29076201520100100

ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

Medical Mutual of Ohio

NAIC Group Code.....730, 730 (Current Period) (Prior Period) NAIC Company Code..... 29076 Employer's ID Number..... 34-0648820

Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio Country of Domicile US

Licensed as Business Type.....Property/Casualty Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... March 30, 1934 Commenced Business..... January 1, 1934

Statutory Home Office	2060 East Ninth Street….. Cleveland ..... OH ..... US …. 44115-1355 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	2060 East Ninth Street….. Cleveland ..... OH ..... US …. 44115-1355 *(Street and Number) (City or Town, State, Country and Zip Code)*	216-687-7000 *(Area Code) (Telephone Number)*
Mail Address	2060 East Ninth Street….. Cleveland ..... OH ..... US …. 44115-1355 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	2060 East Ninth Street….. Cleveland ..... OH ..... US …. 44115-1355 *(Street and Number) (City or Town, State, Country and Zip Code)*	216-687-7000 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.MedMutual.com	
Statutory Statement Contact	Sharon Matonis *(Name)*	216-687-6049 *(Area Code) (Telephone Number) (Extension)*
	Sharon.Matonis@medmutual.com *(E-Mail Address)*	216-360-4073 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Richard Alan Chiricosta	Chairman, President & CEO	2. Steffany Matticola Larkins	Secretary
3. Raymond Karl Mueller	Treasurer & CFO	4.	

OTHER

Jared Paul Chaney	EVP	Kathleen Rose Golovan	EVP
Steffany Matticola Larkins	EVP	Raymond Karl Mueller	EVP
Susan Marie Tyler	EVP		

DIRECTORS OR TRUSTEES

Charles Arthur Bryan	Richard Alan Chiricosta	Frederick David DiSanto	Terrance Callahan Egger
Robert John King Jr.	Samuel Henry Miller	Dennis John Roche	Greta Jane Russell
David Joseph Young			

State of..... Ohio
County of..... Cuyahoga

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

(Signature)	(Signature)	(Signature)
Richard Alan Chiricosta	Steffany Matticola Larkins	Raymond Karl Mueller
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
Chairman, President & CEO	Secretary	Treasurer & CFO
(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 _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	965,311,542		965,311,542	899,770,940
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks	217,673,240		217,673,240	224,677,819
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....96,752,818, Schedule E-Part 1), cash equivalents ($.....0, Schedule E-Part 2) and short-term investments ($.....160,361,209, Schedule DA)	257,114,027		257,114,027	179,889,832
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)	295,510,604		295,510,604	332,866,778
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,735,609,413	0	1,735,609,413	1,637,205,369
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	7,241,398		7,241,398	7,059,398
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	9,111,825		9,111,825	606,709
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($.....0) and contracts subject to redetermination ($.....3,496,449)	3,496,449		3,496,449	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	20,844,796		20,844,796	25,391,966
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	12,409,304		12,409,304	35,223,497
19. Guaranty funds receivable or on deposit	5,770,792		5,770,792	6,306,188
20. Electronic data processing equipment and software	9,044,602	9,044,602	0	
21. Furniture and equipment, including health care delivery assets ($.....0)	7,317,435	7,317,435	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	11,801,840		11,801,840	15,989,830
24. Health care ($.....31,140,202) and other amounts receivable	38,343,602	7,203,400	31,140,202	23,937,934
25. Aggregate write-ins for other than invested assets	34,797,699	18,999,061	15,798,638	15,188,354
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,895,789,155	42,564,498	1,853,224,657	1,766,909,245
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTALS (Lines 26 and 27)	1,895,789,155	42,564,498	1,853,224,657	1,766,909,245
DETAILS OF WRITE-INS				
1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Note Receivable - Rose Building	4,702,682		4,702,682	5,503,188
2502. Cash Surrender Value - Life Insurance	8,853,814		8,853,814	8,700,356
2503. Other Assets	1,075,798	826,992	248,806	233,608
2598. Summary of remaining write-ins for Line 25 from overflow page	20,165,405	18,172,069	1,993,336	751,202
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	34,797,699	18,999,061	15,798,638	15,188,354

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $.....2,884,200 reinsurance ceded)	191,255,450		191,255,450	207,088,792
2.	Accrued medical incentive pool and bonus amounts	5,853,700		5,853,700	5,014,000
3.	Unpaid claims adjustment expenses	4,849,113		4,849,113	4,931,612
4.	Aggregate health policy reserves, including the liability of $.....0 for medical loss ratio rebate per the Public Health Service Act	21,041,272		21,041,272	245
5.	Aggregate life policy reserves			0	
6.	Property/casualty unearned premium reserve			0	
7.	Aggregate health claim reserves			0	
8.	Premiums received in advance	74,143,341		74,143,341	73,797,948
9.	General expenses due or accrued	100,953,643		100,953,643	103,148,785
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses))	7,543,540		7,543,540	3,361,457
10.2	Net deferred tax liability			0	
11.	Ceded reinsurance premiums payable			0	
12.	Amounts withheld or retained for the account of others			0	
13.	Remittances and items not allocated	874,695		874,695	1,372,740
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15.	Amounts due to parent, subsidiaries and affiliates			0	
16.	Derivatives			0	
17.	Payable for securities	40,326		40,326	500,000
18.	Payable for securities lending			0	
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers, $.....0 unauthorized and $.....0 certified reinsurers)			0	
20.	Reinsurance in unauthorized and certified ($.....0) companies			0	
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	
22.	Liability for amounts held under uninsured plans			0	
23.	Aggregate write-ins for other liabilities (including $.....7,988,317 current)	93,829,647	0	93,829,647	87,791,855
24.	Total liabilities (Lines 1 to 23)	500,384,727	0	500,384,727	487,007,434
25.	Aggregate write-ins for special surplus funds	XXX	XXX	37,641,000	43,203,000
26.	Common capital stock	XXX	XXX		
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX		
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	1,315,198,930	1,236,698,811
32.	Less treasury stock at cost:				
	32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	1,352,839,930	1,279,901,811
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,853,224,657	1,766,909,245

DETAILS OF WRITE-INS

2301.	Accrued Postemployment Benefits Other Than Pension	53,008,310		53,008,310	53,119,872
2302.	Building Lease Liability	7,200,137		7,200,137	8,456,668
2303.	Other Liabilities	19,655,102		19,655,102	16,137,702
2398.	Summary of remaining write-ins for Line 23 from overflow page	13,966,098	0	13,966,098	10,077,613
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	93,829,647	0	93,829,647	87,791,855
2501.	Estimated 2015 Health Insurer Fee	XXX	XXX		43,203,000
2502.	Estimated 2016 Health Insurer Fee	XXX	XXX	37,641,000	
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	37,641,000	43,203,000
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member months	XXX	12,075,664	12,549,670
2.	Net premium income (including $.....0 non-health premium income)	XXX	2,146,944,662	2,238,112,320
3.	Change in unearned premium reserves and reserve for rate credits	XXX		95,813
4.	Fee-for-service (net of $.....0 medical expenses)	XXX		
5.	Risk revenue	XXX		
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	2,146,944,662	2,238,208,133
Hospital and Medical:				
9.	Hospital/medical benefits		1,109,570,389	1,204,706,726
10.	Other professional services		95,593,680	105,738,722
11.	Outside referrals		12,490,437	14,368,842
12.	Emergency room and out-of-area		190,288,807	231,531,722
13.	Prescription drugs		291,214,460	287,228,009
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts		4,364,684	5,255,065
16.	Subtotal (Lines 9 to 15)	0	1,703,522,457	1,848,829,086
Less:				
17.	Net reinsurance recoveries		25,616,005	29,148,100
18.	Total hospital and medical (Lines 16 minus 17)	0	1,677,906,452	1,819,680,986
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including $.....17,999,432 cost containment expenses		55,975,724	57,692,301
21.	General administrative expenses		257,161,989	273,394,712
22.	Increase in reserves for life and accident and health contracts including $.....0 increase in reserves for life only)		21,000,000	
23.	Total underwriting deductions (Lines 18 through 22)	0	2,012,044,165	2,150,767,999
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	134,900,497	87,440,134
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		30,875,464	28,973,504
26.	Net realized capital gains or (losses) less capital gains tax of $.....649,600		(1,507,807)	1,216,803
27.	Net investment gains or (losses) (Lines 25 plus 26)	0	29,367,657	30,190,307
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	0	34,654	(2,876,641)
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	164,302,808	114,753,800
31.	Federal and foreign income taxes incurred	XXX	37,553,120	17,454,481
32.	Net income (loss) (Lines 30 minus 31)	XXX	126,749,688	97,299,319

DETAILS OF WRITE-INS

0601.		XXX		
0602.		XXX		
0603.		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703.		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.	Other Income, net of (Other Expense)		34,654	(2,876,641)
2902.				
2903.				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	34,654	(2,876,641)

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	1,279,901,811	1,221,804,341
34. Net income or (loss) from Line 32	126,749,688	97,299,319
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.....(2,252,000)	(54,419,038)	(46,497,359)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	(24,470,194)	8,580,982
39. Change in nonadmitted assets	23,970,663	917,528
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	1,107,000	(2,203,000)
48. Net change in capital and surplus (Lines 34 to 47)	72,938,119	58,097,470
49. Capital and surplus end of reporting period (Line 33 plus 48)	1,352,839,930	1,279,901,811

DETAILS OF WRITE-INS

4701. Decrease(Increase) in Unrecognized Postretirement Benefit Costs	1,107,000	(2,203,000)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	1,107,000	(2,203,000)

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	2,135,898,672	2,302,569,612
2.	Net investment income	34,613,602	32,978,974
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	2,170,512,274	2,335,548,586
5.	Benefit and loss related payments	1,693,805,584	1,861,867,869
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	311,621,514	339,433,559
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $.....649,600 tax on capital gains (losses)	34,266,000	26,700,000
10.	Total (Lines 5 through 9)	2,039,693,098	2,228,001,428
11.	Net cash from operations (Line 4 minus Line 10)	130,819,176	107,547,158
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	166,122,887	196,337,317
	12.2 Stocks	21,634,829	34,705,822
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets	28,110,290	1,543,489
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7 Miscellaneous proceeds		285,371
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	215,868,006	232,871,999
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	229,221,851	254,469,970
	13.2 Stocks	33,176,873	39,131,863
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets	5,192,058	3,531,565
	13.6 Miscellaneous applications	459,674	
	13.7 Total investments acquired (Lines 13.1 to 13.6)	268,050,456	297,133,398
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(52,182,450)	(64,261,399)
	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)	(1,412,531)	2,275,396
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(1,412,531)	2,275,396
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	77,224,195	45,561,155
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	179,889,832	134,328,677
	19.2 End of year (Line 18 plus Line 19.1)	257,114,027	179,889,832

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	2,146,944,662	1,979,840,454	31,115,338	18,285,609	2,220,922				115,482,339	
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of $.....0 medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	2,146,944,662	1,979,840,454	31,115,338	18,285,609	2,220,922	0	0	0	115,482,339	0
8. Hospital/medical benefits	1,109,570,389	1,010,220,889	17,023,917	558,200	78,971				81,688,412	XXX
9. Other professional services	95,593,680	79,691,022	2,275,602	10,840,914	2,786,142					XXX
10. Outside referrals	12,490,437	11,234,842	1,255,595							XXX
11. Emergency room and out-of-area	190,288,807	189,251,696	1,030,591		6,520					XXX
12. Prescription drugs	291,214,460	290,726,395	444,760						43,305	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	4,364,684	4,361,463	5						3,216	XXX
15. Subtotal (Lines 8 to 14)	1,703,522,457	1,585,486,307	22,030,470	11,399,114	2,871,633	0	0	0	81,734,933	XXX
16. Net reinsurance recoveries	25,616,005	25,616,005								XXX
17. Total hospital and medical (Lines 15 minus 16)	1,677,906,452	1,559,870,302	22,030,470	11,399,114	2,871,633	0	0	0	81,734,933	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $.....17,999,432 cost containment expenses	55,975,724	52,336,674	1,595,826	1,636,056	165,944				241,224	
20. General administrative expenses	257,161,989	236,775,087	5,000,297	1,090,734	309,962		8,713,612		5,272,297	
21. Increase in reserves for accident and health contracts	21,000,000	21,000,000								XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	2,012,044,165	1,869,982,063	28,626,593	14,125,904	3,347,539	0	8,713,612	0	87,248,454	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	134,900,497	109,858,391	2,488,745	4,159,705	(1,126,617)	0	(8,713,612)	0	28,233,885	0
DETAILS OF WRITE-INS										
0501.	0									XXX
0502.	0									XXX
0503.	0									XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0									XXX
1302.	0									XXX
1303.	0									XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	1,975,365,029	5,848,588	1,373,163	1,979,840,454
2. Medicare supplement	31,115,338			31,115,338
3. Dental only	18,285,609			18,285,609
4. Vision only	2,220,922			2,220,922
5. Federal employees health benefits plan				0
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid				0
8. Other health	115,482,339			115,482,339
9. Health subtotal (Lines 1 through 8)	2,142,469,237	5,848,588	1,373,163	2,146,944,662
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	2,142,469,237	5,848,588	1,373,163	2,146,944,662

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	1,727,275,618	1,610,631,366	21,613,908	11,371,514	2,896,147				80,762,683	
1.2 Reinsurance assumed	4,538,939	4,538,939								
1.3 Reinsurance ceded	36,995,018	36,995,018								
1.4 Net	1,694,819,539	1,578,175,287	21,613,908	11,371,514	2,896,147	0	0	0	80,762,683	0
2. Paid medical incentive pools and bonuses	3,524,984	3,521,407	5						3,572	
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	193,201,446	185,270,128	3,121,797	912,000	10,000				3,887,521	
3.2 Reinsurance assumed	938,204	938,204								
3.3 Reinsurance ceded	2,884,200	2,884,200								
3.4 Net	191,255,450	183,324,132	3,121,797	912,000	10,000	0	0	0	3,887,521	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	5,853,700	5,846,995							6,705	
6. Net healthcare receivables (a)	9,991,599	9,674,576	199,418	81,100	22,514				13,991	
7. Amounts recoverable from reinsurers December 31, current year	20,844,796	20,844,796								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	211,327,692	205,102,074	2,505,822	803,300	12,000				2,904,496	
8.2 Reinsurance assumed	0									
8.3 Reinsurance ceded	4,238,900	4,238,900								
8.4 Net	207,088,792	200,863,174	2,505,822	803,300	12,000	0	0	0	2,904,496	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	5,014,000	5,006,939							7,061	
11. Amounts recoverable from reinsurers December 31, prior year	25,391,966	25,391,966								
12. Incurred benefits:										
12.1 Direct	1,699,157,773	1,581,124,844	22,030,465	11,399,114	2,871,633	0	0	0	81,731,717	0
12.2 Reinsurance assumed	5,477,143	5,477,143	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	31,093,148	31,093,148	0	0	0	0	0	0	0	0
12.4 Net	1,673,541,768	1,555,508,839	22,030,465	11,399,114	2,871,633	0	0	0	81,731,717	0
13. Incurred medical incentive pools and bonuses	4,364,684	4,361,463	5	0	0	0	0	0	3,216	0

(a) Excludes $.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	0									
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct	193,201,446	185,270,128	3,121,797	912,000	10,000				3,887,521	
2.2 Reinsurance assumed	938,204	938,204								
2.3 Reinsurance ceded	2,884,200	2,884,200								
2.4 Net	191,255,450	183,324,132	3,121,797	912,000	10,000	0	0	0	3,887,521	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	193,201,446	185,270,128	3,121,797	912,000	10,000	0	0	0	3,887,521	0
4.2 Reinsurance assumed	938,204	938,204	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	2,884,200	2,884,200	0	0	0	0	0	0	0	0
4.4 Net	191,255,450	183,324,132	3,121,797	912,000	10,000	0	0	0	3,887,521	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	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
1. Comprehensive (hospital and medical)	157,439,289	1,425,283,168	1,268,934	182,055,198	158,708,223	200,863,174
2. Medicare supplement	2,749,728	18,864,180	9,000	3,112,797	2,758,728	2,505,822
3. Dental only	836,127	10,535,387	1,000	911,000	837,127	803,300
4. Vision only	20,148	2,875,999		10,000	20,148	12,000
5. Federal employees health benefits plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health	3,234,508	77,528,175		3,887,521	3,234,508	2,904,496
9. Health subtotal (Lines 1 to 8)	164,279,800	1,535,086,909	1,278,934	189,976,516	165,558,734	207,088,792
10. Healthcare receivables (a)	397,737	7,955,061		29,990,804	397,737	28,352,003
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	2,131,332	1,393,652	641,920	5,211,780	2,773,252	5,014,000
13. Totals (Lines 9 - 10 + 11 + 12)	166,013,395	1,528,525,500	1,920,854	165,197,492	167,934,249	183,750,789

(a) Excludes $.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	180,700	177,313	175,677	175,084	175,084
2. 2011	1,540,566	1,733,180	1,731,740	1,730,481	1,728,958
3. 2012	XXX	1,794,446	2,024,497	2,021,853	2,020,356
4. 2013	XXX	XXX	1,887,967	2,097,235	2,094,760
5. 2014	XXX	XXX	XXX	1,631,908	1,803,814
6. 2015	XXX	XXX	XXX	XXX	1,536,481

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(23,251)	(28,729)	(28,949)	(30,035)	(30,035)
2. 2011	1,737,464	1,733,417	1,731,024	1,730,101	1,728,668
3. 2012	XXX	2,049,215	2,022,648	2,020,421	2,020,071
4. 2013	XXX	XXX	2,090,790	2,097,314	2,094,288
5. 2014	XXX	XXX	XXX	1,817,393	1,806,385
6. 2015	XXX	XXX	XXX	XXX	1,693,723

12.GT

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	2,122,862	1,728,958	65,394	3.8	1,794,352	84.5			1,794,352	84.5
2. 2012	2,372,803	2,020,356	69,482	3.4	2,089,838	88.1			2,089,838	88.1
3. 2013	2,473,581	2,094,760	62,204	3.0	2,156,964	87.2			2,156,964	87.2
4. 2014	2,238,112	1,803,814	59,847	3.3	1,863,661	83.3	1,921	77	1,865,659	83.4
5. 2015	2,146,945	1,536,481	48,261	3.1	1,584,742	73.8	195,188	4,772	1,784,702	83.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	171,466	168,110	166,501	165,919	165,919
2. 2011	1,471,557	1,659,555	1,658,139	1,656,903	1,655,406
3. 2012	XXX	1,702,209	1,926,593	1,923,998	1,922,528
4. 2013	XXX	XXX	1,788,725	1,992,236	1,989,804
5. 2014	XXX	XXX	XXX	1,515,898	1,680,864
6. 2015	XXX	XXX	XXX	XXX	1,426,677

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(20,408)	(25,789)	(26,596)	(27,683)	(27,683)
2. 2011	1,662,898	1,659,799	1,657,419	1,656,528	1,655,116
3. 2012	XXX	1,951,097	1,925,226	1,922,585	1,922,242
4. 2013	XXX	XXX	1,986,105	1,992,776	1,989,332
5. 2014	XXX	XXX	XXX	1,695,721	1,683,427
6. 2015	XXX	XXX	XXX	XXX	1,576,877

12.HM

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	1,999,271	1,655,406	63,084	3.8	1,718,490	86.0			1,718,490	86.0
2. 2012	2,240,519	1,922,528	68,132	3.5	1,990,660	88.8			1,990,660	88.8
3. 2013	2,335,287	1,989,804	61,123	3.1	2,050,927	87.8			2,050,927	87.8
4. 2014	2,088,843	1,680,864	58,257	3.5	1,739,121	83.3	1,910	76	1,741,107	83.4
5. 2015	1,979,841	1,426,677	44,955	3.2	1,471,632	74.3	187,261	4,659	1,663,552	84.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - MEDICARE SUPPLEMENT

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	2,925	2,869	2,842	2,831	2,831
2. 2011	17,486	20,086	20,062	20,039	20,015
3. 2012	XXX	15,919	18,229	18,180	18,156
4. 2013	XXX	XXX	15,848	18,316	18,277
5. 2014	XXX	XXX	XXX	16,459	19,296
6. 2015	XXX	XXX	XXX	XXX	18,864

SECTION B - INCURRED HEALTH CLAIMS - MEDICARE SUPPLEMENT

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	(1,169)	(1,232)	(1,238)	(1,262)	(1,262)
2. 2011	20,312	20,076	20,062	20,034	20,015
3. 2012	XXX	18,628	18,293	18,161	18,156
4. 2013	XXX	XXX	18,316	18,416	18,277
5. 2014	XXX	XXX	XXX	18,664	19,304
6. 2015	XXX	XXX	XXX	XXX	21,477

12.MS

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - MEDICARE SUPPLEMENT

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	26,933	20,015	926	4.6	20,941	77.8			20,941	77.8
2. 2012	26,002	18,156	903	5.0	19,059	73.3			19,059	73.3
3. 2013	26,198	18,277	733	4.0	19,010	72.6			19,010	72.6
4. 2014	27,370	19,296	657	3.4	19,953	72.9	9	1	19,963	72.9
5. 2015	31,115	18,864	613	3.2	19,477	62.6	3,113	84	22,674	72.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	775	775	775	775	775
2. 2011	7,723	8,643	8,643	8,643	8,643
3. 2012	XXX	11,970	13,255	13,255	13,255
4. 2013	XXX	XXX	10,891	11,879	11,879
5. 2014	XXX	XXX	XXX	10,414	11,251
6. 2015	XXX	XXX	XXX	XXX	10,535

SECTION B - INCURRED HEALTH CLAIMS - DENTAL ONLY

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	(1)	(1)	592	592	592
2. 2011	8,410	8,647	8,647	8,643	8,643
3. 2012	XXX	13,021	12,696	13,255	13,255
4. 2013	XXX	XXX	11,618	11,323	11,879
5. 2014	XXX	XXX	XXX	11,035	11,251
6. 2015	XXX	XXX	XXX	XXX	11,183

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - DENTAL ONLY

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	15,857	8,643	148	1.7	8,791	55.4			8,791	55.4
2. 2012	16,930	13,255	204	1.5	13,459	79.5			13,459	79.5
3. 2013	17,165	11,879	83	0.7	11,962	69.7			11,962	69.7
4. 2014	16,743	11,251	392	3.5	11,643	69.5	1		11,644	69.5
5. 2015	18,286	10,535	322	3.1	10,857	59.4	911	24	11,792	64.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - VISION ONLY

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	29	29	29	29	29
2. 2011	1,197	1,226	1,226	1,226	1,226
3. 2012	XXX	2,677	2,693	2,693	2,693
4. 2013	XXX	XXX	2,628	2,641	2,641
5. 2014	XXX	XXX	XXX	2,775	2,795
6. 2015	XXX	XXX	XXX	XXX	2,876

SECTION B - INCURRED HEALTH CLAIMS - VISION ONLY

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	(7)	(7)	(7)	18	18
2. 2011	1,222	1,226	1,226	1,226	1,226
3. 2012	XXX	2,706	2,701	2,693	2,693
4. 2013	XXX	XXX	2,603	2,625	2,641
5. 2014	XXX	XXX	XXX	2,742	2,795
6. 2015	XXX	XXX	XXX	XXX	2,819

12.VO

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - VISION ONLY

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	1,753	1,226	50	4.1	1,276	72.8			1,276	72.8
2. 2012	1,926	2,693	236	8.8	2,929	152.1			2,929	152.1
3. 2013	2,049	2,641	249	9.4	2,890	141.0			2,890	141.0
4. 2014	2,029	2,795	97	3.5	2,892	142.5			2,892	142.5
5. 2015	2,221	2,876	82	2.9	2,958	133.2	10		2,968	133.6

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - FEDERAL EMPLOYEES HEALTH BENEFITS PLAN PREMIUM

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior					
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - FEDERAL EMPLOYEES HEALTH BENEFITS PLAN PREMIUM

NONE

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. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - FEDERAL EMPLOYEES HEALTH BENEFITS PLAN PREMIUM

NONE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011				0	0	0.0			0	0.0
2. 2012				0.0	0	0.0			0	0.0
3. 2013				0.0	0	0.0			0	0.0
4. 2014				0.0	0	0.0			0	0.0
5. 2015				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	4,498	4,523	4,523	4,523	4,523
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(673)	(707)	(707)	(707)	(707)
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

12.XV

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	918		1,185	0.0	1,185	129.1			1,185	129.1
2. 2012				0.0	0	0.0			0	0.0
3. 2013				0.0	0	0.0			0	0.0
4. 2014				0.0	0	0.0			0	0.0
5. 2015				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior					
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

NONE

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. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	

12.XI

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

NONE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011				0	0	0.0			0	0.0
2. 2012				0.0	0	0.0			0	0.0
3. 2013				0.0	0	0.0			0	0.0
4. 2014				0.0	0	0.0			0	0.0
5. 2015				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	1,007	1,007	1,007	1,007	1,007
2. 2011	42,603	43,670	43,670	43,670	43,668
3. 2012	XXX	61,671	63,727	63,727	63,724
4. 2013	XXX	XXX	69,875	72,163	72,159
5. 2014	XXX	XXX	XXX	86,362	89,608
6. 2015	XXX	XXX	XXX	XXX	77,529

SECTION B - INCURRED HEALTH CLAIMS - OTHER

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	(993)	(993)	(993)	(993)	(993)
2. 2011	44,622	43,669	43,670	43,670	43,668
3. 2012	XXX	63,763	63,732	63,727	63,725
4. 2013	XXX	XXX	72,148	72,174	72,159
5. 2014	XXX	XXX	XXX	89,231	89,608
6. 2015	XXX	XXX	XXX	XXX	81,367

12.OT

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	78,130	43,668	1	0.0	43,669	55.9			43,669	55.9
2. 2012	87,426	63,724	7	0.0	63,731	72.9			63,731	72.9
3. 2013	92,882	72,159	16	0.0	72,175	77.7			72,175	77.7
4. 2014	103,127	89,608	444	0.5	90,052	87.3	1		90,053	87.3
5. 2015	115,482	77,529	2,289	3.0	79,818	69.1	3,893	5	83,716	72.5

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	21,000,000	21,000,000							
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $.....0) for investment income	41,272	41,272							
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	21,041,272	21,041,272	0	0	0	0	0	0	0
7. Reinsurance ceded	0								
8. Totals (net) (Page 3, Line 4)	21,041,272	21,041,272	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

0501.	0								
0502.	0								
0503.	0								
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.	0								
1102.	0								
1103.	0								
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $.....21,000,000 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($.....0 for occupancy of own building)	2,158	350,076	6,809,327		7,161,561
2. Salaries, wages and other benefits	8,190,934	25,630,665	48,852,825		82,674,424
3. Commissions (less $.....0 ceded plus $.....0 assumed)			89,537,514		89,537,514
4. Legal fees and expenses	1,362		969,792		971,154
5. Certifications and accreditation fees	233,457				233,457
6. Auditing, actuarial and other consulting services	1,038,813	171,240	5,454,224		6,664,277
7. Traveling expenses	94,905	198,117	1,546,964		1,839,986
8. Marketing and advertising	146	542	2,345,948		2,346,636
9. Postage, express and telephone	296,856	1,567,161	1,746,646		3,610,663
10. Printing and office supplies	70,212	285,568	2,013,384		2,369,164
11. Occupancy, depreciation and amortization					0
12. Equipment	15,132	83,258	1,514,735		1,613,125
13. Cost or depreciation of EDP equipment and software	1,182,744	4,365,786	3,365,399		8,913,929
14. Outsourced services including EDP, claims, and other services	2,517,851	3,834,760	10,245,830		16,598,441
15. Boards, bureaus and association fees	12,759	8,364	162,263		183,386
16. Insurance, except on real estate			1,445,267		1,445,267
17. Collection and bank service charges				230,076	230,076
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes		21	17,924,927		17,924,948
23.3 Regulatory authority licenses and fees	67	1,928	105,995		107,990
23.4 Payroll taxes	467,727	1,478,806	1,813,369		3,759,902
23.5 Other (excluding federal income and real estate taxes)			57,987,771		57,987,771
24. Investment expenses not included elsewhere				1,049,892	1,049,892
25. Aggregate write-ins for expenses	3,874,309	0	3,319,809	0	7,194,118
26. Total expenses incurred (Lines 1 to 25)	17,999,432	37,976,292	257,161,989	1,279,968	(a) 314,417,681
27. Less expenses unpaid December 31, current year	1,559,270	3,289,843	100,799,443	154,200	105,802,756
28. Add expenses unpaid December 31, prior year	1,742,832	3,188,780	102,984,648	164,137	108,080,397
29. Amounts receivable relating to uninsured plans, prior year			12,000		12,000
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	18,182,994	37,875,229	259,335,194	1,289,905	316,683,322

DETAILS OF WRITE-INS

2501. Network Access Fees	3,874,309				3,874,309
2502. Other			3,319,809		3,319,809
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above)	3,874,309	0	3,319,809	0	7,194,118

(a) Includes management fees of $.....(220,657,254) to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 14,498,465	14,382,040
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 14,009,807	14,296,641
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	2,908,733	2,919,419
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) 83,729	84,726
7.	Derivative instruments	(f)	
8.	Other invested assets	472,606	472,606
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	31,973,340	32,155,432
11.	Investment expenses		(g) 1,279,968
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		1,279,968
17.	Net investment income (Line 10 minus Line 16)		30,875,464

DETAILS OF WRITE-INS

0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....840,612 accrual of discount less $.....4,770,687 amortization of premium and less $.....940,909 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 $.....129 amortization of premium and less $.....0 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	376,130		376,130		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	739,404		739,404		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)	2,248,771	(9,713,460)	(7,464,689)	(3,067,911)	
2.21	Common stocks of affiliates			0	(8,014,023)	
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets	5,490,948		5,490,948	(45,589,104)	
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	8,855,253	(9,713,460)	(858,207)	(56,671,038)	0

DETAILS OF WRITE-INS

0901.				0		
0902.				0		
0903.				0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)		5,256,179	5,256,179
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)		25,660,214	25,660,214
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	30,916,393	30,916,393
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection		569,155	569,155
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans		12,000	12,000
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset			0
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software	9,044,602	8,064,152	(980,450)
21. Furniture and equipment, including health care delivery assets	7,317,435	9,873,540	2,556,105
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	7,203,400	4,414,069	(2,789,331)
25. Aggregate write-ins for other than invested assets	18,999,061	12,685,852	(6,313,209)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	42,564,498	66,535,161	23,970,663
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	42,564,498	66,535,161	23,970,663

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Assets	16,046,382	10,336,610	(5,709,772)
2502. Other Assets	826,992	1,912,246	1,085,254
2503. Other Receivables	2,125,687	436,996	(1,688,691)
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	18,999,061	12,685,852	(6,313,209)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health maintenance organizations						
2. Provider service organizations						
3. Preferred provider organizations	455,631	432,853	424,224	414,400	408,564	5,087,722
4. Point of service	5					
5. Indemnity only	12,917	13,800	14,190	14,567	14,840	171,023
6. Aggregate write-ins for other lines of business	554,023	569,669	571,936	576,403	573,183	6,816,919
7. Total	1,022,576	1,016,322	1,010,350	1,005,370	996,587	12,075,664

DETAILS OF WRITE-INS

0601. Stop Loss	426,730	445,785	448,143	456,368	458,378	5,363,229
0602. Vision Only	47,085	46,840	46,218	44,642	42,760	545,819
0603. Dental Only	80,205	77,042	77,573	75,393	72,045	907,858
0698. Summary of remaining write-ins for Line 6 from overflow page	3	2	2	0	0	13
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	554,023	569,669	571,936	576,403	573,183	6,816,919

Dollars are in thousands

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

	State of Domicile	2015	2014
NET INCOME			
(1) Medical Mutual of Ohio state basis (Page 4, Line 32, Columns 2 &3)	OH	$ 126,750	$ 97,299
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	OH	$ 126,750	$ 97,299
SURPLUS			
(5) Medical Mutual of Ohio state basis (Page 3, line 33, Columns 3 & 4)	OH	$ 1,352,840	$ 1,279,902
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	OH	$ 1,352,840	$ 1,279,902

B. Use of Estimates in the Preparation of the Financial Statement

The preparation of the financial statements requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein.

C. Accounting Policy

The accompanying financial statements of Medical Mutual of Ohio (the Company) have been prepared in conformity with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP), as prescribed by the Ohio Department of Insurance (ODI). For the years ended December 31, 2015 and 2014, there were no differences between the Company's statutory basis capital and surplus or net income under NAIC SAP and practices prescribed or permitted by ODI. Statutory accounting practices vary from U.S. generally accepted accounting principles (GAAP). The more significant variances from GAAP are as follows:

Investments – Investments in bonds are reported at amortized cost or fair value based on their NAIC rating; for GAAP, such fixed maturity investments would be designated at purchase as held-to-maturity, trading, or available-for-sale. Held-to-maturity fixed investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of capital and surplus for those designated as available-for-sale. All single class and multiclass mortgage-backed securities (MBSs)(e.g., collateralized mortgage obligations (CMOs)) are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows. For GAAP purposes, all securities, purchased or retained, that represent beneficial interests in securitized assets (e.g., CMO and MBS securities), other than high credit quality securities, are adjusted using the prospective method when there is a change in estimated future cash flows. If high credit quality securities are adjusted, the retrospective method is used. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the discounted fair value.

Under statutory accounting, a realized loss is recorded upon the sale of an investment at a loss or when a decline in the fair value of an investment is determined by management to be other than temporary. Realized capital gains and losses are determined on the first-in, first-out cost method.

For GAAP, if a decline in the fair value is other than temporary, the difference between the security's fair value and carrying value (amortized cost) must be realized in earnings if the Company has the intent to sell the security or does not have the intent and ability to hold the security until recovery of the carrying value. If the Company does not intend to sell the security and it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis, the other-than-temporary impairment (OTTI) would be separated into (a) the amount representing the credit loss and (b) the amount related to all other factors. The amount of the total OTTI related to the credit loss would be recognized in earnings. The amount of the total OTTI related to other factors would be recognized in other comprehensive income.

Investments in limited partnerships are recorded in other invested assets. These investments are based on the Company's interest in the underlying audited GAAP equity of the investee. Undistributed earnings and losses of the investee are accounted for as changes in unrealized gains and losses. Under GAAP, these earnings would be accounted for as an equity method investment and flow through net income.

Subsidiaries – The accounts and operations of the Company's subsidiaries are not consolidated with the accounts and operations of the Company as would be required by GAAP. The investment in Medical Mutual Services, LLC (MMS) is carried at its audited GAAP equity value. The Company's investments in Medical Health Insuring Corporation of Ohio (MHICO) and Consumers Life Insurance Company (CLIC) are carried at their audited statutory capital and surplus values. Prior the dissolution of MMO Agency Management (MMAM) (an unaudited subsidiary), the Company's investment in MMAM was based on its GAAP equity value adjusted to a statutory basis of accounting and was nonadmitted. The changes in equity in the undistributed income or losses of subsidiaries are charged or credited directly to capital and surplus. Distributed income of the subsidiaries is recognized in net investment income when the dividend is declared.

Nonadmitted Assets – Certain assets designated as "nonadmitted," principally deferred taxes, investments in unaudited subsidiaries, furniture and equipment, electronic data processing equipment and software, certain accounts receivable, prepaid expenses, and other assets not identified as an admitted asset in the NAIC's *Accounting Practices and Procedures Manual* and are excluded from the accompanying balance sheets and are charged directly to capital and surplus. In accordance with GAAP, such assets are included in the balance sheets, net of a valuation allowance, if necessary. Capital and surplus was reduced by nonadmitted assets of $42,564 and $66,535 at December 31, 2015 and 2014, respectively.

Deferred Income Taxes – The Company computes deferred income taxes in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. Under SSAP No. 101, gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more-likely-than-not that some portion or all of the gross deferred tax assets will not be realized to calculate the adjusted gross deferred tax assets. 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 includes 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; (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused.

Admitted adjusted deferred income tax assets are limited to (1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with the Internal Revenue Service tax loss carryback provisions, not to exceed three years, plus (2) the amount of adjusted gross deferred income tax assets expected to be realized within three years limited to an amount that is no greater than 15% of current period's adjusted statutory capital and surplus, plus (3) the amount of remaining adjusted gross deferred income tax assets that can be offset against existing gross deferred income tax liabilities after considering the character (i.e., ordinary versus capital) and reversal patterns of the deferred tax assets and liabilities. The remaining adjusted deferred income tax assets are nonadmitted.

Under GAAP, a deferred income tax asset is recorded for the amount of gross deferred income tax assets expected to be realized in all future years, and a valuation allowance is established for deferred income tax assets not realizable.

Transitional Reinsurance – Unpaid claim liabilities ceded to the U.S. Department of Health and Human Services (HHS) in accordance with the Affordable Care Act's (ACA) Transitional Reinsurance Program have been reported as reductions of the related reserves rather than as assets as would be required under GAAP.

Health Insurer Fee – The estimated liability and corresponding expense for the mandatory annual non-tax deductible assessment imposed by the ACA (the Health Insurer Fee) are both recognized in full on January 1 of the applicable calendar year in which the assessment is paid. In accordance with GAAP, the liability is recognized in full on January 1 with a corresponding deferred cost that is amortized to expense using a straight-line method of allocation over the remaining year.

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

Other significant accounting policies are as follows:

Cash and Invested Assets – Short-term investments, principally money market accounts, include investments with remaining maturities of one year or less at the time of acquisition and are principally stated at amortized cost, which approximates fair value.

U.S. government securities and corporate bonds not backed by other assets are recorded at amortized cost using the interest method or fair value based on their NAIC rating. Single class mortgage-backed securities are valued at amortized cost using the interest method including anticipated prepayments. Prepayment assumptions are obtained from dealer surveys or internal estimates and are based on the current interest rate and economic environment. The retrospective adjustment method is used to value all such securities held. The fair values disclosed for these securities are obtained from independent pricing services.

Common stocks are recorded at fair value as determined by the Securities Valuation Office of the NAIC. Related unrealized capital gains or losses are reported as an adjustment to capital and surplus, net of federal income taxes.

Other-Than-Temporary-Impairment – The Company reviews the values of the Company's investments on a quarterly basis. If the value of the investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the following is considered:

- The length of time and the extent to which the fair value has been less than the amortized cost basis.
- The Company's ability and intent to hold the security long enough for it to recover its value.
- A significant deterioration in the earning performance, credit rating, asset quality or business prospects of the investee.
- A significant adverse change in the regulatory, economic, or technological environment of the investee.
- Factors that raise significant concerns about the investee's ability to continue as a going concern such as negative cash flows from operations, working capital deficiencies, or noncompliance with statutory capital requirements or debt covenants.

Fair Value Measurements – Assets recorded in the balance sheets are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs are as follows:

- Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

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

Other Invested Assets – Other invested assets include investments in limited partnerships, cash surrender values for life insurance contracts owned by the Company, and assets associated with a nonqualified deferred compensation plan.

Furniture and Equipment – Furniture and equipment are reported at depreciated cost. Leasehold improvements are reported at amortized cost and are amortized over the shorter of their estimated useful life or the remaining life of the original lease excluding renewal or option periods. Depreciation is calculated on a straight-line basis over the estimated useful lives of the property. Total depreciation and amortization expense was $9,578 and $8,588 in 2015 and 2014, respectively.

Unpaid Claims and Claims Adjustment Expenses – Unpaid claims and claims adjustment expenses represent management's best estimate of the ultimate net cost of all reported and unreported claims, less the estimated amount recoverable from claim overpayments and subrogation. The unpaid claims liability is actuarially estimated based on a review of historical claim payment patterns and claim trends. The estimates are subject to the effects of trends in claim severity and frequency, and a reasonable provision for adverse development has been incorporated in management's best estimate. Although considerable variability is inherent in such estimates, management believes that the amounts reported for unpaid claims and claims adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current operations.

Aggregate Health Policy Reserves – Aggregate Health Policy Reserves include premium deficiency reserves that are recognized for health contracts when expected claims, claim adjustment expenses, and administrative costs exceed the premium to be collected for the remainder of the contract period. The Company considers anticipated net investment income as a factor in determining the premium deficiency reserve amount.

Federal Medical Loss Ratio Rebate – The Company is subject to the ACA, which requires the payment of rebates to eligible policyholders or enrollees when the amounts paid for healthcare benefits and quality improvement initiatives fall below specified thresholds. Separate calculations are performed for each state and by employer group size (individual, small group, and large group). At December 31, 2015 and 2014, no liabilities were recognized on the accompanying balance sheets as the calculated amounts exceeded the applicable thresholds.

Premiums – Premiums are earned and recorded, net of amounts assumed and ceded under reinsurance agreements, pro rata over the period for which coverage is provided. Uncollected premiums include uncollected amounts from insured individuals and groups and are reported net of an allowance for amounts deemed uncollectible. Premium payments received prior to the period of coverage are classified as advance premiums.

Income Taxes – Changes to liabilities for uncertain tax positions are recorded as income tax expense in the accompanying statement of operations. The total liability for uncertain tax positions at December 31, 2015 and 2014, was $5,691 and $6,675, respectively. The Company does not expect any significant changes in its liability for uncertain tax positions in 2016.

Employee Benefits – The Company computes the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of employee benefit plans in accordance with SSAP No. 92, *Accounting for Postretirement Benefits Other Than Pensions* and SSAP No. 102, *Accounting for Pensions* in the accompanying consolidated balance sheets, with corresponding adjustments to surplus.

Health Insurer Fee – The Company is subject to a mandatory annual non-tax deductible assessment on health insurers imposed by the ACA. The Company estimates the expense for the health insurer fee based upon the preceding year's ratio of the Company's applicable net written premium compared to the U.S. health insurance industry total applicable net written premium. The Company reclassifies from unassigned surplus to special surplus the estimated assessment amount for the subsequent year.

Premium Stabilization Programs – The ACA authorized three programs designed to stabilize health insurance markets (Premium Stabilization Programs): a transitional reinsurance program; a temporary risk corridors program; and a permanent risk adjustment program. The Company accounts for the Premium Stabilization Programs in accordance with SSAP No. 107, *Accounting for the Risk-Sharing Provisions of the Affordable Care Act*. Details about each program are as follows:

Transitional Reinsurance Program – The transitional reinsurance program, effective for policy years 2014, 2015 and 2016, requires all issuers of major medical commercial insurance products and self-insured plan sponsors to contribute funding in amounts set by HHS. Funds collected will be distributed by HHS to reimburse issuers' high claims costs incurred for qualified individual members.

Expenses related to the funding of the transitional reinsurance program are reflected in general administrative expenses for all insurance products with the exception of products associated with qualified individual members, which are reflected as reduction of premiums earned. When annual claim costs incurred by qualified individual members exceed a specified attachment point, the Company is entitled to certain reimbursements from this program. Estimated recoveries are included in other admitted assets and as a reduction to net accident and health benefits on the accompanying financial statements.

Temporary Risk Corridors Program – The temporary risk corridors program, effective for policy years 2014, 2015 and 2016, is intended to limit the gains and losses of qualified individual and small group health plans offered for sale on federal or state healthcare exchanges. Plans are required to calculate the ratio of allowable costs (defined as medical claims plus quality improvement costs adjusted for the impact of reinsurance recoveries and the risk adjustment program) to the defined target amount (defined as actual premiums less defined allowable administrative costs inclusive of taxes and profits).

Qualified health plans with ratios below 97% are required to make payments to HHS, while plans with ratios greater than 103% are expected to receive funds from HHS. Since none of the Company's plans are offered on state or federal healthcare exchanges, this program is not applicable to the Company.

Permanent Risk Adjustment Program – The permanent risk adjustment program is designed to transfer funds from qualified individual and small group plans with below average risks scores to those respective plans with above average risk scores. The estimates of amounts owed or due from the permanent risk adjustment program is required to be reflected as an adjustment to earned premium if sufficient data is available to make an estimate.

D. Not applicable

NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not applicable

NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

Items (A) – (D) – Not applicable

NOTE 4 – DISCONTINUED OPERATIONS

Items (A) – (D) – Not applicable

NOTE 5 – INVESTMENTS

Items (A) – (B) – Not applicable

D. Loan-Backed Securities

(1) All single class and multiclass mortgage-backed securities (MBSs)(e.g., collateralized mortgage obligations (CMOs)) are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows.

(2) – (3) Not applicable

(4) The amount of gross unrealized losses and related fair value for investments in mortgage-backed securities aggregated by length of time that individual securities have been in a continuous net loss position were as follows:

	Less Than 12 Months		12 Months or Longer		Total		Number of Holdings
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	
December 31, 2015							
Mortgage-backed securities – U.S. government agencies	**81,341**	**1,960**	**53,036**	**1,607**	**134,377**	**3,567**	**31**
Total bonds	**81,341**	**1,960**	**53,036**	**1,607**	**134,377**	**3,567**	**31**

(5) Not applicable

Items (E) - (G) - Not applicable

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Additional Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown					0.000	0.000
b. Collateral held under security lending arrangements					0.000	0.000
c. Subject to repurchase agreements					0.000	0.000
d. Subject to reverse repurchase agreements					0.000	0.000
e. Subject to dollar repurchase agreements					0.000	0.000
f. Subject to dollar reverse repurchase agreements					0.000	0.000
g. Placed under option contracts					0.000	0.000
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock					0.000	0.000
i. LFHLB capital stock					0.000	0.000
j. On deposit with states	1,546	5,243	(3,697)	1,546	0.082	0.083
k. On deposit with other regulatory bodies					0.000	0.000
l. Pledged as collateral to FHLB (including assets backing funding agreements)					0.000	0.000
m. Pledged as collateral not captured in other categories	5,269	5,256	13	5,269	0.278	0.284
n. Other restricted assets					0.000	0.000
o. Total Restricted Assets	6,815	10,499	(3,684)	6,815	0.360	0.368

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Additional Restricted to Total Admitted Assets
FEDERAL HOME LOAN BANKS	5,269	5,256	13	5,269	0.278	0.284
Total	5,269	5,256	13	5,269	0.278	0.284

(a) Subset of column 1
(b) Subset of column 3

(3) Not applicable

Items (I) – (K) – Not applicable

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of the admitted assets of the reporting entity

- Medical Mutual Services, LLC (MMS) – 100% owned
- The Company accounts for the investment in MMS at its audited GAAP equity value.
- There is no difference between the underlying equity and the carrying amount of MMS.
- No quoted market price is available for MMS
- MMS has assets of $ 325,460, liabilities of $48,262, and equity of $277,198 at December 31, 2015. Net loss for the year ended December 31, 2015 was $32,687.

B. Not applicable

NOTE 7 – INVESTMENT INCOME

Items (A) – (B) – Not applicable

NOTE 8 – DERIVATIVE INSTRUMENTS

Items (A) – (F) – Not applicable

NOTE 9 – INCOME TAXES

The Internal Revenue Code (IRC §833(b)) provides a special deduction for certain insurance companies. This special deduction resulted in the Company paying federal income taxes for 2009 and prior based upon the alternative minimum tax (AMT) rate of 20%. In 2010, the ACA added a provision to the IRC that requires the percentage of total premium revenues expended on clinical services provided to enrollees to be at least 85% in order to continue to qualify for this special deduction. For the years ended December 31, 2015 and 2014, the Company met the requirement and qualified for this special deduction. The amount of the special deduction that can be taken in a given year is limited, and the Company reached the limit in 2015. However, the utilization of available NOLs in addition to the special deduction in 2015 resulted in the Company paying income taxes at the AMT rate of 20%.

Deferred income tax assets (DTAs) and liabilities (DTLs) represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period. Current income tax payables include all current income taxes, including interest, expected to be paid in a subsequent accounting period.

The Company paid federal income tax of $34,266 and $26,700 during 2015 and 2014, respectively. The Company is subject to federal income tax examinations by tax authorities for the years 2012 through 2015.

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2015			2014			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	$ 410,163	$ 6,790	$ 416,953	$ 414,430	$ 6,370	$ 420,800	$ (4,267)	$ 420	$ (3,847)
b. Statutory valuation allowance adjustment	390,174	5,517	395,691	372,399	5,262	377,661	17,775	255	18,030
c. Adjusted gross deferred tax assets (1a-1b)	19,989	1,273	21,262	42,031	1,108	43,139	(22,042)	165	(21,877)
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	19,989	1,273	21,262	42,031	1,108	43,139	(22,042)	165	(21,877)
f. Deferred tax liabilities	44	8,808	8,852	499	7,417	7,916	(455)	1,391	936
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	$ 19,945	$ (7,535)	$ 12,410	$ 41,532	$ (6,309)	$ 35,223	$ (21,587)	$ (1,226)	$ (22,813)

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components

	2015			2014			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ 19,989	$ 1,273	$ 21,262	$ 34,115	$ 1,108	$ 35,223	$ (14,126)	$ 165	$ (13,961)
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:									
Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
Adjusted gross deferred tax assets allowed per limitation threshold									
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				7,916		7,916	(7,916)		(7,916)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	$ 19,989	$ 1,273	$ 21,262	$ 42,031	$ 1,108	$ 43,139	$ (22,042)	$ 165	$ (21,877)

3. Other Admissibility Criteria

		2015	2014
a.	Ratio percentage used to determine recovery period and threshold limitation amount	1235%	1119%
b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	$ 1,340,467	$ 1,279,934

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/15		12/31/14		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	$ 19,989	$ 1,273	$ 42,031	$ 1,108	$ (22,042)	$ 165
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000 %	0.000 %	0.000 %	0.000 %	0.000 %	0.000 %
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 19,989	$ 1,273	$ 42,031	$ 1,108	$ (22,042)	$ 165
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000 %	0.000 %	0.000 %	0.000 %	0.000 %	0.000 %

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

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

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2015	2 2014	3 (Col 1-2) Change
a. Federal	$ 36,991	$ 21,010	$ 15,981
b. Foreign			
c. Subtotal	$ 36,991	$ 21,010	$ 15,981
d. Federal income tax on net capital gains	650	1,203	(553)
e. Utilization of capital loss carry-forwards			
f. Other	562	(3,555)	4,117
g. Federal and Foreign income taxes incurred	$ 38,203	$ 18,658	$ 19,545

2. Deferred Tax Assets

	1 2015	2 2014	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	$ 9,030	$ 1,668	$ 7,362
2. Unearned premium reserve			
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual	26,194	26,723	(529)
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward	7,133	11,777	(4,644)
12. Tax credit carry-forward	308,785	300,652	8,133
13. Other (including items <5% of total ordinary tax assets)	59,021	73,610	(14,589)
99. Subtotal	$ 410,163	$ 414,430	$ (4,267)
b. Statutory valuation allowance adjustment	390,174	372,399	17,775
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	$ 19,989	$ 42,031	$ (22,042)
e. Capital:			
1. Investments	$ 4,635	$ 1,862	$ 2,773
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)	2,155	4,508	(2,353)
99. Subtotal	$ 6,790	$ 6,370	$ 420
f. Statutory valuation allowance adjustment	5,517	5,262	255
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)	1,273	1,108	165
i. Admitted deferred tax assets (2d+2h)	$ 21,262	$ 43,139	$ (21,877)

3. Deferred Tax Liabilities

	1 2015	2 2014	3 (Col 1–2) Change
a. Ordinary:			
1. Investments	$	$	$
2. Fixed assets		482	(482)
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)	44	17	27
99. Subtotal	$ 44	$ 499	$ (455)
b. Capital:			
1. Investments	$ 8,808	$ 7,417	$ 1,391
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal	8,808	7,417	1,391,
c. Deferred tax liabilities (3a99+3b99)	$ 8,852	$ 7,916	$ 936
4. Net Deferred Tax Assets (2i – 3c)	$ 12,410	$ 35,223	$ (22,813)

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate
Among the more significant book to tax adjustments were the following:

	December 31					
	2015			2014		
Description	Amount	Tax Effect	Effective Tax Rate	Amount	Tax Effect	Effective Tax Rate
Income before taxes	$ 164,952	$ 57,733	35.0%	$ 115,957	$ 40,585	35.0%
IRC §833(b) deduction	(73,569)	(25,749)	(15.6)	(121,353)	(42,474)	(36.6)
Change in valuation allowance	51,517	18,030	10.9	51,826	18,139	15.6
Health Insurer Fee	39,708	13,898	8.4	33,151	11,603	10.0
Benefit from pass-through entities	(32,667)	(11,433)	(6.9)	(24,613)	(8,615)	(7.4)
Adjustment for nonadmitted assets	24,371	8,530	5.1	–	–	–
Other DTA adjustments	6,784	2,374	1.5	(43,126)	(15,094)	(13.0)
Gain on dissolution/sale of subsidiary	(5,523)	(1,933)	(1.1)	(3,300)	(1,155)	(1.0)
Permanent adjustments	4,441	1,554	0.9	7,180	2,513	2.2
Other	(950)	(331)	(0.2)	13,067	4,574	3.9
	$ 179,064	$ 62,673	38.0%	$ 28,789	$ 10,076	8.7%
Federal income taxes incurred		$ 37,553	22.8%		$ 17,454	15.2%
Tax on capital gains		650	0.4		1,203	1.0
Change in net deferred income taxes		24,470	14.8		(8,581)	(7.5)
Total statutory income taxes		$ 62,673	38.0%		$ 10,076	8.7%

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

The Company can recover $30,950 and $17,195 of ordinary income tax incurred relating to 2015 and 2014, respectively, if the Company has ordinary losses in future years. Additionally, the Company can recover $1,273 of capital income tax incurred during the applicable carryback period if the Company has capital losses in future years. At December 31, 2015, the Company had net operating loss carryforwards of approximately $20,380 expiring through 2035, of which $15,447 are limited by IRC Section 382. The Company holds an AMT credit carryforward of approximately $308,785 at December 31, 2015, which under current tax law does not expire. The Company had no capital loss carryforwards to utilize in future years at December 31, 2015 and 2014.

The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

Certain subsidiaries of the Company are organized as single-member, limited liability companies (LLC) and accordingly taxable income or loss of these LLC subsidiaries are included in the tax provision of the Company, regardless of the level of income or loss of such subsidiaries recognized in the Statements of Operations.

1. The Company's federal income tax return is consolidated with the following entities:
   Medical Health Insuring Corporation of Ohio
   Consumers Life Insurance Company
   Medical Mutual Services, LLC

2. The Company is taxed as a stock property and casualty insurance company and files a consolidated federal income tax return with certain subsidiaries. The Company is party to a written tax sharing agreement with its affiliates that specifies that each member pays taxes to or receives credits from the Company as if the member had filed a separate tax return. The payment is finalized for the tax year after the return is filed and/or after an IRS audit is completed. A member generating a taxable loss, or whose net operating losses (NOLs) are utilized in the current year, is compensated for such losses in the year absorbed by the consolidated group. The Company owed its subsidiaries $4,190 and $293 related to the tax sharing agreement at December 31, 2015 and 2014, respectively.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

Items (A) – (N)

The Company is a mutual casualty insurance organization domiciled in Ohio. The Company provides accident and health plans to individuals and employer groups in Ohio. The Company's principal operating subsidiaries are MMS, a wholly-owned subsidiary which provides claims processing and network access services to uninsured accident and health plans, third-party administrators, and other insurance companies; Medical Health Insuring Corporation of Ohio (MHICO), a wholly owned stock casualty company with a health insuring corporation license; and Consumers Life Insurance Company (CLIC), a wholly owned life and accident and health insurance company.

Effective December 23, 2015, the Company dissolved MMAM, which was a wholly-owned, for-profit insurance agency. In conjunction with the dissolution of MMAM on December 23, 2015, the undistributed income of $5,523 was realized and reported as a net realized capital gain. Net assets, primarily consisting of cash and short-term investments, of $25,681 were transferred to MMO that were previously held by MMAM.

Effective December 30, 2014, the Company dissolved Carolina Care Plan, Inc. (CCP), which was a wholly-owned, for-profit health maintenance organization licensed in South Carolina. CCP ceased operations as of December 31, 2013 and no new policies were written during 2014. In conjunction with the dissolution of CCP on December 30, 2014, the undistributed losses of $3,507 were realized and reported as net realized capital loss. Net assets, primarily consisting of cash, short-term investments and bonds, of $35,729 were transferred to MMO.

The Company shares office facilities and personnel with its subsidiaries. Such shared costs are allocated between the Company and its subsidiaries based on the actual work performed for, and facilities utilized by, each entity. The Company also provided various services to its subsidiaries, including claims processing, membership, billing, payroll, customer service, information technology services and other administrative services. Charges for shared facilities and services totaled $220,675 and $192,478 in 2015 and 2014, respectively, and are reported as a reduction of expenses on the accompanying Statements of Operations. Amounts due to and from the Company and its subsidiaries are settled within 90 days.

During 2015 and 2014, CLIC provided life, accidental death and dismemberment, and long-term disability coverage to employees of the Company. Premiums paid by the Company to CLIC for such coverage totaled $1,406 and $1,352 for 2015 and 2014, respectively.

MMS and its subsidiary, SuperNet Network, LLC, provide access to the Company's Ohio provider networks through sales to unaffiliated third-party administrators, uninsured accident and health plans, and unaffiliated insurance companies. The Company receives no income from affiliates for access to the Company's provider network.

The Company guarantees that MHICO will maintain minimum capital and surplus in accordance with state laws.

NOTE 11 – DEBT

Items (A) – (B) – Not applicable

NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plan

Nonqualified Defined Benefit Pension Plan

The Company sponsors a nonqualified defined benefit pension plan for specified independent members of the Board of Directors. The benefit is an annuity form of payment, based upon current compensation and years-of-service, and is limited to a maximum benefit period of 12 years. The accompanying balance sheets include $3,675 and $3,899 at December 31, 2015 and 2014, respectively, in other liabilities related to this plan.

Postretirement Health and Life Insurance Plan

The Company sponsors a postretirement plan (the Postretirement Plan) that provides certain health care and life insurance benefits for retired employees who have attained age 55 and have provided at least ten years of service. Retiree contributions, which vary by employee age, years of service at retirement and date of retirement, are made only by retirees utilizing these benefits. Retiree contributions are adjusted as the cost of health care changes. The HRA amount will be equal to the cap amount the participant previously received based on points at retirement. This plan change increased obligations because the participants will no longer qualify for the Medicare Part D Retiree Drug Subsidy.

The Company uses December 31 as the measurement date for calculating its obligations relating to postretirement benefits.

NOTES TO FINANCIAL STATEMENTS

Items (1) a and (1) c – Not applicable

(1)

		Overfunded		Underfunded	
b.	Postretirement Benefits	2015	2014	2015	2014
1.	Benefit obligation at beginning of year	$	$	$ 53,117	$ 48,278
2.	Service cost			902	1,088
3.	Interest cost			1,940	2,110
4.	Continuation by plan participants			758	797
5.	Actuarial gain (loss)			(2,587)	4,156
6.	Foreign currency exchange rate changes				
7.	Benefits paid			3,410	3,471
8.	Plan amendments			(2,126)	
9.	Business combinations, divestitures, curtailments, settlements and special termination benefits			(159)	(159)
10.	Benefit obligation at end of year	$	$	$ 53,005	$ 53,117

(2)

	Change in plan assets	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
		2015	2014	2015	2014	2015	2014
a.	Fair value of plan assets at beginning of year	$	$	$	$	$	$
b.	Actual return on plan assets						
c.	Foreign currency exchange rate changes						
d.	Reporting entity contribution			2,493	2,515		
e.	Plan participants' contributions			758	797		
f.	Benefits paid			3,410	3,471		
g.	Business combinations, divestitures and settlements			(159)	(159)		
h.	Fair value of plan assets at end of year	$	$	$ 0	$ 0	$	$

(3)

	Funded status	Pension Benefits		Postretirement Benefits	
	Overfunded:	2015	2014	2015	2014
a.	Assets (nonadmitted)				
1.	Prepaid benefit costs	$	$	$	$
2.	Overfunded plans assets				
3.	Total assets (nonadmited)	$	$	$	$
	Underfunded:				
b.	Liabilities recognized				
1.	Accrued benefits costs	$	$	$ 53,005	$ 53,117
2.	Liability for pension benefits				
3.	Total liabilities recognized	$	$	$ 53,005	$ 53,117
c.	Unrecognized liabilities	$	$	$	$

NOTES TO FINANCIAL STATEMENTS

(4)	Components of net periodic benefit cost	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
		2015	2014	2015	2014	2015	2014
	a. Service cost	$	$	$ 902	$ 1,088	$	$
	b. Interest cost			1,940	2,110		
	c. Expected return on plan assets						
	d. Transition asset or obligation			1,219	1,219		
	e. Gains and losses				(530)		
	f. Prior service cost or credit			41	41		
	g. Gain or loss recognized due to a settlements curtailment						
	h. Total net periodic benefit cost	$	$	$ 4,102	$ 3,928	$	$

(5)	Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost	Pension Benefits		Postretirement Benefits	
		2015	2014	2015	2014
	a. Items not yet recognized as a component of net periodic cost – prior year	$	$	$ 14,049	$ 10,658
	b. Net transition asset or obligation recognized			(1,219)	(1,219)
	c. Net prior service cost or credit arising during the period			2,126	0
	d. Net prior service cost or credit recognized			(41)	(41)
	e. Net gain and loss arising during the period			(2,570)	4,120
	f. Net gain and loss recognized			0	531
	g. Items not yet recognized as a component of net periodic cost – current year	$	$	$ 12,345	$ 14,049

(6)	Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost	Pension Benefits		Postretirement Benefits	
		2015	2014	2015	2014
	a. Net transition asset or obligations	$	$	$ 10,195	$ 11,414
	b. Net prior service cost or credit			2,681	596
	c. Net recognized gains and losses	$	$	$ (531)	$ 2,038

(7)	Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost	Pension Benefits		Postretirement Benefits	
		2015	2014	2015	2014
	a. Net transition asset or obligations	$	$	$	$
	b. Net prior service cost or credit			(41)	(41)
	c. Net recognized gains and losses	$	$	$	$

(8)	Weighted-average assumptions used to determine net periodic benefit cost as of December 31	2015	2014
	a. Weighted-average discount rate	3.650%	4.400%
	b. Expected long-term rate of return on plan assets	N/A	N/A
	c. Rate of compensation increase	4.000%	4.000%
	Weighted-average assumptions used to determine projected benefit obligations as of December 31		
	d. Weighted-average discount rate	3.900%	3.650%
	e. Rate of compensation increase	4.000%	4.000%

(9) The amount of the accumulated benefit obligation for defined benefit pension plans was $53,005 for the current year and $53,117 for the prior year.

(10)

	2015	2014
Initial health care cost trend rate	7.00	7.25
Ultimate health care cost trend rate	6.00	6.00
Year ultimate cost trend is reached	2020	2020

			1 Percentage Point Increase	1 Percentage Point Decrease
(11)	Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:			
	a.	Effect on total of service and interest cost components	$ 51	$ (49)
	b.	Effect on postretirement benefit obligation	$ 1,043	$ (989)

(12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the year indicated:

	Year(s)	Amount
a.	2016	$ 3,303
b.	2017	$ 3,682
c.	2018	$ 4,018
d.	2019	$ 4,252
e.	2020	$ 4,403
f.	2021 through 2025	$ 22,080

(13) Expected contributions during fiscal year ending December 31, 2016 are $3,224

(14) Not applicable

(15) The Company uses an alternative amortization method for gain/loss recognition for the Postretirement Plan. If gains and losses are in excess of 5% of the accumulated benefit obligation, the entire amount is amortized over a period of five years. Otherwise there is no amortization

Items (16) – (21) – Not applicable

Items (B) – (D) – Not applicable

E. Defined Contribution Plans

Retirement Savings Plan

The Company sponsors a retirement savings plan that consists of a defined contribution employee retirement savings plan (the 401(k) Plan) and a defined contribution retirement plan (the Horizons Plan).

Pursuant to the 401(k) Plan, the Company contributes 100% of the first 3% and 50% of the next 2% of compensation that a participant contributes to the 401(k) Plan. Participants in the 401(k) Plan immediately vest in employer matching contributions. The Company's contributions to the 401(k) Plan totaled $5,461 and $5,168 for 2015 and 2014, respectively.

The Horizons Plan provides for a fixed contribution calculated using percentages ranging from 3% to 8%, based on an age plus years of service-graded scale. At December 31, 2015, the Company accrued $11,817 for the fixed contribution relating to the 2015 plan year, which was subsequently paid in January 2016. At December 31, 2014, the Company accrued $11,317 for the fixed contribution relating to the 2014 plan year, which was subsequently paid in February 2015.

Restoration Savings Plan

The Company sponsors a funded, nonqualified deferred compensation plan (the Restoration Plan) for certain highly compensated employees. The IRC currently limits the amounts the Company can pay to certain employees pursuant to the Horizons Plan and the 401(k) Plan. The Restoration Plan provides an additional contribution amount calculated as if those contributions were not limited. At December 31, 2015, the Company accrued $753 related to the 2015 plan year, which is expected to be paid in 2016. At December 31, 2014, the Company accrued $1,313 related to the 2014 plan year, which was paid in 2015.

Items (F) – (I) – Not applicable

NOTE 13 – CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

Items (1) – (8) – Not applicable

(9) Changes in the balance of special surplus funds from the prior year are due to the decrease in the Health Insurer Fee.

(10) The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses is $211,310, net of tax.

Items (11) – (13) – Not applicable

NOTE 14 – CONTINGENCIES

A. Contingent Commitments

(1 - 3) The Company has invested in various limited partnership interests in venture capital and private equity funds as an alternative to direct equity investments. These funds are part of the Company's investment strategy and are organized to invest in selected healthcare, technology opportunities, community banks and microcap manufacturing, service and distribution businesses. The Company has commitments to contribute an additional $15,724 to existing limited partnerships as of December 31, 2015.

The Company also guarantees that MHICO will maintain minimum capital and surplus in accordance with state laws.

Items (B) – (D) – Not applicable

E. All Other Contingencies

Various lawsuits against the Company have arisen in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty at this time, management believes they will not have a material adverse effect on the Company's financial position or results of operations.

In 1997, the Company entered into a Consent Decree and Final Judgment Entry (the Consent Decree) in a civil action. The action was filed by the Ohio Attorney General and alleged that the Company held certain assets that were impressed with a charitable trust. The Consent Decree resolved the matter and established certain "Triggering Events."

Upon the occurrence of a Triggering Event, the Company is to transfer the charitable assets to a charitable foundation. The full and fair value of the charitable assets is to be determined as specified in the Consent Decree. The Medical Mutual of Ohio Charitable Foundation was established to receive the charitable assets if and when a Triggering Event occurs. The Company has no plans to initiate any action that would qualify as a Triggering Event, and accordingly, no liability has been recorded in the accompanying financial statements.

NOTE 15 – LEASES

A. The Company leases office space and computer equipment. Renewal options are available on the majority of leases and, under certain conditions; options exist to purchase equipment at the end of the lease term. Rental expense for operating leases was $9,231 and $9,265 for 2015 and 2014, respectively.

In 2000, the Company entered into separate transactions to sell and leaseback three office buildings. The terms of the lease agreements are twenty years, with an option to extend for four, five-year renewal periods. The combined lease payments for the three facilities are $7,788 annually. At December 31, 2015 and 2014, the Company has recorded a deferred gain of $7,200 and $8,457, respectively, related to the sale and leaseback of the office facilities. The deferred gain, recorded in other liabilities, is being amortized over twenty years using the effective interest method. Additionally, included in other admitted assets is a note receivable from the buyer of the office facilities of $4,703 and $5,503 at December 31, 2015 and 2014, respectively. The note is being repaid over twenty years at an interest rate of 7.25% per annum.

The following is a summary of future minimum lease payments under noncancelable leases having initial or remaining terms in excess of one year at December 31, 2015; all leases expire on or before 2020:

a.	At January 1, 2016 the minimum aggregate rental commitments are as follows:		
		Year Ending December 31	Operating Leases
	1.	2016	$ 10,307
	2.	2017	$ 10,044
	3.	2018	$ 9,932
	4.	2019	$ 9,568
	5.	2020	$ 5,725
	6.	Total	$ 45,576

Item (B) – Not applicable

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Items (1) – (4) – Not applicable

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Items (A) – (C) – Not applicable

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE PORTION OF PARTIALLY INSURED PLANS

Items (A) – (C) – Not applicable

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable

NOTE 20 – FAIR VALUE MEASUREMENTS

A. Level 1 fair values are based on quoted prices for identical assets in active markets. Other invested assets consist of mutual funds that are held in the Company's nonqualified deferred compensation plans. The fair value measurements for other invested assets are also based on Level 1 inputs. If Level 1 valuations are not available, fair value is determined using models such as matrix pricing, which uses quoted market prices of fixed maturity securities with similar characteristics or discounted cash flows to estimate fair value. The Company does not have any assets carried at fair value based upon Level 2 or 3 inputs.

As the Company is responsible for the determination of fair value, it performs quarterly reviews of the prices received from its custodian. Specifically, the Company compares changes in the reported fair values and returns to relevant market indices to test the reasonableness of the reported prices. If further review is required, and also at year end, the Company will compare the prices received from its custodian to a secondary pricing source. The Company's internal price verification procedures and review of fair value methodology documentation provided by its custodian's independent pricing has not historically resulted in adjustment in the prices obtained from the custodian.

There were no transfers between Level 1, 2, and 3 during 2015 or 2014.

(1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
COMMON STOCK INDUSTRIAL & MISC	$ 136,509	$	$	$ 136,509
OTHER INVESTED ASSETS	10,380			10,380
Total	$ 146,889	$	$	$ 146,889

Items (2) – (5) – Not applicable

B. Not applicable

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
BONDS	$ 972,523	$ 965,312	$	$ 972,523	$	$
COMMON STOCK INDUSTRIAL & MISC	136,509	136,509	136,509			
OTHER INVESTED ASSETS	10,380	10,380	10,380			

D. Not applicable

NOTE 21. – OTHER ITEMS

Items (A) – (B) – Not applicable

C. Other Disclosures

The Company, MHICO, and CLIC are subject to certain RBC requirements which are calculated based on factors specified by the NAIC. Under those requirements, the minimum amounts of capital and surplus which must be maintained are determined based on various risk factors. At December 31, 2015, the Company, MHICO, and CLIC meet their specific RBC requirements. The Company also guarantees that MHICO will maintain minimum capital and surplus in accordance with state laws.

In 2014, the Company made $708 and $775 of non-cash capital contributions to CLIC and MHICO, respectively, related to the settlement of certain income tax expense amounts in prior periods with the subsidiaries under the previous inter-company tax agreement.

Items (D) – (H) – Not applicable

NOTE 22 – EVENTS SUBSEQUENT

The Company has evaluated subsequent events from the end of the most recent fiscal year through February 25, 2016, the date the audited statutory-basis financial statements were available to be issued.

On January 1, 2016 and 2015, the Company recorded estimated liabilities and corresponding expenses related to the ACA Health Insurer Fee in the amount of $37,641 and $43,203, respectively. The estimates were based on $1,999,369 and $2,112,558 of assessable premiums written in 2015 and 2014, respectively, and the estimates are included in special surplus at December 31, 2015 and 2014. In 2015 and 2014, the Company paid $39,708 and $33,152, respectively, for the Health Insurer Fee which are included in general administrative expenses on the accompanying Statements of Operations.

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? Yes [X] No [ ]

B.	ACA fee assessment payable for the upcoming year	$ 37,641	$ 43,203
C	ACA fee assessment paid	39,708	33,152
D.	Premium written subject to ACA 9010 assessment	1,999,369	2,112,558
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 30)	1,352,876	
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	1,315,235	
G.	Authorized control level (Five-Year Historical Line 31)	$ 108,578	

H. Would reporting the ACA assessment as of December 31, 2015 have triggered an RBC action level (YES/NO)? Yes [ ] No [X]

NOTE 23 – REINSURANCE

Items (A) – (D) – Not applicable

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDTERMINATION

Items (A) – (B) – Not applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year						
(1)	Medical loss ratio rebates incurred	$ (96)	$	$	$	$ (96)
(2)	Medical loss ratio rebates paid	98				98
(3)	Medical loss ratio 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	$	$	$	$	$
(8)	Medical loss ratio rebates paid					
(9)	Medical loss ratio rebates unpaid					
(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) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

			AMOUNT
a.	Permanent ACA Risk Adjustment Program		
	Assets		
	1.	Premium adjustments receivable due to ACA Risk Adjustment	$ 3,496
	Liabilities		
	2.	Risk adjustment user fees payable for ACA Risk Adjustment	49
	3.	Premium adjustments payable due to ACA Risk Adjustment	-
	Operations (Revenue & Expenses)		
	4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	12,766
	5.	Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	$ 49
b.	Transitional ACA Reinsurance Program		
	Assets		
	1.	Amounts recoverable for claims paid due to ACA Reinsurance	$ 20,845
	2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	2,884
	3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
	Liabilities		
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	4,672
	5.	Ceded reinsurance premiums payable due to ACA Reinsurance	-
	6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	$ -
	Operations (Revenue & Expenses)		
	7.	Ceded reinsurance premiums due to ACA Reinsurance	$ 1,373
	8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	31,093
	9.	ACA Reinsurance contributions – not reported as ceded premium	$ 17,314
c.	Temporary ACA Risk Corridors Program		
	Assets		
	1.	Accrued retrospective premium due to ACA Risk Corridors	$ -
	Liabilities		
	2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
	Operations (Revenue & Expenses)		
	3.	Effect of ACA Risk Corridors on net premium income (paid/received)	-
	4.	Effect of ACA Risk Corridors on change in reserves for rate credits	$ -

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

		Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Cumulative Balance from Prior Years (Col. 1-3+7)	Unsettled Balances as of the Reporting Date Cumulative Balance from Prior Years (Col. 2-4+8)
						Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances			
		1	2	3	4	5	6	7	8	9	10	11
		Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	Permanent ACA Risk Adjustment Program											
	1. Premium adjustments receivable	$	$	$ 9,270	$	$ (9,270)	$	$ 10,022	$	A	$ 752	$
	2. Premium adjustments (payable)									B		
	3. Subtotal ACA Permanent Risk Adjustment Program	$	$	$ 9,270	$	$ (9,270)	$	$ 10,022	$		$ 752	$
b.	Transitional ACA Reinsurance Program											
	1. Amounts recoverable for claims paid	$ 25,392	$	$ 37	$	$ (11,603)	$	$ 11,603	$	C	$	$
	2. Amounts recoverable for claims unpaid (contra liability)	4,239				4,239		(4,239)		D		
	3. Amounts receivable relating to uninsured plans									E		
	4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums		5,070		5,070					F		
	5. Ceded reinsurance premiums payable									G		
	6. Liability for amounts held under uninsured plans		60		60					H		
	7. Subtotal ACA Transitional Reinsurance Program	$ 29,631	$ 5,130	$ 36,995	$ 5,130	$ (7,364)	$	$ 7,364	$		$	$
c.	Temporary ACA Risk Corridors Program											
	1. Accrued retrospective premium	$	$	$	$	$	$	$	$	I	$	$
	2. Reserve for rate credits or policy experience rating refunds									J		
	3. Subtotal ACA Risk Corridors Program											
d.	Total for ACA Risk Sharing Provisions	$ 29,631	$ 5,130	$ 46,265	$ 5,130	$ (16,634)	$	$ 17,387	$		$ 752	$

Explanations of Adjustments

A. ACA Risk Adjustment based on the final risk adjustment report received from HHS on June 30, 2015.
B. Not applicable
C. ACA Reinsurance based on the final reinsurance report received from HHS on June 30, 2015.
D. ACA Reinsurance based on the final reinsurance report received from HHS on June 30, 2015.
E. Not applicable
F. Not applicable
G. Not applicable
H. Not applicable
I. Not applicable
J. Not applicable

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

A $43,771 redundancy in the December 31, 2014 reserves emerged in 2015, and that a $25,930 redundancy in the December 31, 2013 reserves emerged in 2014. The redundancy that emerged during 2015 included $7,364 resulting from the increase in the Transitional ACA Reinsurance Program coinsurance rate from 80% to 100% that was not announced by HHS until 2015. The remaining 2015 redundancy, as well as the redundancy that emerged during 2014, resulted from differences in claims severity and utilization as compared to expectations.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Items (A) – (G) – Not applicable

NOTE 27 – STRUCTURED SETTLEMENTS

Not Applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 28 – HEALTH CARE RECEIVABLES

A. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans* (SSAP No. 84). The admitted receivable balances as of December 31, 2015 and 2014 are $29,837 and $22,163, respectively, are included in health care receivables on the balance sheets. These are comprised of the estimated pharmacy rebates for the current quarter as reported in the financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. Additional details are included in the table below:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2015	$ 15,032	$ 15,032	$	$	$
09/30/2015	13,232	14,850	45		
06/30/2015	11,707	11,352	11,427		
03/31/2015	10,320	12,136	12,594	(1,229)	
12/31/2014	11,378	11,414		12,639	1,064
09/30/2014	10,480	10,785		9,259	1,526
06/30/2014	9,680	10,540		9,215	1,325
03/31/2014	10,323	9,680		8,983	697
12/31/2013	11,322	11,316	10,390	1,764	585
09/30/2013	10,876	11,322	10,786	536	
06/30/2013	10,800	11,092	10,823	269	
03/31/2013	10,950	10,693	10,693		

B. Not applicable

NOTE 29 – PARTICIPATING POLICIES

Not Applicable

NOTE 30 – PREMIUM DEFICIENCY RESERVES

(1)	Liability carried for premium deficiency reserve:	$21,000
(2)	Date of most recent evaluation of this liability:	February , 2016
(3)	Was anticipated investment income utilized in the calculation?	YES

NOTE 31 – ANTICIPATED SALVAGE AND SUBROGATION

The reserve for unpaid claims and CAE at December 31, 2015 and 2014, has been reduced by $8,825 and $9,000, respectively, related to anticipated subrogation claims recoverable.

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 [ ]

1.3 State regulating? OHIO

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

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

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. 12/31/2009

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/02/2011

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 [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

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

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

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

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(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (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 with 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 the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP 950 Main Avenue, Cleveland, OH 44113

10.1 Has the insurer been granted an exemptions to the prohibited non-audit services provided by the certified independent public account requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to 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 [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in complied with the domicilary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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?
Michael J. Cellini, PhD, ASA, MAAA, Senior Manager & Consulting Actuary, Ernst & Young, LLP 5 Times Square, New York, NY 10036

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation

13. **FOR UNITED STATES BRANCES OF ALIEN REPORTING ENTITIES ONLY:**

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

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

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

(c) Compliance with applicable governmental laws, rules and regulations;

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

(e) Accountability for adherence to the code.

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

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

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

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors an all subordinator committees thereof? Yes [X] No [ ]

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

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

20.11 To directors or other officers $ 0

20.12 To stockholders not officers $ 0

20.13 Trustees, supreme or grand (Fraternal only) $ 0

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

20.21 To directors or other officers $ 0

20.22 To stockholders not officers $ 0

20.23 Trustees, supreme or grand (Fraternal only) $ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [ ] No [X]

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

21.21 Rented from others $ 0

21.22 Borrowed from others $ 0

21.23 Leased from others $ 0

21.24 Other $ 0

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 0

22.22 Amount paid as expenses $ 0

22.23 Other amounts paid $ 0

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

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

24.01 Were all of the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No [ ]

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

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

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs $ 0

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09. Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] 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 current 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 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 sale – excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 1,546,291
25.29	On deposit with other regulatory bodies	$ 0
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	$ 5,269,247
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 Nature of Restriction	2 Description	3 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 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 1, 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 all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
FIFTH THIRD BANK	5050 KINGSLEY DRIVE, CINCINNATI, OH 45263
PNC BANK	1900 EAST NINTH STREET, CLEVELAND, OH 44114

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current quarter? Yes [ ] No [X]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 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 Central Registration Depository	2 Name(s)	3 Address
N/A	FIRST MERIT BANK	101 W. PROSPECT AVE., CLEVELAND, OH 44115
N/A	PNC INSTITUTIONAL INVESTMENTS	1900 EAST NINTH STREET, CLEVELAND, OH 44114
124674	ANCORA ADVISORS	6060 PARKLAND BLVD., CLEVELAND, OH 44124

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 [X] No [ ]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
922908 36 3	VANGUARD S&P 500 INDEX ETF	15,593,701
73935X 58 3	POWERSHARES FTSE RAFI US 1000 ETF	9,623,890
55273E 82 2	MFS INTERNATIONAL VALUE FUND	7,634,600
46432F 84 2	ISHARES CORE MSCI EAFE ETF	7,553,056
922908 65 2	VANGUARD EXTENDED MARKET ETF	7,440,853
922908 55 3	VANGUARD REIT ETF	6,492,733
92204A 80 1	VANGUARD MATERIALS ETF	4,467,055
922042 85 8	VANGUARD FTSE EMERGING MARKETS ETF	2,744,761
317609 35 2	GRANDEUR PEAKS INTERNATIONAL OPPORTUNITIES FUND	2,558,140
70472Q 50 0	PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND	2,485,894
92204A 30 6	VANGUARD ENERGY ETF	2,461,848
68386C 30 2	OPPENHEIMER SMALL CAP REVENUE ETF	2,121,768
57060U 60 5	MARKET VECTORS AGRIBUSINESS ETF	2,093,817
97717W 86 9	WISDOMTREE EUROPE SMALL CAP DIVIDEND ETF	2,045,400
922042 67 6	VANGUARD GLOBAL EX-US REAL ESTATE ETF	2,020,698
97717W 28 1	WISDOMTREE EMERGING MARKETS SMALL CAP ETF	1,451,624
92828T 88 9	VIRTUS EMERGING MARKETS OPPORTUNITIES FUND	1,159,707
33939L 86 0	FLEXSHARES QUALITY DIVIDEND ETF	696,400
81369Y 50 6	ENERGY SELECT SECTOR SPDR ETF	331,760
29.2999 TOTAL		80,977,705

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holdings	4 Date of Valuation
VANGUARD S&P 500 INDEX ETF	APPLE, ALPHABET, MICROSOFT, EXXON MOBIL, GENERAL ELECTRIC	1,824,463	12/31/2015
POWERSHARES FTSE RAFI US 1000 ETF	EXXON MOBIL, GENERAL ELECTRIC, AT&T, JP MORGAN CHASE, CHEVRON	1,074,988	12/31/2015
MFS INTERNATIONAL VALUE FUND	NESTLE SA, DANONE, RECKITT BENCKISER GROUP PLC, COLGATE-PALMOLIVE CO, KDDI CORP	1,301,699	12/31/2015
ISHARES CORE MSCI EAFE ETF	NESTLE SA, NOVARTIS AG, ROCHE HOLDING AG, BLACKROCK CASH FUNDS TREASURY, TOYOTA MOTOR CORP	518,895	12/31/2015
VANGUARD EXTENDED MARKET ETF	LIBERTY GLOBAL PLC, LINKEDIN CORP, TESLA MOTORS, INCYTE CORP, BIOMARIN PHARMA	215,785	12/31/2015
VANGUARD REIT ETF	SIMON PROPERTY GROUP, PUBLIC STORAGE, EQUITY RESIDENTAL, AVALONBAY COMMUNITIES, WELLTOWER INC	1,551,763	12/31/2015
VANGUARD MATERIALS ETF	EL DU PONT DE NUMOURS, DOW CHEMICAL, MONSANTO, LYONDELLBASEL INDUSTRIES, ECOLAB INC	1,509,865	12/31/2015
VANGUARD FTSE EMERGING MARKETS ETF	TAIWAN SEMICONDUCTOR MANUFACTURING CO, TENCENT HOLDINGS, CHINA CONSTRUCTION BANK CORP, CHINA MOBILE, NASPERS LTD	343,095	12/31/2015
GRANDEUR PEAKS INTERNATIONAL OPPORTUNITIES FUND	NOT AVAILABLE AT THE FILING DATE	N/A	12/31/2015
PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND	DFDS A.S., DE'LONGHI SPA, LOOMIS AB, CLASS B, LANCASHIRE HOLDINGS, THAI UNION GROUP	263,505	12/31/2015
VANGUARD ENERGY ETF	EXXON MOBIL, CHEVRON CORP, SCHLUMBERGER LTD, CONOCOPHILLIPS, OCCIDENTAL PETROLEUM	1,292,470	12/31/2015
OPPENHEIMER SMALL CAP REVENUE ETF	GREENBRIER COMPANIES, GROUP1 AUTOMOTIVE, SONIC AUTOMOTIVE, VERTIC CORP, CORE-MARK HOLDING CO	157,011	12/31/2015
MARKET VECTORS AGRIBUSINESS ETF	MONSANTA COMPANY, SYNGENTA AG SPONSORED ADR, KUBOTA CORP, ZOETIS INC, DEERE & COMPANY	748,749	12/31/2015
WISDOMTREE EUROPE SMALL CAP DIVIDEND ETF	CONFINIMMO, BILFINGER SE, CEMBRA MONEY BANK AG, KEMIRA OYJ, ERG SPA	127,633	12/31/2015
VANGUARD GLOBAL EX-US REAL ESTATE ETF	MITSUBISHI ESTATE CO, UNIBAIL-RODAMCO, MITSUI FUDOSAN, DAIWA HOUSE INDUSTRY, SUN HUNG KAI PROPERTIES	268,753	12/31/2015
WISDOMTREE EMERGING MARKETS SMALL CAP ETF	INVENTEC CO, NOVATEK MICROELECTRONICS, RUENTEX INDUSTRIES, KWG PROPERTY HOLDING, CIFI HOLDINGS GROUP	1,024,266	12/31/2015
VIRTUS EMERGING MARKETS OPPORTUNITIES FUND	BRITISH AMERICAN TOBACCO, HOUSING DEVELOPMENT FINANCE CORP, SAB MILLER, ITC LIMITED, HDFC BANK LIMITED	272,647	12/31/2015

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

FLEXSHARES QUALITY DIVIDEND ETF	WELLS FARGO, HOME DEPOT, MERCK, IBM, PHILIP MORRIS	115,115	12/31/2015
ENERGY SELECT SECTOR SPDR ETF	EXXON MOBIL, CHEVRON, SCHLUMBERGER, VALERO, EOG RESOURCES	161,036	12/31/2015

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	1,125,672,751	1,132,884,546	7,211,795
30.2	Preferred Stocks	0	0	0
30.3	Totals	1,125,672,751	1,132,884,546	7,211,795

30.4 Describe the sources or methods utilized in determining fair values:
The fair value of our securities was determined by utilizing prices obtained from our custodian, Fifth Third Bank. Fifth Third utilizes FT Interactive Data for their pricing.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliance 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? $ 492,454

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 Name	2 Amount Paid
America's Health Insurance Plans	$ 215,957
Greater Cleveland Partnership	126,500

34.1 Amount of payments for legal expenses, if any? $ 1,462,821

34.2 List the name of the firm and the amount paid if any such payment represented25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	$

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 705,020

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

1 Name	2 Amount Paid
The Success Group, LTD	$ 308,766

GENERAL INTERROGATORIES

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.	$	31,115,338
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.	$	22,030,470
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	$	11,859,910
1.62	Total incurred claims	$	8,112,222
1.63	Number of covered lives	$	7,663
	All years prior to most current three years:		
1.64	Total premium earned	$	16,476,819
1.65	Total incurred claims	$	11,722,815
1.66	Number of covered lives	$	5,407
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	$	25,176
1.72	Total incurred claims	$	23,234
1.73	Number of covered lives	$	10
	All years prior to most current three years:		
1.74	Total premium earned	$	2,753,433
1.75	Total incurred claims	$	2,172,199
1.76	Number of covered lives	$	959

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 2,146,944,662	$ 2,238,112,320
2.2	Premium Denominator	$ 2,146,944,662	$ 2,238,112,320
2.3	Premium Ratio (2.1/2.2)	$ 100.000	$ 100.000
2.4	Reserve Numerator	$ 218,150,422	$ 212,103,037
2.5	Reserve Denominator	$ 218,150,422	$ 212,103,037
2.6	Reserve Ratio (2.4/2.5)	$ 100.000	$ 100.000

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]
5.1	Does the reporting entity have stop-loss reinsurance?	Yes [ ] No [X]
5.2	If no, explain:	

Management considered (1) the increasing cost of retaining stop loss coverage, (2) the maximum exposure per enrollee, and (3) the strong surplus position of the Company in deciding to forgo stop loss coverage during 2012. Risk retention decisions are regularly reviewed by management.

5.3	Maximum retained risk (see instructions)		
5.31	Comprehensive Medical	$	0
5.32	Medical Only	$	0
5.33	Medicare Supplement	$	0
5.34	Dental and 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:

Hold harmless provisions and covered service provisions

7.1	Does the reporting entity set up its claim liability for provider services on a service date basis?	Yes [X] No [ ]

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1	Number of providers at start of reporting year	58,044
8.2	Number of providers at end of reporting year	54,439

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 with rate guarantees between 15-36 months	$ 146,412,634
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 [X] No [ ]
10.2	If yes:	
10.21	Maximum amount payable bonuses	$ 8,291,000
10.22	Amount actually paid for year bonuses	$ 3,524,984
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 [ ] No [X]
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.	$ 217,156,264
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	
	200% authorized control level risk-based capital	

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

1 Name of Service Area

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, authorized reinsurers?	Yes [ ] No [ ] N/A [X]

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
	0		$	$	$	$

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	$ 0
15.2	Total Incurred Claims	$ 0
15.3	Number of Covered Lives	0

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

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	1,853,224,657	1,766,909,245	1,684,588,248	1,634,353,695	1,558,709,532
2. Total liabilities (Page 3, Line 24)	500,384,727	487,007,434	462,783,907	500,792,885	437,808,278
3. Statutory minimum capital and surplus requirement	217,156,264	222,504,356	241,525,900	248,173,026	220,416,212
4. Total capital and surplus (Page 3, Line 33)	1,352,839,930	1,279,901,811	1,221,804,341	1,133,560,810	1,120,901,254
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	2,146,944,662	2,238,208,133	2,473,452,397	2,371,862,087	2,122,761,380
6. Total medical and hospital expenses (Line 18)	1,677,906,452	1,819,680,986	2,068,746,339	2,041,311,942	1,714,170,993
7. Claims adjustment expenses (Line 20)	55,975,724	57,692,301	65,444,186	69,662,362	64,390,278
8. Total administrative expenses (Line 21)	257,161,989	273,394,712	252,250,607	237,425,592	281,171,936
9. Net underwriting gain (loss) (Line 24)	134,900,497	87,440,134	88,925,265	24,796,191	61,572,173
10. Net investment gain (loss) (Line 27)	29,367,657	30,190,307	28,963,755	23,580,111	33,282,914
11. Total other income (Lines 28 plus 29)	34,654	(2,876,641)	911,414	72,087	58,563
12. Net income or (loss) (Line 32)	126,749,688	97,299,319	97,740,167	43,417,934	66,235,138
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	130,819,176	107,547,158	37,410,445	119,900,275	108,965,673
Risk-Based Capital Analysis					
14. Total adjusted capital	1,352,876,325	1,279,933,899	1,221,831,862	1,133,560,810	1,120,901,254
15. Authorized control level risk-based capital	108,578,132	111,252,178	120,762,950	124,086,513	110,208,106
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	996,587	1,022,576	1,111,733	1,159,793	1,028,945
17. Total member months (Column 6, Line 7)	12,075,664	12,549,670	13,425,595	13,467,058	12,196,851
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 (Line 18 plus Line 19)	78.2	81.3	83.6	86.1	80.8
20. Cost containment expenses	0.8	0.9	1.1	1.2	1.2
21. Other claims adjustment expenses	1.8	1.7	1.5	1.7	1.8
22. Total underwriting deductions (Line 23)	93.7	96.1	96.4	99.0	97.1
23. Total underwriting gain (loss) (Line 24)	6.3	3.9	3.6	1.0	2.9
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5)	167,934,249	203,037,536	224,901,739	186,896,890	180,197,320
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	183,750,789	200,749,206	246,945,492	189,306,714	203,490,800
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)	81,164,463	89,178,485	142,718,687	126,723,336	132,707,523
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	275,160,295	337,751,439	367,347,797	408,737,048	434,311,220
32. Total of above Lines 26 to 31	356,324,758	426,929,924	510,066,484	535,460,384	567,018,743
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 [ ]

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only 2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	L							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	L	(265,136)						(265,136)	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	L	786,058						786,058	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	L							0	
35. North Dakota ND	N							0	
36. Ohio OH	L	2,141,948,315						2,141,948,315	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	L							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	L							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	L							0	
50. Wisconsin WI	L							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CAN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	2,142,469,237	0	0	0	0	0	2,142,469,237	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 9	2,142,469,237	0	0	0	0	0	2,142,469,237	0

DETAILS OF WRITE-INS

58001.							0	
58002.							0	
58003.							0	
58998. Summary of remaining write-ins for line 58	0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 + 58998)	0	0	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

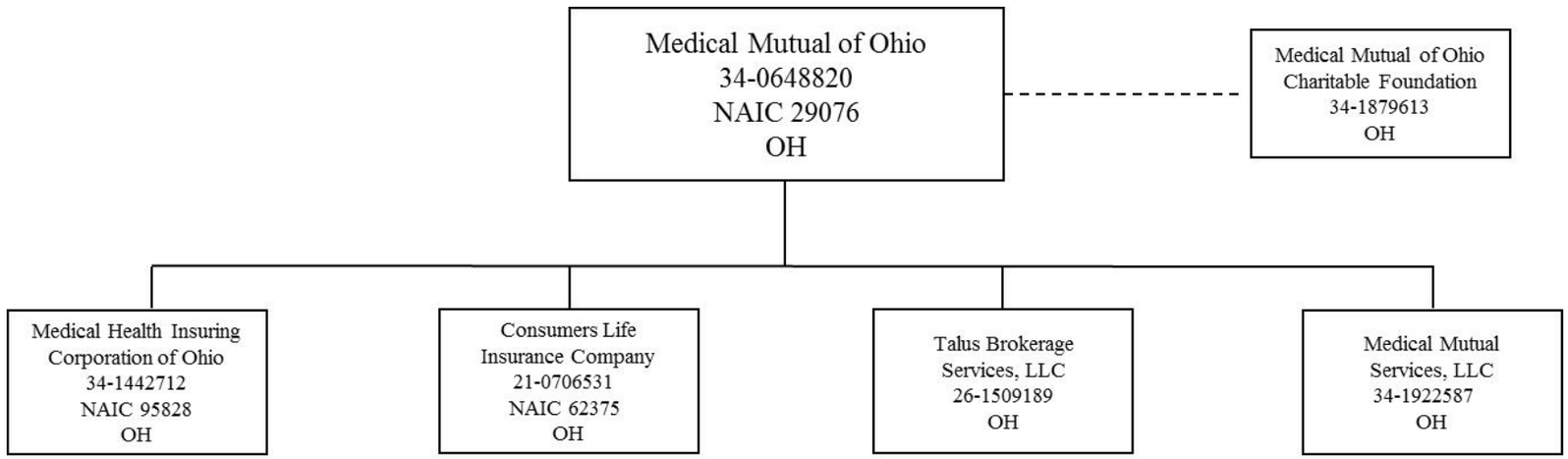
Explanation of basis of allocation by states, premiums by state, etc.

Premiums are allocated based upon the location of the group's home office or the individual's home address.

(a) Insert the number of L responses except for Canada and Other Alien.

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

PART 1 – ORGANIZATIONAL CHART



2015 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK