



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
PARAMOUNT INSURANCE COMPANY

NAIC Group Code	1212 (Current Period)	1212 (Prior Period)	NAIC Company Code	11518	Employer's ID Number	010580404
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Incorporated/Organized	04/19/2002		Commenced Business	09/26/2002		
Statutory Home Office	1901 Indian Wood Circle (Street and Number)		Maumee, OH, US 43537 (City or Town, State, Country and Zip Code)			
Main Administrative Office			1901 Indian Wood Circle (Street and Number)			
	Maumee, OH, US 43537 (City or Town, State, Country and Zip Code)				(419)887-2500 (Area Code) (Telephone Number)	
Mail Address	1901 Indian Wood Circle (Street and Number or P.O. Box)		Maumee, OH, US 43537 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records			1901 Indian Wood Circle (Street and Number)			
	Maumee, OH, US 43537 (City or Town, State, Country and Zip Code)				(419)887-2500 (Area Code) (Telephone Number)	
Internet Website Address	www.paramounthealthcare.com					
Statutory Statement Contact	Jonathan Burns, Mr. (Name)		(419)887-2909 (Area Code)(Telephone Number)(Extension)			
	jonathan.burns@promedica.org (E-Mail Address)				(419)887-2020 (Fax Number)	

OFFICERS

Name	Title
Robert William LaClair Mr.	Chairman
John Charles Randolph Mr.	President
Alan Michael Sattler Mr.	Treasurer
Jeffrey Craig Kuhn Mr.	Secretary

OTHERS

Jeffrey William Martin Mr., Vice President, Operations
Stacey Lee Bock Mrs., Vice President, Finance
John David Meier M.D., Vice President, Health Services

DIRECTORS OR TRUSTEES

Garry Walter Roberts Mr.
Cynthia Ann Geronimo Ms.
Cathy Lynn Cantor M.D.
Mark Leslie Ferris Mr.
Jeffrey William Boersma Mr.
Dee Ann Bialecki-Haase MD.
John Charles Randolph Mr.
Timothy Bublick Mr.
Julie Anne Bartnik Ms.
Vincent M. Davis Mr. #

State of Ohio
County of Lucas ss

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

(Signature)	(Signature)	(Signature)
John Charles Randolph	Stacey Lee Bock	Jeffrey Craig Kuhn
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Vice President, Finance	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2016
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 _____

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

Amy Lynn Hall Ms. #	Lynn Eric Olman Mr. #
Richard A. Wasserman Mr. #	Lee William Hammerling Mr #

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	5,719,105		5,719,105	5,683,963
2.	Stocks (Schedule D)				
2.1	Preferred stocks				
2.2	Common Stocks				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....50,742,756, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....49,536, Schedule DA)	50,792,292		50,792,292	31,910,889
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)				
9.	Receivables for securities				
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	56,511,397		56,511,397	37,594,853
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	14,090		14,090	8,232
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	601,671	28,884	572,787	745,580
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 (\$.....0) and contracts subject to redetermination (\$.....0)				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	883,819		883,819	3,053,901
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	130,453	20,404	110,049	16,038
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset	510,804	3,238	507,566	412,867
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 adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	9,577,576	18,362	9,559,214	2,282,190
24.	Health care (\$.....683,325) and other amounts receivable	1,366,650	683,325	683,325	535,240
25.	Aggregate write-ins for other than invested assets	111,377	111,377		
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	69,707,837	865,590	68,842,247	44,648,901
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	69,707,837	865,590	68,842,247	44,648,901
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepays	20,514	20,514		
2502.	Other AR	90,863	90,863		
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	111,377	111,377		

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	13,506,113		13,506,113	15,733,095
2.	Accrued medical incentive pool and bonus amounts	868,939		868,939	786,210
3.	Unpaid claims adjustment expenses	379,000		379,000	573,000
4.	Aggregate health policy reserves, including the liability of \$.....112,553 for medical loss ratio rebate per the Public Health Service Act	3,675,200		3,675,200	
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	2,327,179		2,327,179	1,662,779
9.	General expenses due or accrued	3,355,221		3,355,221	3,710,382
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))	1,444,196		1,444,196	931,063
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	8,320,676		8,320,676	650,451
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	9,877,175		9,877,175	23,926
23.	Aggregate write-ins for other liabilities (including \$.....0 current)				
24.	TOTAL Liabilities (Lines 1 to 23)	43,753,699		43,753,699	24,070,906
25.	Aggregate write-ins for special surplus funds	X X X	X X X	2,035,679	2,207,710
26.	Common capital stock	X X X	X X X	1,000,000	1,000,000
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	26,000,000	26,000,000
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	(3,947,131)	(8,629,715)
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	25,088,548	20,577,995
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	68,842,247	44,648,901
DETAILS OF WRITE-INS					
2301.	.....			
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)				
2501.	ACA Carrier Fee	X X X	X X X	2,035,679	2,207,710
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	2,035,679	2,207,710
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	441,935	478,378
2.	Net premium income (including \$.....0 non-health premium income)	X X X	146,897,017	151,623,858
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL Revenues (Lines 2 to 7)	X X X	146,897,017	151,623,858
Hospital and Medical:				
9.	Hospital/medical benefits		90,001,733	93,310,898
10.	Other professional services		602,660	532,515
11.	Outside referrals			
12.	Emergency room and out-of-area		12,246,726	9,963,192
13.	Prescription drugs		19,914,042	20,924,774
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		868,939	786,210
16.	Subtotal (Lines 9 to 15)		123,634,100	125,517,589
Less:				
17.	Net reinsurance recoveries		2,877,234	3,400,908
18.	TOTAL Hospital and Medical (Lines 16 minus 17)		120,756,866	122,116,681
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....2,224,125 cost containment expenses		2,673,584	1,911,032
21.	General administrative expenses		15,353,226	17,800,863
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)		138,783,676	141,828,576
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	8,113,341	9,795,282
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		107,568	121,835
26.	Net realized capital gains (losses) less capital gains tax of \$.....1,729		3,211	3,690
27.	Net investment gains (losses) (Lines 25 plus 26)		110,779	125,525
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29.	Aggregate write-ins for other income or expenses		1,499	19,262
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	8,225,619	9,940,069
31.	Federal and foreign income taxes incurred	X X X	3,638,719	3,671,526
32.	Net income (loss) (Lines 30 minus 31)	X X X	4,586,900	6,268,543
DETAILS OF WRITE-INS				
0601.	.....	X X X		
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		
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 (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	.....		
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)			
2901.	Other income		1,499	19,262
2902.	.....		
2903.	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)		1,499	19,262

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	20,577,995	14,608,289
34.	Net income or (loss) from Line 32	4,586,900	6,268,543
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	(2,400)	(860)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	95,539	84,355
39.	Change in nonadmitted assets	(169,486)	(382,332)
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)	4,510,553	5,969,706
49.	Capital and surplus end of reporting year (Line 33 plus 48)	25,088,548	20,577,995
DETAILS OF WRITE-INS			
4701.	.....	
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)		

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	151,433,021	151,178,706
2.	Net investment income	124,170	137,490
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	151,557,191	151,316,196
5.	Benefit and loss related payments	121,061,306	121,526,695
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	8,835,638	20,105,112
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	3,127,315	3,529,960
10.	TOTAL (Lines 5 through 9)	133,024,259	145,161,767
11.	Net cash from operations (Line 4 minus Line 10)	18,532,932	6,154,429
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	4,351,994	3,330,499
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	0	
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	4,351,994	3,330,499
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	4,404,656	3,358,158
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications	2,400	284
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	4,407,056	3,358,443
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(55,062)	(27,944)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
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)	403,532	(1,817,054)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	403,532	(1,817,054)
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)	18,881,402	4,309,431
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	31,910,889	27,601,458
19.2	End of year (Line 18 plus Line 19.1)	50,792,292	31,910,889

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001			
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	146,897,017	143,353,435	3,063,776						479,806	
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues										X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL Revenues (Lines 1 to 6)	146,897,017	143,353,435	3,063,776						479,806	
8.	Hospital/medical benefits	90,001,733	87,668,165	2,044,985						288,583	X X X
9.	Other professional services	602,660	576,289	26,371							X X X
10.	Outside referrals										X X X
11.	Emergency room and out-of-area	12,246,726	12,022,866	223,860							X X X
12.	Prescription drugs	19,914,042	19,835,849	(211)						78,404	X X X
13.	Aggregate write-ins for other hospital and medical										X X X
14.	Incentive pool, withhold adjustments and bonus amounts	868,939	836,618	32,321							X X X
15.	Subtotal (Lines 8 to 14)	123,634,100	120,939,787	2,327,326						366,987	X X X
16.	Net reinsurance recoveries	2,877,234	2,877,234								X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	120,756,866	118,062,553	2,327,326						366,987	X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....2,224,125 cost containment expenses	2,673,584	2,558,469	79,299						35,816	
20.	General administrative expenses	15,353,226	19,077,093	455,379						(4,179,246)	
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	138,783,676	139,698,115	2,862,004						(3,776,443)	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	8,113,341	3,655,320	201,772						4,256,249	
DETAILS OF WRITE-INS											
0501.	.....										X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)										X X X
0601.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	.....										X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical)	144,435,285		1,081,850	143,353,435
2.	Medicare Supplement	3,063,776			3,063,776
3.	Dental only				
4.	Vision only				
5.	Federal Employees Health Benefits Plan				
6.	Title XVIII - Medicare				
7.	Title XIX - Medicaid				
8.	Other health	1,661,417		1,181,611	479,806
9.	Health subtotal (Lines 1 through 8)	149,160,478		2,263,461	146,897,017
10.	Life				
11.	Property/casualty				
12.	TOTALS (Lines 9 to 11)	149,160,478		2,263,461	146,897,017

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	125,322,412	123,019,326	1,926,974						376,112	
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	5,047,316	5,047,316								
1.4 Net	120,275,096	117,972,010	1,926,974						376,112	
2. Paid medical incentive pools and bonuses	786,210	762,103	24,107							
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	13,506,113	12,587,762	629,768						288,583	
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	13,506,113	12,587,762	629,768						288,583	
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year	868,939	836,618	32,321							
6. Net healthcare receivables (a)	330,269	332,211							(1,942)	
7. Amounts recoverable from reinsurers December 31, current year	883,819	883,819								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	15,733,095	15,171,708	261,737						299,650	
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	15,733,095	15,171,708	261,737						299,650	
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year	786,210	762,103	24,107							
11. Amounts recoverable from reinsurers December 31, prior year	3,053,901	3,053,901								
12. Incurred benefits:										
12.1 Direct	122,765,161	120,103,169	2,295,005						366,987	
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	2,877,234	2,877,234								
12.4 Net	119,887,927	117,225,935	2,295,005						366,987	
13. Incurred medical incentive pools and bonuses	868,939	836,618	32,321							

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

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

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	3,889,462	3,702,618	186,844							
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	3,889,462	3,702,618	186,844							
2. Incurred but Unreported:										
2.1 Direct	9,616,651	8,885,144	442,924						288,583	
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	9,616,651	8,885,144	442,924						288,583	
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct	13,506,113	12,587,762	629,768						288,583	
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	13,506,113	12,587,762	629,768						288,583	

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical)	11,421,666	108,720,426	6,266	12,581,496	11,427,932	15,171,707
2.	Medicare Supplement	376,855	1,550,119		629,768	376,855	261,737
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health	126,831	249,281		288,583	126,831	299,650
9.	Health subtotal (Lines 1 to 8)	11,925,352	110,519,826	6,266	13,499,847	11,931,618	15,733,094
10.	Healthcare receivables (a)		1,366,650				1,036,381
11.	Other non-health						
12.	Medical incentive pool and bonus amounts	786,210			868,939	786,210	786,210
13.	TOTALS (Lines 9 - 10 + 11 + 12)	12,711,562	109,153,176	6,266	14,368,786	12,717,828	15,482,923

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

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

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	2,605	2,564	2,461	2,385	2,244
2.	2011	17,715	20,091	20,041	20,049	20,040
3.	2012	X X X	21,401	24,548	24,458	24,484
4.	2013	X X X	X X X	53,820	64,795	64,561
5.	2014	X X X	X X X	X X X	107,695	119,979
6.	2015	X X X	X X X	X X X	X X X	110,519

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	2,609	2,564	2,461	2,385	2,244
2.	2011	21,100	20,109	20,041	20,049	20,040
3.	2012	X X X	25,024	24,564	24,458	24,484
4.	2013	X X X	X X X	66,592	64,795	64,561
5.	2014	X X X	X X X	X X X	124,214	119,985
6.	2015	X X X	X X X	X X X	X X X	124,888

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	23,016	20,040	351	1.753	20,391	88.596			20,391	88.596
2.	2012	26,909	24,484	599	2.445	25,083	93.213			25,083	93.213
3.	2013	79,183	64,561	918	1.421	65,479	82.693			65,479	82.693
4.	2014	151,624	119,979	2,081	1.735	122,060	80.502	6		122,066	80.506
5.	2015	146,897	110,519	2,465	2.231	112,984	76.914	14,369	379	127,732	86.954

12 Total

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

Hospital and Medical
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	2,247	2,213	2,110	2,038	1,897
2.	2011	15,688	17,708	17,663	17,674	17,665
3.	2012	X X X	19,412	22,202	22,114	22,140
4.	2013	X X X	X X X	51,647	62,153	61,918
5.	2014	X X X	X X X	X X X	105,852	117,633
6.	2015	X X X	X X X	X X X	X X X	108,720

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	2,251	2,213	2,110	2,038	1,897
2.	2011	18,538	17,726	17,663	17,674	17,665
3.	2012	X X X	22,486	22,214	22,114	22,140
4.	2013	X X X	X X X	63,515	62,153	61,918
5.	2014	X X X	X X X	X X X	121,785	117,639
6.	2015	X X X	X X X	X X X	X X X	122,138

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	19,981	17,665	324	1.837	17,989	90.033			17,989	90.033
2.	2012	23,635	22,140	542	2.447	22,682	95.967			22,682	95.967
3.	2013	75,890	61,918	861	1.391	62,779	82.724			62,779	82.724
4.	2014	147,680	117,633	1,974	1.678	119,607	80.990	6		119,613	80.994
5.	2015	143,353	108,720	2,377	2.187	111,097	77.499	13,418	353	124,868	87.105

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

Medicare Supplement
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	316	309	309	305	305
2.	2011	1,804	2,140	2,135	2,132	2,132
3.	2012	X X X	1,945	2,281	2,279	2,279
4.	2013	X X X	X X X	1,945	2,296	2,297
5.	2014	X X X	X X X	X X X	1,823	2,199
6.	2015	X X X	X X X	X X X	X X X	1,550

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	316	309	309	305	305
2.	2011	2,269	2,140	2,135	2,132	2,132
3.	2012	X X X	2,360	2,285	2,279	2,279
4.	2013	X X X	X X X	2,543	2,296	2,297
5.	2014	X X X	X X X	X X X	2,109	2,199
6.	2015	X X X	X X X	X X X	X X X	2,212

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	2,568	2,132	24	1.107	2,156	83.941			2,156	83.941
2.	2012	2,889	2,279	56	2.437	2,335	80.808			2,335	80.808
3.	2013	2,895	2,297	43	1.873	2,340	80.830			2,340	80.830
4.	2014	3,161	2,199	73	3.315	2,272	71.873			2,272	71.873
5.	2015	3,064	1,550	58	3.764	1,608	52.492	662	18	2,288	74.685

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid NONE

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

Other

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	42	42	42	42	42
2.	2011	223	243	243	243	243
3.	2012	X X X	44	65	65	65
4.	2013	X X X	X X X	228	346	346
5.	2014	X X X	X X X	X X X	20	147
6.	2015	X X X	X X X	X X X	X X X	249

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	42	42	42	42	42
2.	2011	293	243	243	243	243
3.	2012	X X X	178	65	65	65
4.	2013	X X X	X X X	534	346	346
5.	2014	X X X	X X X	X X X	320	147
6.	2015	X X X	X X X	X X X	X X X	538

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	467	243	3	1.311	246	52.716			246	52.716
2.	2012	385	65	1	1.931	66	17.209			66	17.209
3.	2013	398	346	13	3.874	359	90.302			359	90.302
4.	2014	783	147	35	23.698	182	23.223			182	23.223
5.	2015	480	249	30	11.980	279	58.090	289	8	576	119.965

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income)	112,553	112,553							
5. Aggregate write-ins for other policy reserves	3,562,647	3,562,647							
6. TOTALS (Gross)	3,675,200	3,675,200							
7. Reinsurance ceded									
8. TOTALS (Net) (Page 3, Line 4)	3,675,200	3,675,200							
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. TOTALS (Gross)									
13. Reinsurance ceded									
14. TOTALS (Net) (Page 3, Line 7)									
DETAILS OF WRITE-INS									
0501. Cost Sharing Reduction	2,236,448	2,236,448							
0502. Risk Adjustment	1,326,199	1,326,199							
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page									
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	3,562,647	3,562,647							
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) ..									

(a) Includes \$.....0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)	20,778	14,885	150,406		186,069
2.	Salaries, wages and other benefits	3,120,631	662,889	5,699,743		9,483,263
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)			7,374,806		7,374,806
4.	Legal fees and expenses			56,095		56,095
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services	154,480		2,493,323		2,647,803
7.	Traveling expenses	29,198	199	29,822		59,219
8.	Marketing and advertising	2,655		663,190		665,845
9.	Postage, express and telephone	7,851		144,043		151,894
10.	Printing and office supplies	19,258	1,326	168,320		188,904
11.	Occupancy, depreciation and amortization			23,667		23,667
12.	Equipment	82		73,896		73,978
13.	Cost or depreciation of EDP equipment and software			335,156		335,156
14.	Outsourced services including EDP, claims, and other services	6,196		326,068		332,264
15.	Boards, bureaus and association fees	345		16,273		16,618
16.	Insurance, except on real estate			5,510		5,510
17.	Collection and bank service charges			465,939		465,939
18.	Group service and administration fees					
19.	Reimbursements by uninsured plans	(1,137,349)	(229,840)	(7,886,555)		(9,253,744)
20.	Reimbursements from fiscal intermediaries					
21.	Real estate expenses					
22.	Real estate taxes			39,552		39,552
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes			324,446		324,446
23.2	State premium taxes			1,364,990		1,364,990
23.3	Regulatory authority licenses and fees			3,443,784		3,443,784
23.4	Payroll taxes			40,111		40,111
23.5	Other (excluding federal income and real estate taxes)			641		641
24.	Investment expenses not included elsewhere				8,964	8,964
25.	Aggregate write-ins for expenses					
26.	TOTAL Expenses Incurred (Lines 1 to 25)	2,224,125	449,459	15,353,226	8,964	(a) 18,035,774
27.	Less expenses unpaid December 31, current year	257,720	121,280	3,355,221		3,734,221
28.	Add expenses unpaid December 31, prior year	355,260	217,740	3,710,382		4,283,382
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	2,321,665	545,919	15,708,387	8,964	18,584,935
DETAILS OF WRITE-INS						
2501.	.....				
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)					

(a) Includes management fees of \$.....12,948,655 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 20,742	..... 21,807
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a)..... 26,346	..... 31,859
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b).....	.....
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e)..... 62,866	..... 62,866
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	TOTAL Gross investment income .....	..... 109,954	..... 116,532
11.	Investment expenses		(g)..... 8,964
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	TOTAL Deductions (Lines 11 through 15) .....		..... 8,964
17.	Net Investment income (Line 10 minus Line 16) .....		..... 107,568
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	.....	.....
(a) Includes \$.....2,983 accrual of discount less \$.....25,443 amortization of premium and less \$.....9,854 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....8,964 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	..... 5,692	.....	..... 5,692	..... (2,400)	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	..... (752)	.....	..... (752)	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	TOTAL Capital gains (losses) .....	..... 4,940	.....	..... 4,940	..... (2,400)	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	28,884	52,495	23,611
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3	Accrued retrospective premiums and contracts subject to redetermination			
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	20,404		(20,404)
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset	3,238	2,398	(840)
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets			
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates	18,362	15,635	(2,727)
24.	Health care and other amounts receivable	683,325	501,141	(182,184)
25.	Aggregate write-ins for other than invested assets	111,377	124,435	13,058
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	865,590	696,104	(169,486)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	865,590	696,104	(169,486)
DETAILS OF WRITE-INS				
1101.	.....		
1102.	.....		
1103.	.....		
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	Prepays	20,514	18,522	(1,992)
2502.	Other AR	90,863	105,913	15,050
2503.	.....		
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	111,377	124,435	13,058

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6 Current Year Member Months
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1.	Health Maintenance Organizations	25,499	26,460	26,406	26,214	25,972	315,698
2.	Provider Service Organizations						
3.	Preferred Provider Organizations	8,165	6,518	6,324	6,312	6,356	76,415
4.	Point of Service	580	407	414	415	399	5,114
5.	Indemnity Only	160	156	161	161	126	1,869
6.	Aggregate write-ins for other lines of business	4,707	3,600	3,546	3,530	3,593	42,839
7.	TOTAL	39,111	37,141	36,851	36,632	36,446	441,935
DETAILS OF WRITE-INS							
0601.	Stop loss	4,608	3,508	3,458	3,444	3,512	41,783
0602.	PDP	99	92	88	86	81	1,056
0603.	.....					
0698.	Summary of remaining write-ins for Line 6 from overflow page						
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	4,707	3,600	3,546	3,530	3,593	42,839

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Paramount Insurance Company (the “Company”) are presented on a basis of accounting practices prescribed by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed practices by the State of Ohio.

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

	State of Domicile Ohio	2015	2014
NET INCOME			
Paramount Insurance Company state basis		4,586,900	6,268,543
State Prescribed Practices that increase/(decrease) NAIC SAP		-	-
State Permitted Practices that increase/(decrease) NAIC SAP		-	-
NAIC SAP		4,586,900	6,268,543
SURPLUS			
Paramount Insurance Company state basis		25,088,548	20,577,995
State Prescribed Practices that increase/(decrease) NAIC SAP		-	-
State Permitted Practices that increase/(decrease) NAIC SAP		-	-
NAIC SAP		25,088,548	20,577,995

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. Expenses incurred in connections with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds are stated at amortized cost.
3. The Company has no common stock investments.
4. The Company has no preferred stock investments.
5. The Company does not invest in mortgage loans.
6. The Company has no investments in loan-backed securities.
7. The Company has no investments in subsidiaries.
8. The Company has no investments in joint ventures.

Notes to Financial Statements

- 9. The Company does not invest in derivatives.
- 10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- 11. The Company began operations on November 2, 2002. Unpaid losses and loss adjustment expenses include an amount from individual case estimates and loss reports and an amount, based on limited past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- 12. The Company has not modified its capitalization policy from the prior period.
- 13. The Company estimates its pharmaceutical rebate receivables based on historical cash payments and prescriptions filled.

2. Accounting Changes and Corrections of Errors

-NOT APPLICABLE

3. Business Combinations and Goodwill

-NOT APPLICABLE

4. Discontinued Operations

-NOT APPLICABLE

5. Investments

- A. The company does not have any Mortgage Loan investments.
- B. The company is not a creditor for any Restructured Debt.
- C. The company does not have any reverse mortgages.
- D. The company does not have any loan-backed securities.
- E. The company does not have any re-purchase agreements.
- F. The company does not have any real estate investments.
- G. The company does not have any low-income housing tax credits.
- H. Restricted Assets

Notes to Financial Statements

	1	2	3	4	5	6
Retricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/ (Decrease)	Total Current year admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which the 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	674,724	675,629	(905)	674,724	1.0%	1.0%
k. On deposit with other regulatory bodies						
l. Pledged as collateral to FHLB (including assets backing funding agreements)						
m. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Total Restricted Assets	674,724	675,629	(905)	674,724	1.0%	1.0%

- I. The company does not have any working capital financing investments.
- J. The company does not have any netting of assets and liabilities relating to derivatives, repurchase and reverse repurchase and securities borrowing and lending.
- K.

Structured Notes				
Cusip	Actual Cost	Fair Value	Book Value	Mortgage-Referenced Security
59156RBE7	\$ 15,137	\$ 15,015	\$ 15,110	No

6. Joint ventures, Partnerships and Limited Liability Companies

-NOT APPLICABLE

Notes to Financial Statements

7. Investment Income

The Company does not have any nonadmitted accrued investment income.

8. Derivative Instruments

-NOT APPLICABLE

9. Income Taxes

The application of SSAP No. 101 requires a company to evaluate the recoverability of deferred tax assets and to establish a valuation allowance if necessary to reduce the deferred tax asset to an amount which is more likely than not to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company considers many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be used; (6) unique tax rules that would impact the utilization of the deferred tax assets; and (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused. Although the realization is not assured, the Company believes it is more likely than not that the deferred tax assets, net of valuation allowances, will be realized. The Company has not recorded a valuation allowance as of December 31, 2015 and 2014.

A. The components of DTAs and DTLs as of December 31 are as follows:

	December 31, 2015			December 31, 2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
) Gross deferred tax assets	\$ 507,566	\$ 3,238	\$ 510,804	\$ 415,702	\$ 2,398	\$ 418,100	\$ 91,864	\$ 840	\$ 92,704
) Statutory valuation allowance							-	-	-
) Adjusted gross deferred tax assets	507,566	3,238	510,804	415,702	2,398	418,100	91,864	840	92,704
) Deferred tax assets nonadmitted		3,238	3,238		2,398	2,398	-	840	840
) Subtotal net admitted deferred tax assets	507,566		507,566	415,702		415,702	91,864	-	91,864
) Deferred tax liabilities				2,835		2,835	(2,835)	-	(2,835)
) Net admitted deferred tax asset	\$ 507,566	\$ -	\$ 507,566	\$ 412,867	\$ -	\$ 412,867	\$ 94,699	\$ -	\$ 94,699
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSSAP No. 101									
(a) Federal Income Taxes Paid in Prior Years									
Recoverable Through Loss Carrybacks	\$ 507,566	\$ -	\$ 507,566	\$ 415,702	\$ -	\$ 415,702	\$ 91,864	\$ -	\$ 91,864
(b) Adjusted Gross Deferred Tax Assets									
Expected To Be Realized (Excluding The Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-	-	-	-	0	0	0
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	-	-	-	-	-	-	0	0	0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.			3,687,147			3,024,769			662,378
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	-	-	-	(2,835)	-	-	0	2,835	2,835
(d) Deferred Tax Assets Admitted as the Result of application of SSAP No. 101.									
Total	\$ 507,566	\$ -	507,566	\$ 412,867	\$ -	412,867	\$ 94,699	0	94,699

Notes to Financial Statements

	2015	2014
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	430%	347%
(b) Amount of Adjusted Capital and Surplus Used To Determine Recovery Period And Threshold Limitation in 2(b)2 above	24,580,982	20,165,128

	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Impact of tax planning strategies						
Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, by Tax Character as a Percentage						
(1) Adjusted gross DTAs from 9A1c	507,566	3,238	415,702	2,398	91,864	840
(2) % total adjusted gross DTAs	0	0	0	0	0	0
(3) Net admitted adjusted gross DTAs from 9A1c	507,566		415,702		91,864	
(4) % of total net admitted adjusted gross DTAs	0	0	0	0	0	0

The Company's tax-planning strategies does not include the use of reinsurance.

B. There are no temporary differences for deferred tax liabilities that are not recognized at December 31, 2015 and 2014.

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

	12/31/2015	12/31/2014	Change
1. Current Income Tax			
(a) Federal	\$ 3,653,254	\$ 3,663,681	\$ (10,427)
(b) Federal income tax on capital gains	1,729	2,467	(738)
(c) Other	(14,535)	7,845	(22,380)
(d) Federal income taxes incurred	\$ 3,640,448	\$ 3,673,993	\$ (33,545)
2. Deferred tax assets:			
(a) Ordinary			
(1) Discounting on claims payable	\$ 42,840	\$ 55,670	\$ (12,830)
(2) Unearned premiums	162,903	116,395	46,508
(3) Other accruals	-	-	-
(4) Nonadmitted accounts receivable	301,823	243,637	58,186
Subtotal	507,566	415,702	91,864
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets	507,566	415,702	91,864
(e) Capital			
(1) Other	3,238	2,398	840
Subtotal	3,238	2,398	840
(g) Nonadmitted	3,238	2,398	840
(h) Admitted capital deferred tax assets	-	-	-
(i) Admitted deferred tax assets	507,566	415,702	91,864
3. Deferred tax liabilities:			
(a) Ordinary			
(1) Discounted salvage & sub	-	2,835	(2,835)
Subtotal	-	2,835	(2,835)
(b) Capital			
(1) Unrealized gain	-	-	-
Subtotal	-	-	-
(c) Deferred tax liabilities	\$ -	\$ 2,835	\$ (2,835)
4. Net deferred tax assets/liabilities	\$ 507,566	\$ 412,867	\$ 94,699

Notes to Financial Statements

D.-Analysis of Actual Income Tax Expense

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

	2015	%	2014	%
Provision computed at statutory rate	\$ 2,879,572	35 %	\$ 3,502,540	35 %
Non-deductible ACA fee	\$ 746,858	9 %	\$ 221,945	2 %
Change in non-admitted assets	\$ (58,187)	(1)%	\$ (134,550)	(1)%
Other	(22,493)		4	
Total	\$ 3,545,750	43 %	\$ 3,589,939	36 %
Federal income taxes incurred	\$ 3,653,254	44 %	\$ 3,663,681	37 %
Change in net deferred income taxes	(94,699)	(1)	(84,054)	(1)
Other	(12,805)		10,312	
Total statutory income taxes	\$ 3,545,750	43 %	\$ 3,589,939	36 %

E.-At December 31, 2015 and 2014, the Company had no operating loss carryforwards to utilize in future years. The Company did not have any deposits admitted under Internal Revenue Code 6603. The following is income tax incurred for 2013, 2014 and 2015 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2013	\$ -	331	\$ 331
2014	3,649,459	2,155	\$ 3,651,614
2015	3,653,254	1,729	\$ 3,654,983

F.-The Company is a party to a tax sharing agreement with the parent company, PIC, and the affiliated entities as follows: Paramount Preferred Options (PPO), Paramount Care of Michigan, Inc. (PCM), Paramount Care, Inc. (PCI), Paramount Benefits Agency (PBA), Paramount Insurance Company (PICO), Health Management Solutions, Inc. (HMS), Paramount Advantage (PA) and Paramount Preferred Services (PPS). In 2015, PA applied for not-for-profit 501(c)(3) status. The change in tax status results in PA no longer being subject to federal income tax. The effective date of this status change was October, 1 2015. Tax returns are completed on a consolidated basis. However, allocation is based upon separate return calculations with current credit for net losses. The method of allocation between the companies is subject to a written agreement approved by the Board of Directors. Intercompany tax balances are settled through the holding company, PIC.

G.-Accounting for tax contingencies

For the years ended December 31, 2015 and 2014, the Company did not have tax contingencies under the principles of SSAP No. 5, *Liabilities, Contingencies and Impairment of Assets*. This is subject to change but it is not expected to significantly increase in the 12 month period following the balance sheet date. The Company is primarily subject to U.S. federal and various U.S. state and local tax authorities. Tax years subsequent to 2011 remain open to examination by the Internal Revenue Service, and 2010 remains open to other state and local tax authorities. As of December 31, 2015, there are no U.S. federal or state returns under examination.

10. Information Concerning Parent, Subsidiaries and Affiliates

The Company is ultimately controlled by ProMedica Health System, Inc. (“ProMedica”), a nonprofit holding company exempt from federal taxation under Section 501(c)(3) and 509(a)(3) of the Internal Revenue Code. The Company’s affiliates include PCM, PPO, PCI, PBA, PECM and PA. The Company also has many area hospitals as affiliates such as Toledo Hospital, Toledo Children’s Hospital, Flower Hospital, Bay Park Hospital, Emma L. Bixby Hospital, Defiance Hospital,

Notes to Financial Statements

Fostoria Hospital, Herrick Memorial Hospital and St. Luke’s Hospital. ProMedica Physician Group, a group of physicians owned by ProMedica, is also an affiliate of the Company.

The Company shares employees, services and assets pursuant to a Management Services Sharing Agreement with PCI. The shared services include member services, sales, accounting, information systems, medical direction and management, claims processing, provider relations and community relations. The cost of shared services is allocated between the Company and PCI based upon the percentage of subscribers at the end of each calendar month. For the years ended December 31, 2015 and 2014 the Company was allocated general administrative expenses of \$10,593,838 and \$6,427,240, respectively.

ProMedica allocates corporate overhead to all ProMedica entities pursuant to a Cost Allocation Agreement. The Company was allocated \$2,354,817 and \$2,588,120 of overhead expense in 2015 and 2014, respectively. The amount is to compensate ProMedica for the services provided to the Company for corporate staff primarily in management, legal services, information services and investment management.

Balances outstanding with affiliated entities at December 31, 2015 and 2014

	2015		2014	
	Due from	Due to	Due from	Due to
ProMedica Health System	1,558,211			
Paramount Care, Inc.		(3,113,052)	2,281,002	
Paramount Care of Michigan		(2,460)		
Paramount Advantage		(5,205,164)		(583,170)
Defiance Hospital	222,573		1,188	(67,281)
Fostoria Hospital	716,121			
Memorial Hospital	327,597			
Bay Park	280,944			
ProMedica North Region	456,284			
Toledo Hospital	2,339,853			
Flower Hospital	799,735			
St. Luke's Hospital	783,822			
ProMedical Continuing Care Services	556,920			
ProMedica Physicians Group	1,517,154			
	9,559,214	(8,320,676)	2,282,190	(650,451)

Claims paid to affiliated entities during fiscal year 2015 and 2014

Notes to Financial Statements

	2015	2014
	Paid	Paid
Bay Park Community Hospital	\$ 3,196,537	\$ 2,762,619
Defiance Hospital	634,978	461,928
ProMedica North Region	421,788	617,895
Flower Hospital	8,238,524	7,751,603
Fostoria Hospital	208,441	288,239
Lima Memorial Hospital	423,204	274,186
Memorial Hospital	409,518	409,340
Mercy Memorial Hospital	434,465	
ProMedica Continuing Care Services	356,526	447,173
ProMedica Physicians Group	8,115,229	8,252,170
St. Lukes Hospital	5,556,145	5,337,714
The Toledo Hospital	20,480,950	19,510,279
	\$ 48,476,305	\$ 46,113,146

The Company is a party to a tax sharing agreement with the parent company, PIC, and the affiliated entities as follows: Paramount Preferred Options (PPO), Paramount Care of Michigan, Inc. (PCM), Paramount Care, Inc. (PCI), Paramount Benefits Agency (PBA), Paramount Insurance Company (PICO), Health Management Solutions, Inc. (HMS), Paramount Advantage (PA) and Paramount Preferred Services (PPS). In 2015, PA applied for not-for-profit 501(c)(3) status. The change in tax status results in PA no longer being subject to federal income tax. The effective date of this status change was October, 1 2015. Tax returns are completed on a consolidated basis. However, allocation is based upon separate return calculations with current credit for net losses. The method of allocation between the companies is subject to a written agreement approved by the Board of Directors. Intercompany tax balances are settled through the holding company, PIC.

Tax payable/receivable amounts to affiliated entities as of 2015 and 2014:

	2015	2014
Paramount Health Care	\$ 685,108	\$ 972,387
Paramount Care of Michigan	(192,918)	297,339
Paramount Benefits Agency	664	(7,884)
Paramount Preferred Options	(32,834)	68,670
Paramount Advantage	851,838	(4,866,223)
Paramount Insurance Company	(1,444,196)	(4,460,163)
Health Management Solutions	108,750	(647,386)
Paramount Preferred Solutions	87,030	-
ProMedica Insurance Corporation	(63,442)	8,643,260

11. Debt
- NOT APPLICABLE
12. Retirement Plans, Deferred Compensation, Postemployment Benefits
- NOT APPLICABLE
13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations
- A. The Company has 1,000 shares authorized and 500 shares issued and outstanding.

Notes to Financial Statements

- B.

The Company has no preferred stock.
- C.

Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company’s state of incorporation, to an amount less than 10% of admitted capital (including all dividends within the prior 12 month period). Additionally, the Company must obtain prior approval for dividends not paid from earned surplus.
- D.

Within the limitations of [C] above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- E.

There were no restrictions placed on the Company’s surplus.
- F.

The Company did not receive any contributions from its parent company, ProMedica Insurance Corp in 2015 and 2014.
- G.

There is no stock being held by the Company.
- H.

The Company has no special surplus funds.
- I.

The portion of unassigned funds (surplus) that has been represented or reduced by cumulative unrealized gains and losses is (2,400).
- J.

The Company has no surplus debentures or other outstanding obligations.
- K.

The Company was not involved in a quasi-reorganization during the year.

14. Contingencies

As of the date of this filing, Management is not aware of any contingent commitments, assessments or other contingencies that would materially impact the company.

15. Leases

-NOT APPLICABLE

16. Off-Balance Sheet Risk

-NOT APPLICABLE

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

-NOT APPLICABLE

18. Gain or loss to the Reporting Entity from Uninsured A&H Plans and the uninsured Portion of partially Insured Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans was as follows during 2015:

	ASO	Uninsured Portion	Total
	Uninsured Plans	of Partially Insured Plans	ASO
Net reimbursement for administrative Expenses (including admin fees) in excess of actual expenses	\$ 4,386,423		\$ 4,386,423
Total net other income or expenses including interest paid to or received from plans	(1,535,245)		(1,535,245)
Total gain or (loss) from operations	2,851,178		2,851,178
Claim payments	143,417,896		143,417,896

Notes to Financial Statements

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

-NOT APPLICABLE

20. Fair Value Measurement

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practical (Carryin Value)
Short Term Investments	\$ 49,536	\$ 49,536	\$ 49,536			
Bonds	5,697,000	5,719,105		5,697,000		

21. Other Items

The Company has no extraordinary items, troubled debt restructuring or other unusual disclosures to make.

22. Subsequent Events

On January 1, 2016, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on a ratio of the entity’s net premiums written during the preceding calendar year to the amount of the health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2015, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2016, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2016 to be \$2,035,679. This amount is reflected in special surplus. This assessment is expected to impact risk based capital by 8.9%. Reporting the ACA assessment as of December 31, 2015, would not have triggered an RBC action level.

		Current Year	Prior Year
A.	Did the reporting entity write acciden and health insurance premium that is subject to Section 9010 of the federal Afforadable Care Act?	Yes	Yes
B.	ACA fee assessment payable for upcoming year	2,035,679	2,207,710
C.	ACA fee assessment paid	2,133,878	634,128
D.	Premium written subject to ACA 9010 assessment	144,514,158	148,973,231
E.	Total Adjusted Capital before surplus adjustment	25,088,548	
F.	Total Adjusted Capital after surplus adjustment	23,052,869	
G.	Authorized Control Level	5,720,993	
	Would reporting the ACA assessment as of 12/31/15 have triggered an RBC action level?	No	

23. Reinsurance

A. Ceded Reinsurance Report

Section 1

1. None of the reinsurers listed in Schedule S as non-affiliated, are owned in excess of 10% or controlled, either directly or indirectly, by the

Notes to Financial Statements

company or by any representative, officer, trustee or director of the company.

- 2. None of the policies issued by the company have been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business.

Section 2

- 1. The company does not have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit.
- 2. The company does not have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies.

Section 3

- 1. The aggregate reduction in surplus for termination of all reinsurance agreements, by either party, as of the date of this statement is zero.
- 2. No new agreements have been executed or existing agreements amended since January 1, 2015 to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement.

B. The Company does not have any uncollectible reinsurance recorded on its books.

C. The company had no commutation of reinsurance.

24. Retrospectively Rated Contracts

D. Medical loss ratio rebates required pursuant to the Public Health Service Act.

		Small	Large	Other	
		Group	Group	Categories	
	Individual	Employer	Employer	with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred					
(2) Medical loss rebates paid					
(3) Medical loss rebates unpaid					
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	
Current Reporting Year-to-date					
(7) Medical loss ratio rebates incurred		473,040			473,040
(8) Medical loss rebates paid		360,487			360,487
(9) Medical loss rebates unpaid		112,553			112,553
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	

E. Risk Sharing Provisions of the Affordable Care Act

- 1. PICO writes insured non-individual, individual and uninsured accident and health insurance premium that is subject to the Affordable Care Act.

The company had zero balances for the risk corridors program due a lack of

Notes to Financial Statements

sufficient data to estimate the recoverable amounts.

2.
- Impact of Risk-sharing provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

a. Permanent ACA Risk Adjustment Program	
Assets	Amount
1. Premiums receivable due to ACA Risk Adjustment	\$0
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$4,268
3. Premium adjustments payable due to ACA Risk Adjustment	\$1,326,199
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	(\$2,298,389)
5. Reported in expenses as ACA Risk adjustment user fees	\$4,268
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$844,600
2. Amounts recoverable for claims unpaid due to ACA Reinsurance(Contra Liability)	\$0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance -not Reported as ceded Premium	\$0
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$0
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$91,445
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$975,559
9. ACA Reinsurance contributions-not reported as ceded premium	\$1,241,579
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	\$0
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$0
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$0
4. Effect of ACA Risk Corridors on change in reserves for rate	\$0

3.
- Rollforward 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 balance.

Notes to Financial Statements

										Unsettled Balances as of the Reporting Date	
					Differences		Adjustments				
	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		Prior Year Accrued Less Payments Col 1-3	Prior Year Accrued Less Payments Col 2-4				Cumulative Balance from Prior Years Col 1-3+7	Cumulative Balance from Prior Years Col 2-4+8
							To Prior Year	To Prior Year			
							Balances	Balances	Ref		
	1	2	3	4	5	6	7	8		9	10
	Rec	Pay	Rec	Pay	Rec	Pay	Rec	Pay		Rec	Pay
a. Permanent ACA Risk Adjustment Program											
1. Premium Adjustment receivables	-	-	-	-	-	-	-	-		-	-
2. Premium adjustments (payable)	-	10,105	-	973,988	-	(963,883)		963,883	B	-	-
3. Subtotal ACA Permanent Risk Adjustment Program	-	10,105	-	973,988	-	(963,883)	-	963,883		-	-
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	1,197,024	-	1,327,983	-	(130,959)	-	130,959	-	C	-	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-		-	-
4. Liabilities for contributions payable due to ACA reinsurane-not reported as ceded premium	-	-	-	-	-	-	-	-		-	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-		-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-		-	-
7. Subtotal ACA Transitional Reinsurance Program	1,197,024	-	1,327,983	-	(130,959)	-	130,959	-		-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued restrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		-	-
d. Total for ACA Risk Sharing Provisions	1,197,024	10,105	1,327,983	973,988	(130,959)	(963,883)	130,959	963,883		-	-
Explanations for adjustments											
B. Risk adjustment user fee payable was estimated at 10,105 but actual fee was 1,798. Premium risk Adjustment payable was estimated at 0 but actual payable was 972,190.											
C Reinsurance receivable was estimated at 1,197,024 but actual recovery was \$1,327,983.											

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2014 were \$16,306,094. As of December 31, 2015, \$12,323,824 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$6,266 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Commercial and Medicare supplement lines of insurance. Therefore, there has been a \$3,976,004 favorable prior-year development since December 31, 2014 to December 31, 2015. The decrease is generally a result of ongoing analysis of recent development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

-NOT APPLICABLE

27. Structured Settlements

-NOT APPLICABLE

Notes to Financial Statements

28. Health Care Receivables

	Estimated	Pharmacy	Actual Rebates	Actual Rebates	Actual Rebates
	Pharmacy	Rebates	Received	Received	Received More
Quarter	Rebates	as Billed	within 90 days	within 91-180 days	than 180 days
			of billing	of billing	after billing
12/31/2015	1,366,650	1,366,650	-	-	-
9/30/2015	692,973	692,973	-	-	-
6/30/2015	1,097,203	1,366,650	-	1,366,650	-
3/31/2015	630,196	1,534,635	-	669,766	864,869
12/31/2014	1,030,842	1,715,440	-	-	1,715,440
9/30/2014	-	-	-	-	-
6/30/2014	647,368	1,664,324	-	-	1,664,324
3/31/2014	1,186,706	1,398,545	-	-	1,398,545
12/31/2013	906,074	1,091,797	-	-	1,091,797
9/30/2013	593,604	641,585	-	-	641,585
6/30/2013	74,183	207,302	-	-	207,302
3/31/2013	47,975	104,064	-	10,325	93,740

29. Participating Policies

-NOT APPLICABLE

30. Premium Deficiency Reserves

Liability carried for premium deficiency reserve : \$0
Date of most recent evaluation of this liability: 1/20/2016
Was anticipated investment income utilized in the calculation? Yes

31. Anticipated Salvage and Subrogation

The Company did not have any estimated anticipated salvage and subrogation to reduce the liability.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[] N/A[]
Ohio
- 1.3 State Regulating?
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

09/07/2011
- 3.4 By what department or departments?
Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[] No[X]
- 4.12 renewals?

Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[] No[X]
- 4.22 renewals?

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

Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
		Yes[] No[X] ..	Yes[] No[X] ..	Yes[] No[X] ..	Yes[] No[X] ..

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche LLP, Suite 900, 600 Renaissance Center, Detroit, MI 48243-1895
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes[X] No[]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
Requirements waived as the Company just met the premium threshold as of 12/31/14. Company has two years to comply with requirements.
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Timothy Gustafson FSA,MAAA, Deloitte & Touche LLP, 180 N. Stenson Ave., Chicago, IL 60601

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

13.3 Have there been any changes made to any of the trust indentures during the year?

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended?

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

14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
15.2001

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

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

Yes[X] No[]

Yes[X] No[]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers

20.12 To stockholders not officers

20.13 Trustees, supreme or grand (Fraternal only)

20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers

20.22 To stockholders not officers

20.23 Trustees, supreme or grand (Fraternal only)

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

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

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- Yes[] No[X]

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

Yes[] No[X]

\$ 0

\$ 0

\$ 0

\$ 0

Yes[X] No[]

\$ 4,509,254

\$ 1,798

\$ 0

Yes[X] No[]

\$ 1,558,211

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)

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

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

24.06 If answer to 24.04 is no, report amount of collateral for other programs.

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes[X] No[]

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

\$ 0

\$ 0

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

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

27.1

GENERAL INTERROGATORIES (Continued)

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

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

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.103 Total payable for securities lending reported on the liability page.

\$ 0

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

Yes[X] No[]

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

25.21 Subject to repurchase agreements

\$ 0

25.22 Subject to reverse repurchase agreements

\$ 0

25.23 Subject to dollar repurchase agreements

\$ 0

25.24 Subject to reverse dollar repurchase agreements

\$ 0

25.25 Placed under option agreements

\$ 0

25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock

\$ 0

25.27 FHLB Capital Stock

\$ 0

25.28 On deposit with states

\$ 0

25.29 On deposit with other regulatory bodies

\$ 674,724

25.30 Pledged as collateral - excluding collateral pledged to an FHLB

\$ 0

25.31 Pledged as collateral to FHLB - including assets backing funding agreements

\$ 0

25.32 Other

\$ 0

25.3 For category (25.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
.....

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

Yes[] No[X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

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

If no, attach a description with this statement.

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

Yes[] No[X]

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

\$ 0

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

Yes[X] No[]

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

1	2
Name of Custodian(s)	Custodian's Address
The Bank of New York Mellon	Three Mellon Center, Suite 153-3925, Pittsburg, PA

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes[] No[X]

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

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

28.05 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	2	3
Central Registration Depository Number(s)	Name	Address
.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes[] No[X]

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 Total

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

GENERAL INTERROGATORIES (Continued)

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	5,768,641	5,746,536	(22,105)
30.2 Preferred stocks			
30.3 Totals	5,768,641	5,746,536	(22,105)

30.4 Describe the sources or methods utilized in determining the fair values
New York Stock Exchange, American Stock Exchange, NASDAQ, NAIC

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

Yes[X] No[]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

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

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes[X] No[]

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$..... 0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid

34.1 Amount of payments for legal expenses, if any?

\$..... 56,095

34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1	2
Name	Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

\$..... 0

35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1	2
Name	Amount Paid

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes[X] No[]

1.2 If yes, indicate premium earned on U.S. business only:

\$ 3,063,776

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$ 2,327,326

1.6 Individual policies - Most current three years:

1.61 TOTAL Premium earned

\$ 432,179

1.62 TOTAL Incurred claims

\$ 270,749

1.63 Number of covered lives

..... 188

All years prior to most current three years:

1.64 TOTAL Premium earned

\$ 2,631,597

1.65 TOTAL Incurred claims

\$ 2,056,577

1.66 Number of covered lives

..... 931

1.7 Group policies - Most current three years:

1.71 TOTAL Premium earned

\$ 0

1.72 TOTAL Incurred claims

\$ 0

1.73 Number of covered lives

..... 0

All years prior to most current three years:

1.74 TOTAL Premium earned

\$ 0

1.75 TOTAL Incurred claims

\$ 0

1.76 Number of covered lives

..... 0

2. Health Test

		1	2
		Current Year	Prior Year
2.1	Premium Numerator	146,897,017	151,623,858
2.2	Premium Denominator	146,897,017	151,623,858
2.3	Premium Ratio (2.1 / 2.2)	1.000	1.000
2.4	Reserve Numerator	18,050,252	16,519,305
2.5	Reserve Denominator	18,050,252	16,519,305
2.6	Reserve Ratio (2.4 / 2.5)	1.000	1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes[] No[X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes[X] No[]

4.2 If not previously filed furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

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

5.1 Does the reporting entity have stop-loss reinsurance?

Yes[X] No[]

5.2 If no, explain:

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive Medical

\$ 615,000

5.32 Medical Only

\$ 0

5.33 Medicare Supplement

\$ 0

5.34 Dental & Vision

\$ 0

5.35 Other Limited Benefit Plan

\$ 0

5.36 Other

\$ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

The plan has hold harmless provision with network hospitals. Paramount Insurance Company's reinsurance contract provides for payment of certain benefits for 30 days following an event of insolvency.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes[X] No[]

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

..... 2,139

8.2 Number of providers at end of reporting year

..... 2,290

9.1 Does the reporting entity have business subject to premium rate guarantees?

Yes[X] No[]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

..... 0

9.22 Business with rate guarantees over 36 months

..... 0

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes[] No[X]

10.2 If yes:

10.21 Maximum amount payable bonuses

\$ 0

10.22 Amount actually paid for year bonuses

\$ 0

10.23 Maximum amount payable withholds

\$ 0

10.24 Amount actually paid for year withholds

\$ 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes[] No[X]

11.13 An Individual Practice Association (IPA), or,

Yes[] No[X]

11.14 A Mixed Model (combination of above)?

Yes[X] No[]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

Yes[X] No[]

11.3 If yes, show the name of the state requiring such minimum capital and surplus.

Ohio

11.4 If yes, show the amount required.

\$ 2,500,000

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

Yes[] No[X]

11.6 If the amount is calculated, show the calculation.

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

1
Name of Service Area
ALL COUNTIES IN OHIO

13.1 Do you act as a custodian for health savings accounts?

Yes[] No[X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date:

\$ 0

13.3 Do you act as an administrator for health savings accounts?

Yes[] No[X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date:

\$ 0

14.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers?

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

GENERAL INTERROGATORIES (Continued)

14.2 If the answer to 14.1 is yes, please provide the following:

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

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)

15.1 Direct Premium Written

15.2 Total incurred claims

15.2 Number of covered lives

\$ 0

\$ 0

0

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

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	68,842,247	44,648,901	35,031,946	18,600,998	19,566,013
2. TOTAL Liabilities (Page 3, Line 24)	43,753,699	24,070,906	20,423,657	5,819,130	5,914,725
3. Statutory minimum capital and surplus requirement	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	25,088,548	20,577,995	14,608,289	12,781,868	13,651,288
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	146,897,017	151,623,858	79,182,204	26,909,243	23,015,623
6. TOTAL Medical and Hospital Expenses (Line 18)	120,756,866	122,116,681	65,151,175	24,065,450	19,486,241
7. Claims adjustment expenses (Line 20)	2,673,584	1,911,032	1,247,786	585,034	251,163
8. TOTAL Administrative Expenses (Line 21)	15,353,226	17,800,863	9,709,913	3,646,171	2,624,750
9. Net underwriting gain (loss) (Line 24)	8,113,341	9,795,282	3,073,330	(1,387,412)	1,746,070
10. Net investment gain (loss) (Line 27)	110,779	125,525	18,346	898	(674)
11. TOTAL Other Income (Lines 28 plus 29)	1,499	19,262	17,361		
12. Net income or (loss) (Line 32)	4,586,900	6,268,543	1,892,718	(896,304)	1,489,413
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	18,532,932	6,154,429	16,341,432	(1,720,058)	669,488
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	25,088,548	20,577,995	14,608,289	12,781,868	13,651,288
15. Authorized control level risk-based capital	5,720,993	5,811,947	3,433,908	1,689,019	1,368,919
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	36,446	39,111	39,670	9,472	8,859
17. TOTAL Members Months (Column 6, Line 7)	441,935	478,378	274,858	113,219	106,094
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	82.2	80.5	82.3	89.4	84.7
20. Cost containment expenses	1.5	1.0	1.2	1.6	0.8
21. Other claims adjustment expenses	0.3	0.3	0.4	0.6	0.3
22. TOTAL Underwriting Deductions (Line 23)	94.5	93.5	96.1	105.2	92.4
23. TOTAL Underwriting Gain (Loss) (Line 24)	5.5	6.5	3.9	(5.2)	7.6
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	12,717,828	10,816,165	3,025,517	2,352,303	2,609,920
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	15,482,923	11,877,458	3,579,714	3,250,066	4,085,010
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. TOTAL of Above Lines 26 to 31					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above					

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

If no, please explain::

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
ALLOCATED BY STATES AND TERRITORIES

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & 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)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L	4,758,785						4,758,785	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	144,401,693						144,401,693	
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)	N								
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)	X X X								
59.	Subtotal	X X X	149,160,478						149,160,478	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	TOTAL (Direct Business)	(a) - 2	149,160,478						149,160,478	

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

(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.
Explanation of basis of allocation of premiums by states, etc.: All individual policies are allocated based on residency which are in Ohio. Group policies are allocated based on the employment location. All groups are employed in Ohio and Michigan.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART
ORGANIZATION CHART

Paramount Insurance Company is ultimately controlled by ProMedica Health System, Inc., (“ProMedica”), a nonprofit holding company exempt from federal taxation under Section 501(c)(3) and 509(a)(3) of the Internal Revenue Code. The following coding system is used to show the interrelationships among the various members of the insurance holding company system:

- A circle means that ProMedica is the sole member/parent of the entity.
- ◆ Each entity marked with a diamond is a subsidiary of the entity listed directly above and denoted with a circle.
- Each entity marked with a square is a subsidiary of the entity listed directly above and marked with a diamond.
- Each entity marked with an arrow is a member of the insurance holding company system.

The following list depicts the identities and interrelationships of affiliated persons within the insurance holding company system:

- ProMedica Foundation, an Ohio nonprofit corporation, of which Bay Park Community Hospital Foundation, Toledo Hospital Foundation, Toledo Children’s Hospital Foundation, Flower Foundation, Defiance Foundation, Fostoria Community Hospital Foundation, ProMedica Physicians & Continuum Services Foundation f/k/a ProMedica Continuing Care Services Corporation, Bixby Hospital Foundation, Herrick Hospital Foundation, and Memorial Hospital Foundation are divisions.
 - ◆ Mission Pointe Golf Course, LLC, a Michigan limited liability company, with ProMedica Foundation d/b/a Herrick Hospital Foundation as its sole member.
- ProMedica Health Network, Inc., an Ohio for profit corporation, with ProMedica Health System, Inc. as the sole shareholder.
- Fostoria Hospital Association, an Ohio nonprofit corporation.
 - ◆ NWO Health Partners, LLC, an Ohio limited liability company in which Fostoria Hospital Association holds 50% ownership interest with Northwest Ohio Orthopedic and Sports Medicine, Inc., holding the remaining 50% interest.
- ProMedica Physicians and Continuum Services f/k/a ProMedica Physician Corporation f/k/a ProMedica Physicians Enterprises, an Ohio nonprofit corporation.
 - ◆ ProMedica Continuing Care Services Corporation f/k/a Crestview of Ohio, Inc., an Ohio nonprofit corporation.
 - ◆ Toledo District Nurse Association, an Ohio nonprofit corporation.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- ◆ Visiting Nurse Hospice and Health Care, an Ohio nonprofit corporation.
- ◆ ProMedica Retail Group, Inc., f/k/a The Flower Market, Inc., an Ohio for-profit corporation.
- ◆ ProMedica Courier Services, Inc., an Ohio nonprofit corporation.
- ◆ Erie West Hospice and Palliative Care, Ltd., an Ohio limited liability company.
- ◆ HCRMC- ProMedica JV, LLC, dba Heartland at ProMedica Flower Hospital, a Delaware limited liability company in which ProMedica Physicians & Continuum Services holds 10% ownership interest and ManorCare Health Services of Toledo OH, LLC holding the remaining 90% interest.
- ◆ Lifestream, LLC, an Ohio limited liability company which ProMedica Physicians & Continuum Services holds 50% ownership interest and Harbor holding the remaining 50% interest.
- ◆ The Surgical Institute of Monroe Ambulatory Surgery Center, LLC, a Michigan limited liability company which ProMedica Physicians & Continuum Services holds 51% ownership interest and various physicians holding the remaining 49% interest.
- ◆ ProMedica Physician Group, Inc., an Ohio professional association, which is beneficially owned by ProMedica Physicians & Continuum Services f/k/a ProMedica Physician Corporation pursuant to the terms of a Share Control Agreement, dated as of June 2, 1999, by and among ProMedica Physician Corporation, Lee Hammerling, M.D., and ProMedica Physician Group, Inc. Dr. Hammerling holds legal ownership of all outstanding shares of capital stock of ProMedica Physician Group, Inc.
 - The Pharmacy Counter, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
 - ProMedica Central Corporation of Michigan, a Michigan nonprofit corporation and a wholly-owned subsidiary of ProMedica Physician Group, Inc.
 - ProMedica Central Physicians, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
 - ProMedica North Physicians Corporation, a Michigan nonprofit stock corporation and a wholly-owned subsidiary of ProMedica Physician Group, Inc.
 - Midwest Cardiovascular Consultants, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- ProMedica Northwest Ohio Cardiology Consultants, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Monroe Cardiology, PLLC, a Michigan limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Physician Management Services, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Surgical Services, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- WellCare Physicians Group, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Monroe Physicians, PLLC, a Michigan limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Multi Specialty Physicians, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Genito-Urinary Surgeons, LLC, an Ohio limited liability company with ProMedica Physicians Group, Inc., as its sole member.
- ProMedica Hospitalists, LLC, an Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- ProMedica Hospitalists, PLLC, a Michigan limited liability company with ProMedica Physician Group, Inc., as its sole member.
- Memorial Professional Services, Ltd., and Ohio limited liability company with ProMedica Physician Group, Inc., as its sole member.
- Memorial Anesthesia, Ltd., an Ohio limited liability company with ProMedica Physicians Group, Inc., as its sole member.
- ProMedica Indemnity Corporation, a Vermont nonprofit corporation.
- ProMedica Insurance Corporation f/k/a ProMedica Health Ventures Corporation f/k/a Vanguard Health Ventures, Inc., an Ohio nonprofit corporation.
 - ◆ Paramount Preferred Options, Inc., an Ohio for-profit corporation, which is wholly-owned by ProMedica Insurance Corporation.
 - Health Management Solutions, Inc., an Ohio for-profit corporation which is wholly-owned by Paramount Preferred Options.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- Paramount Preferred Solutions, Inc., an Ohio for-profit corporation which is wholly-owned by Paramount Preferred Options
- ◆ NAIC 95189-Paramount Care, Inc., an Ohio nonprofit health-insuring corporation and a wholly-owned subsidiary of ProMedica Insurance Corporation.
- ◆ Paramount Benefits Agency, Inc., an Ohio for-profit corporation and a wholly owned subsidiary of ProMedica Insurance Corporation.
- ◆ NAIC 95566-Paramount Care of Michigan, Inc., a Michigan nonprofit corporation and a wholly-owned subsidiary of ProMedica Insurance Corporation.
- ◆ NAIC 11518-Paramount Insurance Company f/k/a ProMedica Life Insurance Company, a for-profit corporation and a wholly owned subsidiary of ProMedica Insurance Corporation.
- ◆ NAIC 12353-Paramount Advantage, an Ohio nonprofit corporation wholly owned subsidiary of ProMedica Insurance Corporation.
- Bay Park Community Hospital, an Ohio nonprofit corporation.
- Defiance Hospital, Inc., an Ohio nonprofit corporation.
 - ◆ Kaitlyn’s Cottage, Inc., an Ohio nonprofit corporation with Defiance Hospital, Inc., as its sole member.
- Emma L. Bixby Medical Center, a Michigan nonprofit corporation and a wholly-owned subsidiary of ProMedica Health System, Inc.
 - ◆ Bixby Medical Office Limited Partnership, a Michigan limited partnership in which Emma L. Bixby Medical Center holds 64.44% ownership interest with various physicians having the remaining 35.56% interest.
 - ◆ Lenawee Long Term Care Corporation, a Michigan nonprofit corporation and a wholly owned subsidiary of Emma L. Bixby Medical Center.
 - ◆ Herrick Memorial Development Corporation, a Michigan for-profit corporation and a wholly owned subsidiary of Emma L. Bixby Medical Center.
 - Herrick Memorial Office Plaza Condominium Association, a Michigan nonprofit corporation in which Herrick Memorial Development Corporation holds 71.8% ownership interest with various physicians having the remaining 28.2% interest.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- ◆ Lenawee Physician Hospital Organization LLC, a Michigan limited liability company in which Emma L. Bixby Medical Center holds 50% ownership interest with Raisin River Physicians, PLC, holding the remaining 50% interest.
- Herrick Memorial Hospital, Inc., a Michigan nonprofit corporation and a wholly-owned subsidiary of ProMedica Health System, Inc.
- The Toledo Hospital, an Ohio nonprofit corporation, of which Toledo Children’s Hospital f/k/a ProMedica Children’s Medical Center of Northwest Ohio and ProMedica Wildwood Orthopaedic and Spine Hospital are divisions.
 - ◆ Reynolds Road Surgery Center, LLC, an Ohio limited liability company in which The Toledo Hospital holds 62.66% ownership interest, with various physicians holding a remaining 37.34% interest.
 - ◆ Northwest Ohio Dedicated Breast MRI, LLC, an Ohio limited liability company in which The Toledo Hospital holds 50% ownership interest with TRA Investment Club, LLC, holding the remaining 50% interest.
 - ◆ Arrowhead Behavioral Health, LLC, a Delaware limited liability company in which The Toledo Hospital holds 30% ownership interest and Toledo Holding Company, LLC, holding a remaining 70% interest.
 - ◆ West Central Surgical Center, LLC, an Ohio limited liability company of which The Toledo Hospital holds 50% ownership interest and various physicians holding the remaining 50% interest.
- Flower Hospital, an Ohio nonprofit corporation.
- PHS Ventures, Inc., f/k/a BVPH Ventures, Inc., an Ohio nonprofit corporation in which ProMedica Health System, Inc., an Ohio nonprofit corporation, holds a 100% ownership interest.
- St. Luke’s Hospital, an Ohio nonprofit corporation.
 - ◆ OhioCare Ambulatory Surgery Center, LLC, an Ohio limited liability company of which St. Luke’s Hospital holds 50% ownership interest and various physicians holding the remaining 50% interest.
 - ◆ St. Luke’s Physician Hospital Organization, Inc., an Ohio for-profit corporation of which St. Luke’s Hospital holds 50% ownership interest and various physicians holding the remaining 50% interest.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- Care Enterprises, Inc., an Ohio nonprofit corporation.
 - ◆ Waterville Medical Center, LLC, an Ohio limited liability company of which Care Enterprises, Inc., holds 70% ownership interest and SB Medical Building Venture, Ltd., holds the remaining 30% interest.
- Care Holdings, Inc., an Ohio for-profit corporation.
- Physicians Advantage Management Services Organization, Inc., an Ohio for-profit corporation.
- St. Luke’s Hospital Foundation, an Ohio nonprofit corporation.
 - ◆ Cobra Ventures, LLC, an Ohio limited liability company.
- Memorial Hospital, an Ohio nonprofit corporation.
 - ◆ Fremont Hospital/Physician Organization d/b/a Cooperative Care, an Ohio for-profit corporation of which Memorial Hospital holds 50% ownership interest and various other physicians hold the remaining 50% interest.
 - Sandusky County Medical Specialists, LLC, and Ohio limited liability company of which Fremont Hospital/Physician Organizations holds 100% ownership interest.
 - ◆ East-West Holding, Ltd., and Ohio limited liability company of which Memorial Hospital holds 50% ownership interest with The Bellevue Hospital, an Ohio nonprofit corporation holding the remaining 50% interest.
- Monroe Regional Hospital, a Michigan nonprofit corporation d/b/a Mercy Memorial Hospital Corporation.
 - ◆ Monroe Community Health Services, a Michigan nonprofit corporation.
 - ◆ Monroe Health Ventures, Inc., a Michigan for-profit corporation.
 - ◆ M Trust Assurance Company, Ltd., a Cayman Islands corporation.
 - ◆ Mercy Memorial Surgical Co-Management Company, LLC, a Michigan limited liability company of which Monroe Regional Hospital holds a 50% ownership interest and various other physicians hold the remaining 50% interest.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

- ◆ Caymich Insurance Company, Ltd., a Cayman Islands corporation of which Monroe Regional Hospital holds 1.89% ownership interest with various other entities holding the remaining interest.

Other Affiliated Entities

- Lima Memorial Joint Operating Company, an Ohio nonprofit corporation, in which Lima Memorial Hospital, an Ohio nonprofit corporation and PHS Ventures, Inc., each hold 50% ownership interest.
- ProMedica Orthopedic Co-Management Company, LLC, an Ohio limited liability company is which The Toledo Hospital, Bay Park Community Hospital, and Flower Hospital share 40% ownership interest with various physicians holding the remaining 60% interest.
- ProMedica Cardiovascular Co-Management Company, LLC, an Ohio limited liability company in which The Toledo Hospital, Bay Park Community Hospital, and Flower Hospital share 38.4% ownership interest with various physicians holding the remaining 61.6% interest.
- Interactive Physical Therapy, an Ohio limited liability company in which ProMedica Health System, Inc., holds 50% ownership interest and various individuals holding the remaining 50% interest.
- ProMedica Surgical Services Co-Management Company, LLC, an Ohio limited liability company in which The Toledo Hospital, Bay Park Community Hospital, and Flower Hospital share 50% ownership interest with various physicians holding the remaining 50% interest.
- Monroe Community Ambulance, a Michigan nonprofit corporation in which ProMedica Continuing Care Services Corporation holds 25% ownership interest, Monroe Regional Hospital holds 25% interest, and various other corporations hold the remaining 50% interest.
- Monroe Cancer Center, a Michigan nonprofit corporation in which Emma L. Bixby Medical Center holds 33.33% ownership interest and Monroe Regional Hospital holds 66.66% interest.

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