 Employer's ID Number 74-2447512  
 Organized under the Laws of Texas State of Domicile or Port of Entry Texas  
 Country of Domicile United States of America  
 Licensed as business type: Life, Accident & Health [ ] Hospital, Medical & Dental Service or Indemnity [ ]  
 Dental Service Corporation [ ] Vision Service Corporation [ ] Health Maintenance Organization [X]  
 Other [ ] Is HMO Federally Qualified? Yes [ ] No[X] N/A [ ]  
 Incorporated/Organized 12/31/1985 Commenced Business 04/14/1989  
 Statutory Home Office 1701 Shoal Creek, Suite 240 Highland Village, TX, 75077  
 (Street and Number) (City or Town, State, Country and Zip Code)  
 Main Administrative Office 100 First Street San Francisco, CA, 94105  
 (Street and Number) (Area Code)(Telephone Number)  
 Mail Address 100 First Street San Francisco, CA, 94105  
 (Street and Number) (City or Town, State, Country and Zip Code)  
 Primary Location of Books and Records 100 First Street (415)974-8675  
 (Street and Number) (Area Code)(Telephone Number)  
 Internet Website Address N/A  
 Statutory Statement Contact Deborah Tadlock (415)974-8675  
 (Name) (Area Code)(Telephone Number)  
 (E-Mail Address) dtadlock@delta.org (415)972-8464  
 (Fax Number)

### OFFICERS

Name	Title
Belinda Martinez	President #
Melissa Kay Gee Esq.	Secretary
Michael James Castro	Treasurer
Anthony Scott Barth	Chair #

### OTHERS

Alicia F. Weber, Assistant Treasurer  
 Robert Dew DDS, Dental Officer  
 Russell K. Bradley, Vice President, Claims Processing  
 Michael Griffin Hankinson, Esq, EVP/Chief Legal Officer & Chief Compliance Officer  
 Karen Lynn Robinson, Assistant Secretary  
 Kevin Lee Jackson, Group Vice President Underwriting & Actuarial  
 Thomas Leibowitz, Vice President Actuarial  
 Bob Menhart, Vice President Contact Center Operations #

### DIRECTORS OR TRUSTEES

Anthony Scott Barth #  
 Michael James Castro  
 Jeffrey M. Alburn  
 Kevin Lee Jackson #  
 Nilesch C. Patel  
 John M. Yamamoto, DDS

State of California  
 County of San Francisco

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.

Belinda Jantz (Signature) Melissa Kay Gee (Signature) Michael James Castro (Signature)  
 (Printed Name) (Printed Name) (Printed Name)  
 Belinda Martinez (Printed Name) 1. Melissa Kay Gee, Esq. (Printed Name) 2. Michael James Castro (Printed Name) 3.  
 President Secretary Treasurer  
 (Title) (Title) (Title)

See below for notarized statement

Subscribed and sworn to (or affirmed) before me on this 30 day of September, 2015, by (1) Belinda Martinez proved to me on the basis of satisfactory evidence to be the person who appeared before me, and (2) Melissa Kay Gee, Esq. proved to me on the basis of satisfactory evidence to be the person who appeared before me, and (3) Michael James Castro proved to me on the basis of satisfactory evidence to be the person who appeared before me

- a. Is this an original filing? Yes[X] No [ ]  
 b. If no:  
 1. State the amendment number 0  
 2. Date filed 0  
 3. Number of pages attached 0

Belinda Jantz (Notary Public Signature)  
Notary Public Signature  
Notary Public Signature

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NOV 10 2015

OFFICE OF RISK ASSESSMENT

# JURAT

CA Government Code 8202-compliant

## See Attached Document

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of San Francisco

Subscribed and sworn to before me on this 8<sup>th</sup> day of October, 2015 by

Belinda Martinez, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and

Melissa K. Gee, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and

Michael J. Castro, proved to me on the basis of satisfactory evidence to be the person who appeared before me.



Signature \_\_\_\_\_

Signature of Notary Public

## Further Description of Any Attached Document

Title or Type of Document: Quarterly Statement as of September 30, 2015 of the Condition and Affairs of the Alpha Dental Programs, Inc.

Document Date: October 8, 2015

Number of Pages: 1

**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 .....	7,722,572		7,722,572	3,825,907
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
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 (\$.....7,041,747), cash equivalents (\$.....0) and short-term investments (\$.....0)	7,041,747		7,041,747	9,304,244
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	14,764,319		14,764,319	13,130,151
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	42,507		42,507	40,443
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,226,080	24,816	1,201,264	981,884
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				
16.2 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				
18.2 Net deferred tax asset	3,030	3,030		
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,442,167		1,442,167	785,402
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	65,628	60,748	4,880	
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	17,543,731	88,594	17,455,137	14,937,880
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	17,543,731	88,594	17,455,137	14,937,880
<b>DETAILS OF WRITE-INS</b>				
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 Sales Incentive	13,846	13,846		
2502. Prepaid State Income Tax	36,024	36,024		
2503. Misc receivables	15,758	10,878	4,880	
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	65,628	60,748	4,880	

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year 4 Total
	1 Covered	2 Uncovered	3 Total	
1. Claims unpaid (less \$.....0 reinsurance ceded)	988,425	46,575	1,035,000	1,450,000
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	97,000		97,000	149,934
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 reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	1,357,073		1,357,073	959,756
9. General expenses due or accrued	478,781		478,781	450,314
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	1,766,714		1,766,714	
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				168,284
13. Remittances and items not allocated	9,440		9,440	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates	287,700		287,700	2,591,326
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)				
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)	34,428		34,428	
24. Total liabilities (Lines 1 to 23)	5,019,561	46,575	5,066,136	5,769,614
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	1,000	1,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	692,700	692,700
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	11,695,301	8,474,566
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0)	XXX	XXX		
32.2 .....0 shares preferred (value included in Line 27 \$.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	12,389,001	9,168,266
34. Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	17,455,137	14,937,880
<b>DETAILS OF WRITE-INS</b>				
2301. Escheatable funds	34,428		34,428	
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	34,428		34,428	
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date Total	Prior Year Ended December 31 Total
	1 Uncovered	2 Total		
1. Member Months				
2. Net premium income (including \$.....0 non-health premium income)	X X X	1,794,730	1,596,454	2,189,742
3. Change in unearned premium reserves and reserves for rate credits	X X X	18,928,798	17,993,124	22,981,437
4. Fee-for-service (net of \$.....0 medical expenses)	X X X	397,317		
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X	62,580	34,220	46,310
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Lines 2 to 7)	X X X	19,388,695	18,027,344	23,027,747
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits				
10. Other professional services		10,906,398	8,890,919	12,331,169
11. Outside referrals	70,593	70,593	206,519	280,371
12. Emergency room and out-of-area				
13. Prescription drugs		4,043		
14. Aggregate write-ins for other hospital and medical				
15. Incentive pool, withhold adjustments and bonus amounts				
16. Subtotal (Lines 9 to 15)	70,593	10,981,034	9,097,438	12,611,540
<b>Less:</b>				
17. Net reinsurance recoveries				
18. Total hospital and medical (Lines 16 minus 17)	70,593	10,981,034	9,097,438	12,611,540
19. Non-health claims (net)		(52,934)	57,633	36,414
20. Claims adjustment expenses, including \$.....0 cost containment expenses		3,479,586	3,026,161	4,148,882
21. General administrative expenses				
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23. Total underwriting deductions (Lines 18 through 22)	70,593	14,407,686	12,181,232	16,796,836
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	4,981,009	5,846,112	6,230,911
25. Net investment income earned		71,738	40,702	61,367
26. Net realized capital gains (losses) less capital gains tax of \$.....0				
27. Net investment gains or (losses) (Lines 25 plus 26)		71,738	40,702	61,367
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]		(4,993)		
29. Aggregate write-ins for other income or expenses				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	5,047,754	5,886,814	6,292,278
31. Federal and foreign income taxes incurred	X X X	1,766,714	2,058,256	2,202,845
32. Net income (loss) (Lines 30 minus 31)	X X X	3,281,040	3,828,558	4,089,433
<b>DETAILS OF WRITE-INS</b>				
0601. Administration Income	X X X	62,580	34,220	46,310
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	62,580	34,220	46,310
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401. Grievances		4,043		
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		4,043		
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

## STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	9,168,266	5,095,036	5,095,036
34. Net income or (loss) from Line 32 .....	3,281,040	3,828,558	4,089,433
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
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....			
39. Change in nonadmitted assets .....	(60,305)	(1,407)	(16,203)
40. Change in unauthorized and certified reinsurance .....			
41. Change in treasury stock .....			
42. Change in surplus notes .....			
43. Cumulative effect of changes in accounting principles .....			
44. Capital Changes:			
44.1 Paid in .....			
44.2 Transferred from surplus (Stock Dividend) .....			
44.3 Transferred to surplus .....			
45. Surplus adjustments:			
45.1 Paid in .....			
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 .....			
48. Net change in capital and surplus (Lines 34 to 47) .....	3,220,735	3,827,151	4,073,230
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	12,389,001	8,922,187	9,168,266
<b>DETAILS OF WRITE-INS</b>			
4701. Rounding .....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....			

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	19,479,236	17,634,103	23,478,268
2. Net investment income	96,679	52,601	68,124
3. Miscellaneous income	62,580	34,220	46,310
4. TOTAL (Lines 1 to 3)	19,638,495	17,720,924	23,592,702
5. Benefit and loss related payments	11,396,034	8,859,308	11,923,819
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	3,456,112	2,853,224	3,916,748
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			2,198,543
10. TOTAL (Lines 5 through 9)	14,852,146	11,712,532	18,039,110
11. Net cash from operations (Line 4 minus Line 10)	4,786,349	6,008,392	5,553,592
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	595,637	75,000	75,000
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	595,637	75,000	75,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds	4,519,307	2,053,142	2,053,142
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	4,519,307	2,053,142	2,053,142
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(3,923,670)	(1,978,142)	(1,978,142)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(3,125,176)	(893,605)	1,681,059
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(3,125,176)	(893,605)	1,681,059
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,262,497)	3,136,645	5,256,509
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	9,304,244	4,047,735	4,047,735
19.2 End of period (Line 18 plus Line 19.1)	7,041,747	7,184,380	9,304,244
<b>Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:</b>			
20.0001			



**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

1	Total	Individual	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
			2	3							
Total Members at end of:											
1. Prior Year	198,813						198,813				
2. First Quarter	227,859						227,859				
3. Second Quarter	198,107						198,107				
4. Third Quarter	178,447						178,447				
5. Current Year											
6. Current Year Member Months	1,794,730						1,794,730				
Total Member Ambulatory Encounters for Period:											
7. Physician											
8. Non-Physician	57,211						57,211				
9. Total	57,211						57,211				
10. Hospital Patient Days Incurred											
11. Number of Inpatient Admissions											
12. Health Premiums Written (a)	18,991,378						18,991,378				
13. Life Premiums Direct											
14. Property/Casualty Premiums Written											
15. Health Premiums Earned	19,388,695						19,388,695				
16. Property/Casualty Premiums Earned											
17. Amount Paid for Provision of Health Care Services	11,396,034						11,396,034				
18. Amount Incurred for Provision of Health Care Services	10,981,034						10,981,034				

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

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

Aging Analysis of Unpaid Claims

Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
1	2	3	4	5	6	7
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals						
0599999 Unreported claims and other claim reserves						
0699999 Total Amounts Withheld						1,035,000
0799999 Total Claims Unpaid						1,035,000
0899999 Accrued Medical Incentive Pool And Bonus Amounts						



**Notes to Financial Statement****1. Summary of Significant Accounting Policies****A. Accounting Practices**

The accompanying financial statements for Alpha Dental Programs, Inc. (the Company) have been prepared in conformity with accounting practices prescribed by the National Association of Insurance Commissioners (NAIC) and the Department of Insurance of the State of Texas.

The Texas Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Texas for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under Texas Insurance Law. The NAIC *Accounting Practices and Procedures* (AP&P) has been adopted as a component of prescribed or permitted practices by the State of Texas. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. There are no reconciling items between the NAIC AP&P and practices prescribed and permitted by the State of Texas in the current period.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Texas is shown below:

	State of Domicile	2015	2014
<u>NET INCOME</u>			
(1)	Company state basis (Page 4, Line 32, Columns 2 & 4)	TX \$ 3,281,040	\$ 4,089,433
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP: e.g., Depreciation of fixed assets	TX -	-
(3)	State Permitted Practices that increase/(decrease) NAIC SAP: e.g., Depreciation, home office property	TX -	-
(4)	NAIC SAP (1-2-3=4)	TX \$ 3,281,040	\$ 4,089,433
<u>SURPLUS</u>			
(5)	Company state basis (Page 3, Line 33, Columns 3 & 4)	TX \$ 12,389,001	\$ 9,168,266
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP: e.g., Goodwill, net e.g., Fixed Assets, net	TX -	-
(7)	State Permitted Practices that increase/(decrease) NAIC SAP: e.g., Home Office Property	TX -	-
(8)	NAIC SAP (5-6-7=8)	TX \$ 12,389,001	\$ 9,168,266

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

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

**C. Accounting Policy**

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

Receivables from subscribers which are older than ninety days are not admitted assets for statutory accounting purposes and are charged against accumulated surplus. As of September 30, 2015 this amount was \$24,816. Deferred tax asset, prepaid income tax, prepaid sales incentives and miscellaneous provider receivables amounting to \$63,778 have been treated as non-admitted.

Certain expenses and liabilities relating to providers are covered as a result of "hold harmless" terms contained in the provider contracts.

In addition, the Company uses the following accounting policies:

- (1) For the purposes of reporting cash flows, cash and cash equivalents include cash in bank and temporary and short-term funds. Cash and cash equivalents include investments with maturities of three months or less and short-term funds, which when purchased, are due to mature within one year. Short-term investments are stated at amortized cost.
- (2) Bonds and stocks are valued in accordance with valuations prescribed by the NAIC. Generally, bonds are carried at cost, adjusted where appropriate for amortization of premium or accrual of discount computed using the scientific (constant yield) interest method.

## **Notes to Financial Statement**

### **1. Summary of Significant Accounting Policies (continued)**

(3) Common stocks and mutual funds are carried at market values recognized by the NAIC with the net unrealized gain or loss included in unassigned funds. Realized investment gains and losses are reported in the statutory statements of operations, based upon the specific identification method of securities sold.

(4) The Company does not currently own preferred stocks.

(5) The Company does not issue mortgage loans on real estate.

(6) The Company does not own loan-backed securities.

(7) The Company does not have investments in SCA entities.

(8) The Company does not have investments in joint ventures, partnerships or limited liability companies.

(9) The Company does not have investments in derivatives.

(10) The Company does not have a premium deficiency reserve.

(11) The liability for claims is for services rendered which have been reported to the Company and are unpaid at statement date as well as provisions for claims incurred but not reported at the statement date. The liability for reported claims is based on approved and preauthorized claims unpaid at period-end. The liability for claims incurred but not reported is calculated in accordance with formulas established by management and certified at year-end by an enrolled actuary. Management believes that the liabilities for unpaid claims and claims adjustment expenses are adequate to cover the ultimate net costs of claims to date, but the liability is necessarily based on estimates, and the amount ultimately paid may be more or less than such estimates. These liabilities are subject to continuing review by management and changes in estimates are reflected in current earnings.

(12) The Company has not modified its capitalization policy from the prior period.

(13) The Company does not have a pharmaceutical rebate receivable.

### **2. Accounting Changes and Corrections of Errors**

The Company has made no correction of errors or experienced accounting changes in the period of this report.

### **3. Business Combinations and Goodwill**

The Company has not experienced any business combinations or goodwill transactions during the period of this report.

### **4. Discontinued Operations**

This is not applicable to the Company.

### **5. Investments**

A. The Company has not invested in mortgage loans.

B. The Company has not been involved in debt restructuring.

C. The Company has not been involved in reverse mortgages.

D. The Company has not invested in any loan-backed securities.

E. The Company has not been involved in repurchase agreements and/or securities lending transactions.

F. The Company has not invested in real estate.

G. The Company has not invested in low-income housing tax credits (LIHTC).

**Notes to Financial Statement****5. Investments (continued)****H. Restricted assets (including pledged)**

(1) The Company has restricted assets (including pledged) as indicated below:

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Percentage Gross Restricted to Total Assets	6 Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements	\$	\$	\$	\$	%	%
c. Subject to repurchase agreements	\$	\$	\$	\$	%	%
d. Subject to reverse repurchase agreements	\$	\$	\$	\$	%	%
e. Subject to dollar repurchase agreements	\$	\$	\$	\$	%	%
f. Subject to dollar reverse repurchase agreements	\$	\$	\$	\$	%	%
g. Placed under option contracts	\$	\$	\$	\$	%	%
h. Letter stock or securities restricted as to sale — excluding FHLB capital stock	\$	\$	\$	\$	%	%
i. FHLB capital stock	\$	\$	\$	\$	%	%
j. On deposit with states	\$	\$	\$	\$	%	%
k. On deposit with other regulatory bodies	\$ 783,871	\$ 833,928	(\$ 50,057)	\$ 783,871	4.468%	4.491%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$	\$	\$	\$	%	%
m. Pledged as collateral not captured in other categories	\$	\$	\$	\$	%	%
n. Other restricted assets	\$	\$	\$	\$	%	%
<b>o. Total Restricted Assets</b>	<b>\$ 783,871</b>	<b>\$ 833,928</b>	<b>(\$ 50,057)</b>	<b>\$ 783,871</b>	<b>4.468%</b>	<b>4.491%</b>

The Company has the following restricted assets (reported at cost) on deposit with other regulatory bodies, as required by various states:

\$50,000 Certificate of Deposit as required for Alpha Dental Programs, Inc. in the State of Idaho.  
 \$100,000 Certificate of Deposit as required for Alpha Dental Programs, Inc. in the State of Maryland.  
 \$50,000 Certificate of Deposit as required for Alpha Dental Programs, Inc. in the State of New Jersey.  
 \$50,000 US Treasury Bond as required for Alpha Dental Programs, Inc. in the State of Illinois.  
 \$102,000 US Treasury Bond as required for Alpha Dental Programs, Inc. in the State of Indiana.  
 \$55,000 US Treasury Bond as required for Alpha Dental Programs, Inc. in the State of Missouri.  
 \$150,000 US Treasury Bond as required for Alpha Dental Programs, Inc. in the State of Texas.  
 \$150,000 US Treasury Bond as required for Alpha Dental Programs, Inc. in the State of Texas for uncovered non panel Claim expenses.  
 \$75,000 Corporate Bond as required for Alpha Dental Programs in the State of Ohio.

(2) The Company does not have any other restricted assets.

I. The Company does not have working capital finance investments.

J. The Company does not have offsetting assets and liabilities.

K. The company has not invested in structured notes.

**6. Joint Ventures, Partnerships and Limited Liability Companies**

This is not applicable to the Company.

**7. Investment Income**

Investment income has been \$71,738 for the year 2015. No due and accrued investment income was excluded from investment income.

**8. Derivative Instruments**

The Company has not invested in any derivative instruments.

## Notes to Financial Statement

## 9. Income Taxes

A. The components of the net deferred tax asset/(liability) are as follows:

1. Description	09/30/2015			12/31/2014			Change		
	1 Ordinary	2 Capital	3 (Col. 1 + 2) Total	4 Ordinary	5 Capital	6 (Col. 4 + 5) Total	7 (Col. 1 - 4) Ordinary	8 (Col. 2 - 5) Capital	9 (Col. 7 + 8) Total
a. Gross Deferred Tax Assets	3,030	-	3,030	3,030	-	3,030	-	-	-
b. Statutory Valuation Allowance Adjustments	-	-	-	-	-	-	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	3,030	-	3,030	3,030	-	3,030	-	-	-
d. Deferred Tax Assets Non-admitted	3,030	-	3,030	3,030	-	3,030	-	-	-
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	-	-	-	-	-	-	-	-	-
f. Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-
g. Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	-	-	-	-	-	-	-	-	-

(2) The Company does not have any deferred tax asset admission for the current year or prior year, therefore this is not applicable to the Company.

(3) The Company does not have any deferred tax asset admission for the current year or prior year, therefore this is not applicable to the Company.

(4) The Company does not have any deferred tax asset admission for the current year or prior year, therefore this is not applicable to the Company.

B. The Company does not have any deferred tax liabilities.

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

Description	1 09/30/2015	2 12/31/2014	3 (Col. 1 - 2) Change
1. Current Income Tax			
a. Federal	1,766,714	2,202,845	(1,476,780)
b. Foreign	-	-	-
c. Subtotal	1,766,714	2,202,845	(1,476,780)
d. Federal income tax on net capital gains	-	-	-
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	800	(800)
g. Federal and foreign income taxes incurred	1,766,714	2,203,645	(1,477,580)
2. Deferred Tax Assets:			
a. Ordinary	-	-	-
1. Discounting of unpaid losses	-	-	-
2. Unearned premium reserve	-	-	-
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed assets	-	-	-
8. Compensation and benefits accrual	-	-	-
9. Pension accrual	-	-	-
10. Receivables - nonadmitted	-	-	-
11. Net operating loss carry-forward	-	-	-
12. Tax credit carry-forward	-	-	-
13. Other (including items < 5% of total ordinary tax assets)	3,030	3,030	-
99. Subtotal	3,030	3,030	-
b. Statutory valuation allowance adjustment	-	-	-
c. Nonadmitted	3,030	3,030	-
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	-	-	-
e. Capital:			
1. Investments	-	-	-
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (including items < 5% of total capital tax assets)	-	-	-
99. Subtotal	-	-	-
f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
i. Admitted deferred tax assets (2d + 2h)	-	-	-

## Notes to Financial Statement

## 9. Income Taxes (continued)

Description	1 09/30/2015	2 12/31/2014	3 (Col. 1 - 2) Change
3. Deferred Tax Liabilities:			
a. Ordinary			
1. Investments	-	-	-
2. Fixed assets	-	-	-
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other (including items < 5% of total ordinary tax liabilities)	-	-	-
99. Subtotal	-	-	-
b. Capital:			
1. Investments	-	-	-
2. Real estate	-	-	-
3. Other (including items < 5% of total capital tax liabilities)	-	-	-
99. Subtotal	-	-	-
c. Deferred tax liabilities (3a99 + 3b99)	-	-	-
4. Net deferred tax assets/liabilities (21 - 3c)	-	-	-

D. This is not applicable to this company.

E. (1) This is not applicable to the company

(2) This is not applicable to the company.

(3) This is not applicable to the company.

F. (1) The following represents the listing of entities with which the Company files a consolidated federal income tax return: DDC Insurance Holdings, Inc., Dentegra Insurance Company, Dentegra Insurance Company of New England, Delta Dental Insurance Company, Alpha Dental of Nevada, Inc., Alpha Dental of Utah, Inc., Alpha Dental of Arizona, Inc., and Alpha Dental of New Mexico, Inc.

(2) The Company is included in a consolidated federal income tax return with its parent company, DDC Insurance Holdings, Inc. (DDCIH), and its subsidiaries. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to the federal income taxes.

G. This is not applicable to the company.

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Alpha Dental Programs, Inc., a Texas corporation, administers and underwrites prepaid dental care programs under agreements with employers and panel providers. Alpha Dental Programs, Inc. is a wholly owned subsidiary of DDC Insurance Holding Company. Alpha Dental Programs, Inc.'s principal place of business and current books and records are maintained in San Francisco, California.

The Company is a member of a group of related entities under common control. These entities provide services to each other and charge fees for those services and the Company's financial position and results of operations might be different if it was operated as a stand-alone entity.

B. The Company does not have any detail transactions other than described in (A.) above and (D.) and (F.) below.

C. There have been no changes in terms of the intercompany arrangement.

D. By separate agreements not included in (F.) below, the Company also had amounts due from parent, subsidiaries and affiliates \$1,442,167 and amounts due to parent, subsidiaries and affiliates of \$287,700 as of September 30, 2015. Related party (affiliate) transactions are normally settled on a monthly basis through an intercompany cash transfer.

E. This is not applicable to the Company.

F. Under the terms of a management agreement contract, DDC provides management services to the Company. Net expenses incurred for these services as of September 30, 2015 was \$2,559,138.

G. The Company's operations are not affected by the nature of relationships.

H. The Company does not deduct any amounts for investments in an upstream company.

I. The Company has no investment in an SCA entity.

J. The Company has no investment in an SCA entity.

## **Notes to Financial Statement**

### **10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (continued)**

- K. The Company has no investment in a foreign insurance subsidiary.
- L. The Company has no investment in a downstream noninsurance holding company.

### **11. Debt**

This is not applicable to the Company.

### **12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

- A. The Company does not have a Defined Benefit Plan.
- B. This is not applicable to the Company.
- C. This is not applicable to the Company.
- D. This is not applicable to the Company.
- E. The Company does not have a defined contribution plan.
- F. The Company does not have a Multiemployer Plan.
- G. The Company does not have a Consolidated/Holding Company Plan.
- H. This is not applicable to the Company.
- I. This is not applicable to the Company.

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

- (1) The Company has 1,000,000 shares of common stock authorized and 1,000 share issued and outstanding with a par value of \$1 per share.
- (2) The Company has no shares of preferred stock.
- (3) The Company does not pay any dividends.
- (4) The Company does not pay any ordinary or extraordinary dividends.
- (5) The Company does not pay any dividends.
- (6) The Company has no restrictions on unassigned surplus.
- (7) The Company is not a mutual or similarly organized entity.
- (8) The Company holds no shares of stock.
- (9) The Company has no special surplus funds.
- (10) The Company has no unassigned surplus that is represented or reduced by cumulative unrealized gains and losses.
- (11) The Company has no surplus notes.
- (12) The Company has not done a quasi-reorganization.
- (13) The Company has not done a quasi-reorganization.

### **14. Liabilities, Contingencies and Assessments**

- A. The Company does not have any commitments or contingent commitments.
- B. The Company has not been advised of any assessments that could have a material financial effect.
- C. The Company has no gain contingencies.
- D. The Company has no claims related to extra contractual obligation and bad faith losses stemming from law suits.
- E. The Company has no joint and several liabilities.
- F. The Company has no assets that it considers to be impaired or other loss contingencies.

**Notes to Financial Statement**

- 15. Leases**
- A. The Company does not have any leases.
  - B. The Company does not have any lessor leases.
- 16. Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk**
- The Company does not have any financial instruments with off-balance-sheet risk or concentrations of credit risk.
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**
- The Company has not sold, transferred or serviced financial assets or extinguished liabilities.
- 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**
- A. The Company does not have any ASO plans.
  - B. The Company does not have any ASC plans.
  - C. The Company does not have any Medicare or similarly structured cost based reimbursement contracts.
- 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**
- The Company does not have a direct premium that is produced by managing agents or third party administrators.
- 20. Fair Value Measurements**
- A. The Company does not have any assets or liabilities measured at fair value for the period ended September 30, 2015.
  - B. This is not applicable to the Company.
  - C. This is not applicable to the Company.
  - D. This is not applicable to the Company.
- 21. Other Items**
- A. The Company does not have any extraordinary items to report.
  - B. The Company does not have any troubled debt restructuring to report.
  - C. The Company does not have any other disclosures and unusual items to report.
  - D. The Company does not have any business interruption insurance recoveries.
  - E. The Company has not been involved in state transferable tax credits.
  - F. The Company does not have any subprime-mortgage-related risk exposure.
  - G. The Company does not have any retained assets accounts for beneficiaries.

**22. Events Subsequent**

In accordance with section 9010 of the Affordable Care Act (ACA), health insurers are subject to an annual assessment based on the amount of the net premiums written during the preceding calendar year, subject to certain thresholds. The Company is exempt from the annual assessment as written premiums were less than the required threshold for the period ending September 30, 2015.

	Current Year	Prior Year
A. ACA fee assessment payable for the upcoming year	\$ 0	\$ 0
B. ACA fee assessment paid	\$ 0	\$ 0
C. Premium written subject to ACA 9010 assessment	\$ 0	\$ 0
D. Total Adjusted Capital before surplus adjustment	\$ 0	
E. Authorized Control Level before surplus adjustment	\$ 0	
F. Total Adjusted Capital after surplus adjustment	\$ 0	

**Notes to Financial Statement****22. Events Subsequent (continued)**

	Current Year	Prior Year
G. Authorized Control Level after surplus adjustment	\$ 0	
H. Would reporting the ACA assessment as of September 30, 2015, have triggered an RBC action level?		NO

There were no events occurring subsequent to September 30, 2015 that may have a material effect on the financial condition of the Company.

**23. Reinsurance**

- A. The Company does not have any ceded reinsurance, therefore all answers in this section are no and/or not applicable to the Company.
- B. The Company has no uncollectible reinsurance.
- C. The Company has no commutation of ceded reinsurance.
- D. The Company does not cede to certified reinsurer.

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

This is not applicable to the Company.

**25. Changes in Incurred Claims and Claim Adjustment Expenses**

Reserves as of December 31, 2014 were \$1,450,000. As of September 30, 2015 \$1,011,165 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$109,695 as a result of re-estimation of unpaid claims and claim adjustment. Therefore, there has been a \$329,140 favorable prior-year development since December 31, 2014. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The reserves as of September 30, 2015 are at \$1,035,000.

**26. Intercompany Pooling Arrangements**

This is not applicable to the Company.

**27. Structured Settlements**

This is not applicable to the Company.

**28. Health Care Receivables**

- A. The Company has no pharmaceutical rebate receivables.
- B. The Company has no risk sharing receivables.

**29. Participating Policies**

This is not applicable to the Company.

**30. Premium Deficiency Reserve**

- (1) Liability carried for premium deficiency reserves \$0
- (2) Date of the most recent evaluation of the liability 09/30/2015
- (3) Was anticipated investment income utilized in this calculation? Yes  No

**31. Anticipated Salvage and Subrogation**

The Company does not anticipate salvage and subrogation.

# 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[] N/A[X]
- 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] N/A[]  
 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: 12/31/2013  
 6.2 State 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. 12/31/2013  
 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). 05/21/2015  
 6.4 By what department or departments? .....
- 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[] No[] N/A[X]  
 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]
- 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. Yes[] No[X]  
 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
.....	.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 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?  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Yes[X] No[]  
 (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. Yes[] No[X]  
 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[X] No[]  
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,442,167

## 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: \$ 0  
 13. Amount of real estate and mortgages held in short-term investments: \$ 0

**GENERAL INTERROGATORIES (Continued)****INVESTMENT**

Yes[] No[X]

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?  
 14.2 If yes, please complete the following:

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

Yes[] No[X]  
 Yes[] No[] N/A[X]

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?  
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
 If no, attach a description with this statement.

\$ ..... 0  
 \$ ..... 0  
 \$ ..... 0

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

Yes[X] No[]

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

1	2
Name of Custodian(s)	Custodian Address
JP Morgan Chase Bank	P.O.Box 5233, New Hyde Park, NY 11042-9883
U.S. Bank	1021 E. Cary Street, 3rd Floor, Richmond VA 23219
TD Bank National Association	101 Haddonfield Road, 2nd Floor, Cherry Hill NJ 08002-4401
U.S. Bank	60 Livingston Ave., Mail Location EP-MN-WS3T, St Paul, MN 55107-2292
Wells Fargo Institutional Brokerage	333 Market Street, 5th Floor, San Francisco, CA 94105
U.S. Bank	10 West Market Street, Suite 1150, Indianapolis, IN 46204
U.S. Bank	10 West Market Street, Suite 1150, Indianapolis, IN 46204
U.S. Bank	101 Capitol Blvd., Suite 905, Boise, ID 83702
JP Morgan Chase Bank	2200 Rose Ave, Dallas, TX 75201
Central Bank	P.O. Box 779, Jefferson City, MO 65102

- 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	2	3
Name(s)	Location(s)	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?  
 17.4 If yes, give full and complete information relating thereto:

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

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

1	2	3
Central Registration Depository	Name(s)	Address

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?  
 18.2 If no, list exceptions:

Yes[X] No[]



## GENERAL INTERROGATORIES

### PART 2 - HEALTH

1. Operating Percentages:  
1.1 A&H loss percent  
1.2 A&H cost containment percent  
1.3 A&H expense percent excluding cost containment expenses

..... 56.0000%  
..... 0.0000%  
..... 27.0000%

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

Yes  No  ..... 0  
Yes  No  ..... 0  
\$ .....  
\$ .....

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
				<b>NONE</b>				

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Current Year to Date - Allocated by States and Territories**

State, Etc.	Direct Business Only									
	1	2	3	4	5	6	7	8	9	
	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama (AL)	N									
2. Alaska (AK)	N									
3. Arizona (AZ)	N									
4. Arkansas (AR)	N									
5. California (CA)	N									
6. Colorado (CO)	N									
7. Connecticut (CT)	N									
8. Delaware (DE)	N									
9. District of Columbia (DC)	N									
10. Florida (FL)	N									
11. Georgia (GA)	N									
12. Hawaii (HI)	L	155,621						155,621		
13. Idaho (ID)	L	25,028						25,028		
14. Illinois (IL)	L	617,105						617,105		
15. Indiana (IN)	L	267,039						267,039		
16. Iowa (IA)	N									
17. Kansas (KS)	N									
18. Kentucky (KY)	L	119,029						119,029		
19. Louisiana (LA)	N									
20. Maine (ME)	N									
21. Maryland (MD)	L	1,157,769						1,157,769		
22. Massachusetts (MA)	N									
23. Michigan (MI)	N									
24. Minnesota (MN)	N									
25. Mississippi (MS)	N									
26. Missouri (MO)	L	157,447						157,447		
27. Montana (MT)	N									
28. Nebraska (NE)	N									
29. Nevada (NV)	N									
30. New Hampshire (NH)	N									
31. New Jersey (NJ)	L	1,404,124						1,404,124		
32. New Mexico (NM)	N									
33. New York (NY)	N									
34. North Carolina (NC)	N									
35. North Dakota (ND)	N									
36. Ohio (OH)	L	411,933						411,933		
37. Oklahoma (OK)	N									
38. Oregon (OR)	N									
39. Pennsylvania (PA)	N									
40. Rhode Island (RI)	N									
41. South Carolina (SC)	N									
42. South Dakota (SD)	N									
43. Tennessee (TN)	N									
44. Texas (TX)	L	14,676,283						14,676,283		
45. Utah (UT)	N									
46. Vermont (VT)	N									
47. Virginia (VA)	N									
48. Washington (WA)	N									
49. West Virginia (WV)	N									
50. Wisconsin (WI)	N									
51. Wyoming (WY)	N									
52. American Samoa (AS)	N									
53. Guam (GU)	N									
54. Puerto Rico (PR)	N									
55. U.S. Virgin Islands (VI)	N									
56. Northern Mariana Islands (MP)	N									
57. Canada (CAN)	N									
58. Aggregate other alien (OT)	XXX									
59. Subtotal	XXX	18,991,378						18,991,378		
60. Reporting entity contributions for Employee Benefit Plans	XXX									
61. Total (Direct Business)	(a) 10	18,991,378						18,991,378		

**DETAILS OF WRITE-INS**

58001.	XXX								
58002.	XXX								
58003.	XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page								
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX							

(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**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Code	FEDERAL ID Number	RSSD Number	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Subsidiaries or Affiliates	Domestic Location	Relationship to Reporting Entity	Directly Controlled (Name of Person / Entity / Influence, Other)	Type of Control (Ownership, Management, Attorney-in-Fact, Board, Other)	If Controlled by Ultimate Controlling Entity(ies) / Person(s)	Percentage Ownership Provide	
2479	Dentegra Group, Inc	00000	943386049	941461312	941461312	Dentegra Group, Inc	Delta Dental of California	CA	OTH	Delta Dental of California	Board of Directors, Management			Delta Dental of California
2479	Dentegra Group, Inc	00000	943386049	941461312	941461312	Dentegra Group, Inc	Delta Dental of California	PA	IA	Dentegra Group, Inc	Board of Directors			Delta Dental of California
2479	Dentegra Group, Inc	00000	000000000	000000000	000000000	Dentegra Group, Inc	Delta Dental Community	DE	UDP	Delta Dental of California	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	371570764	371570764	371570764	Delta Dental Community	Care Foundation	CA	NIA	Dentegra Group, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	73474	751233841	751233841	751233841	Dentegra Insurance Company	Dentegra Insurance Company	DE	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	12210	300318743	300318743	300318743	Company of New England	Dentegra Insurance Company	MA	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	81396	942761537	942761537	942761537	Delta Dental Insurance Company	Delta Dental Insurance Company	DE	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	47085	660436769	660436769	660436769	Delta Dental of Puerto Rico	Delta Dental of Puerto Rico	PR	IA	Delta Dental of California	Ownership, Board of Directors	63.9	0000001	Delta Dental of California
2479	Dentegra Group, Inc	11332	510228088	510228088	510228088	Delta Dental of Delaware	Delta Dental of Delaware	DE	IA	Dentegra Group, Inc	Board of Directors			Delta Dental of California
2479	Dentegra Group, Inc	00000	521479587	521479587	521479587	Delta Dental of District of Columbia	Delta Dental of District of Columbia	DC	IA	Dentegra Group, Inc	Board of Directors			Delta Dental of California
2479	Dentegra Group, Inc	12329	550523124	550523124	550523124	Delta Dental of West Virginia	Delta Dental of West Virginia	WV	IA	Dentegra Group, Inc	Board of Directors			Delta Dental of California
2479	Dentegra Group, Inc	00000	205627794	205627794	205627794	Dentegra Insurance Holdings, LLC	Dentegra Insurance Company	DE	NIA	Dentegra Insurance Company	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	95778	880244893	880244893	880244893	Alpha Dental of Nevada, Inc	Alpha Dental of Nevada, Inc	NV	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	11174	860672505	860672505	860672505	Alpha Dental of Utah, Inc	Alpha Dental of Utah, Inc	UT	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	95163	742447512	742447512	742447512	Alpha Dental Programs, Inc	Alpha Dental Programs, Inc	TX	RE	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	10765	630796079	630796079	630796079	Alpha Dental of AL, Inc	Alpha Dental of AL, Inc	AL	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	47092	330279230	330279230	330279230	Alpha Dental of NM, Inc	Alpha Dental of NM, Inc	NM	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	95366	800175937	800175937	800175937	Alpha Dental of AZ, Inc	Alpha Dental of AZ, Inc	AZ	IA	Dentegra Insurance Holdings, Inc	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000				Servicios Dentegra Dentegra, S.A. de C.V.	Dentegra Insurance Company	MEX	NIA	Dentegra Insurance Company	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	593410497	593410497	593410497	Celebration Dental Services, LC	Dentegra Insurance Company	MEX	IA	Dentegra Insurance Company	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	94327375	94327375	94327375	PACA Management, LLC	Delta Dental of California	FL	NIA	Delta Dental of California	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental of Pennsylvania	BRB	IA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	73474	751233841	751233841	751233841	Dentegra Insurance Company	Delta Dental Insurance Company	DE	IA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	81396	942761537	942761537	942761537	Delta Dental Insurance Company	Delta Dental Insurance Company	DE	IA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000				Servicios Dentegra Dentegra, S.A. de C.V.	Dentegra Insurance Holdings, S.A. de C.V.	MEX	NIA	Dentegra Insurance Holdings, LLC	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	94327375	94327375	94327375	Delta Reinsurance Corporation	Delta Dental Insurance Company	MEX	NIA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental Insurance Company	BRB	IA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental Insurance Company	BRB	IA	Delta Dental of Pennsylvania	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental Insurance Company	BRB	IA	Delta Dental of West Virginia	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	00000	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental Insurance Company	BRB	IA	Delta Dental of West Virginia	Ownership			Delta Dental of California
2479	Dentegra Group, Inc	55263	111980218	111980218	111980218	Delta Reinsurance Corporation	Delta Dental of New York	NY	IA	Dentegra Group, Inc	Board of Directors			Delta Dental of California
2479	Dentegra Group, Inc	55263	980096711	980096711	980096711	Delta Reinsurance Corporation	Delta Dental of New York	BRB	IA	Delta Dental of New York	Ownership			Delta Dental of California

Astensk	Explanation
0000001	1 - Delta Dental of California elects 4 of the 7 directors .....

## 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**  
No

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



9516320153650003

2015

Document Code: 365



STATEMENT AS OF **September 30, 2015** OF THE **Alpha Dental Programs, Inc.**  
**SCHEDULE A - VERIFICATION**  
 Real Estate

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

NONE

**SCHEDULE B - VERIFICATION**  
 Mortgage Loans

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

NONE

**SCHEDULE BA - VERIFICATION**  
 Other Long-Term Invested Assets

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

NONE

**SCHEDULE D - VERIFICATION**  
 Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	3,825,907	1,873,695
2. Cost of bonds and stocks acquired	4,519,307	2,053,142
3. Accrual of discount	2,643	1,748
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of	595,637	75,000
7. Deduct amortization of premium	29,648	27,678
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	7,722,572	3,825,907
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	7,722,572	3,825,907



**SCHEDULE DA - PART 1**

Short - Term Investments

	1 Book/Adjusted Carrying Value	2	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999 Totals	<b>NONE</b>				

**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	3,103	1,106
2. Cost of short-term investments acquired	154,688	80,694
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	157,691	78,697
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		3,103
11. Deduct total nonadmitted amounts		3,103
12. Statement value at end of current period (Line 10 minus Line 11)		3,103

**SI04 Schedule DB - Part A Verification ..... NONE**

**SI04 Schedule DB - Part B Verification ..... NONE**

**SI05 Schedule DB Part C Section 1 ..... NONE**

**SI06 Schedule DB Part C Section 2 ..... NONE**

**SI07 Schedule DB - Verification ..... NONE**

**SI08 Schedule E - Verification (Cash Equivalents) ..... NONE**

E01 Schedule A Part 2 ..... NONE

E01 Schedule A Part 3 ..... NONE

E02 Schedule B Part 2 ..... NONE

E02 Schedule B Part 3 ..... NONE

E03 Schedule BA Part 2 ..... NONE

E03 Schedule BA Part 3 ..... NONE

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
CUSIP									
912828XM7	US TREASURY N/B		08/12/2015	WELLS FARGO SECURITIES LLC	X X X	151,195	150,000	86	X X X
0599999 Subtotal - Bonds - U.S. Governments						151,195	150,000	86	
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
14912LE6	CATERPILLAR FINANCIAL SE		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	151,182	150,000	218	1FE
20825CAU8	CONOCOPHILLIPS		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	318,040	275,000	2,475	1FE
22160KAC0	COSTCO WHOLESALE CORP		09/08/2015	WELLS FARGO SECURITIES LLC	X X X	248,098	250,000	316	1FE
25468PCV6	WALT DISNEY COMPANY/THE		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	274,722	275,000	823	1FE
30231GAG7	EXXON MOBIL CORPORATION		09/08/2015	WELLS FARGO SECURITIES LLC	X X X	166,944	167,000	44	1FE
377373AD7	GLAXOSMITHKLINE CAPITAL	R	09/03/2015	WELLS FARGO SECURITIES LLC	X X X	274,744	275,000	2,634	1FE
4370768B7	HOME DEPOT INC		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	282,150	275,000	3,077	1FE
478160BN3	JOHNSON & JOHNSON		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	280,497	275,000	1,759	1FE
532457BF4	ELI LILLY & CO		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	277,384	275,000	2,592	1FE
58013MEG5	MCDONALD'S CORP		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	302,454	275,000	1,451	1FE
56933YA08	MERCK & CO INC		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	271,645	275,000	520	1FE
63946CAD0	NBCUNIVERSAL ENTERPRISE		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	275,550	275,000	2,172	1FE
654106AC7	NIKE INC		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	265,947	275,000	2,200	1FE
694308HE0	PACIFIC GAS & ELECTRIC		09/03/2015	WELLS FARGO SECURITIES LLC	X X X	287,141	275,000	3,353	1FE
742718EB1	PROCTER & GAMLE CO/THE		09/04/2015	WELLS FARGO SECURITIES LLC	X X X	283,558	275,000	592	1FE
822582AJ1	SHELL INTERNATIONAL FIN	R	09/03/2015	WELLS FARGO SECURITIES LLC	X X X	299,560	275,000	5,486	1FE
CD2A15284	TD BANK		07/23/2015	UNKNOWN	X X X	50,000	50,000	1	1
3899997 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						4,309,616	4,192,000	29,712	X X X
8399997 Subtotal - Bonds - Part 3						4,460,811	4,342,000	29,798	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)						X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds						4,460,811	4,342,000	29,798	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)						X X X	X X X	X X X	X X X
<b>Common Stocks - Money Market Mutual Funds</b>									
38142Y542	GOLDMAN SACHS ILA FEDERAL-CM		07/01/2015	ADJUSTMENT		2,918,000			L
9399999 Subtotal - Common Stocks - Money Market Mutual Funds						2,918			X X X
9799997 Subtotal - Common Stocks - Part 3						2,918			X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)						X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks						2,918			X X X
9899999 Subtotal - Preferred and Common Stocks						2,918			X X X
9999999 Total - Bonds, Preferred and Common Stocks						4,463,729		29,798	X X X

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

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
Identification	Description	g	n	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)/ Impairment	Other Than Current Year's Temporary Impairment Recognized	Total Change in B/A.C.V. (11 + 12 - 13)	Foreign Exchange Total	Book/ Adjusted Carrying Value at Disposal	Gain (Loss) on Disposal	Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Dividends Received	NAIC Designation or Market Indicator (a)	
		Disposal Date	Date												Date	on Disposal	on Disposal	on Disposal	Total	During Year	Date	
912828NP1	US TREASURY NB		07/31/2015	MATURITY	X X X	150,000	150,000	151,650	150,199		(199)	(199)	(199)		150,000					2,625	07/31/2015	1
000000000	TD BANK	X X X	07/01/2015	ADJUSTMENT	X X X	50,000	50,000	55,103	50,784		(784)	(784)	(784)		50,000					2,918	08/24/2015	1
36962G4F8	GENERAL ELEC CAP CORP	X X X	09/21/2015	MATURITY	X X X	50,000	50,000	55,103	50,784		(784)	(784)	(784)		50,000					2,187	09/21/2015	1
694308HE0	PACIFIC GAS & ELECTRIC	X X X	09/04/2015	WELLS FARGO SECURITIES LLC	X X X	287,141	275,000	287,141	342,244		(784)	(784)	(784)		287,141					3,353	11/15/2023	1FE
3199998	Subtotal - Bonds - U.S. Special Revenue, Special Assessment	X X X			X X X	337,141	325,000	342,244	50,784		(784)	(784)	(784)		337,141					8,458		X X X
8399987	Subtotal - Bonds - Part 4	X X X			X X X	487,141	475,000	493,894	200,983		(983)	(983)	(983)		487,141					11,083		X X X
8399986	Summary Item from Part 5 for Bonds (N/A to Quarterly)	X X X			X X X	487,141	475,000	493,894	200,983		(983)	(983)	(983)		487,141					11,083		X X X
8399989	Subtotal - Bonds	X X X			X X X	487,141	475,000	493,894	200,983		(983)	(983)	(983)		487,141					11,083		X X X
899998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)	X X X			X X X	487,141	475,000	493,894	200,983		(983)	(983)	(983)		487,141					11,083		X X X
899999	Subtotal - Preferred and Common Stocks	X X X			X X X	487,141	475,000	493,894	200,983		(983)	(983)	(983)		487,141					11,083		X X X
939999	Subtotal - Common Stocks - Money Market Mutual Funds	X X X			X X X	58,496	58,496	58,496	58,496						58,496							X X X
939999	Subtotal - Common Stocks - Part 4	X X X			X X X	58,496	58,496	58,496	58,496						58,496							X X X
979997	Subtotal - Common Stocks - Part 4	X X X			X X X	58,496	58,496	58,496	58,496						58,496							X X X
979998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)	X X X			X X X	58,496	58,496	58,496	58,496						58,496							X X X
979999	Subtotal - Preferred and Common Stocks	X X X			X X X	58,496	58,496	58,496	58,496						58,496							X X X
999999	Total - Bonds, Preferred and Common Stocks	X X X			X X X	545,637	545,637	552,390	200,983		(983)	(983)	(983)		545,637					11,083		X X X

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

E06 Schedule DB Part A Section 1 ..... NONE

E07 Schedule DB Part B Section 1 ..... NONE

E08 Schedule DB Part D Section 1 ..... NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity ..... NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity ..... NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE

**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	6 Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>open depositories</b>								
WELLS FARGO					10,695,697	10,796,857	7,041,747	XXX
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories	XXX	XXX						XXX
0199999 Totals - Open Depositories	XXX	XXX			10,695,697	10,796,857	7,041,747	XXX
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories	XXX	XXX						XXX
0299999 Totals - Suspended Depositories	XXX	XXX						XXX
0399999 Total Cash On Deposit	XXX	XXX			10,695,697	10,796,857	7,041,747	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total Cash	XXX	XXX			10,695,697	10,796,857	7,041,747	XXX

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	Description	2	3	4	5	6	7	8
		Date	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year	
<b>NONE</b>								
8699999 Total - Cash Equivalents								



## MEDICARE PART D COVERAGE SUPPLEMENT (Net of Reinsurance)

NAIC Group Code: 2479

NAIC Company Code: 95163

	Individual Coverage		Group Coverage		Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected		XXX		XXX	
2. Earned Premiums		XXX		XXX	XXX
3. Claims Paid		XXX		XXX	
4. Claims Incurred		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	<b>NONE</b>				
6. Aggregate Policy Reserves - change			XXX		
7. Expenses Paid		XXX		XXX	
8. Expenses Incurred		XXX		XXX	XXX
9. Underwriting Gain or Loss		XXX		XXX	XXX
10. Cash Flow Results		XXX	XXX	XXX	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS