



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
DELTA DENTAL PLAN OF OHIO, INC.

NAIC Group Code	0477 (Current Period)	0477 (Prior Period)	NAIC Company Code	54402	Employer's ID Number	31-0685339
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[X]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[] N/A[X]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Incorporated/Organized	03/06/1960		Commenced Business	04/01/1964		
Statutory Home Office	5600 Blazer Pkwy., Suite 150 (Street and Number)		Dublin, OH, 43017 (City or Town, State, Country and Zip Code)			
Main Administrative Office	Okemos, MI, 48864 (City or Town, State, Country and Zip Code)		4100 Okemos Road (Street and Number)		(517)349-6000 (Area Code) (Telephone Number)	
Mail Address	P.O. Box 30416 (Street and Number or P.O. Box)		Lansing, MI, 48909-7916 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	Okemos, MI, 48864 (City or Town, State, Country and Zip Code)		4100 Okemos Road (Street and Number)		(517)349-6000 (Area Code) (Telephone Number)	
Internet Website Address	http://ddpoh.com/					
Statutory Statement Contact	Glenn R. Simon, CPA (Name) gsimon@deltadentalmi.com (E-Mail Address)		(517)347-5405 (Area Code)(Telephone Number)(Extension) (517)381-5572 (Fax Number)			

OFFICERS

Name	Title
Laura Linda Czelada, CPA	President & Chief Executive Officer
James Robert Stahl, DDS	Secretary #
Ann Marie Flermoen, DDS	Treasurer #
Douglas Robert Anderson, DDS, MS, JD	Chairperson #
Bruce Randall Smith	Vice Chairperson #
Michael Thomas Schaeffer, DDS	Immediate Past Chairperson #

OTHERS

Goran Mike Jurkovic, CPA, CGMA, Sr. VP, CFO & Chief Risk Officer
Jonathan Stong Groat, Vice President & General Counsel
Amy Lyn Basel, CPA, CGMA, Vice President, Finance

DIRECTORS OR TRUSTEES

Douglas Robert Anderson, DDS, MS, JD
Frank Buzaki, Jr.
Patrick Thomas Cahill, JD
Ann Marie Flermoen, DDS
Timothy Eldon Moffit, DBA
Michael Thomas Schaeffer, DDS
Bruce Randall Smith
James Robert Stahl, DDS

State of Michigan
County of Eaton ss

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

(Signature) Laura Linda Czelada, CPA	(Signature) Goran Mike Jurkovic, CPA, CGMA	(Signature) Amy Lyn Basel, CPA, CGMA
(Printed Name) 1.	(Printed Name) 2.	(Printed Name) 3.
President & Chief Executive Officer	CFO	VP Finance
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
day of February, 2016	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	44,849,765		44,849,765	37,465,817
2.	Stocks (Schedule D)				
2.1	Preferred stocks	562,319		562,319	855,286
2.2	Common Stocks	91,021,553		91,021,553	79,764,987
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....4,341,634, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....5,667,359, Schedule DA)	10,008,993		10,008,993	5,152,743
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	1,750,000	972,323	777,677	300,256
9.	Receivables for securities	44,855		44,855	
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	148,237,485	972,323	147,265,162	123,539,089
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	186,273		186,273	134,081
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	1,242,661	14,739	1,227,922	1,282,132
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				32,627
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers				
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	9,550,470	2,028	9,548,442	12,864,986
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	685,776		685,776	1,348
24.	Health care (\$.....0) and other amounts receivable	10,000		10,000	
25.	Aggregate write-ins for other than invested assets				
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	159,912,665	989,090	158,923,575	137,854,263
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	159,912,665	989,090	158,923,575	137,854,263
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	.....				
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	9,954,986		9,954,986	6,606,600
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	183,055		183,055	176,303
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	2,542,893		2,542,893	1,456,574
9.	General expenses due or accrued	2,368,798		2,368,798	2,684,400
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others	1,842,254		1,842,254	1,793,384
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	11,427		11,427	335,424
16.	Derivatives				
17.	Payable for securities	118,221		118,221	
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans	6,748,749		6,748,749	6,836,753
23.	Aggregate write-ins for other liabilities (including \$.....232,363 current)	232,363		232,363	238,715
24.	TOTAL Liabilities (Lines 1 to 23)	24,002,746		24,002,746	20,128,153
25.	Aggregate write-ins for special surplus funds	X X X	X X X	1,700,120	1,635,940
26.	Common capital stock	X X X	X X X		
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	9,712,604	9,712,604
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	123,508,105	106,377,566
32.	Less treasury stock, at cost:				
32.1	0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	134,920,829	117,726,110
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	158,923,575	137,854,263
DETAILS OF WRITE-INS					
2301.	Uninsured Claim Admin Expense Reserve	232,363		232,363	238,715
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	232,363		232,363	238,715
2501.	2016 ACA Fee	X X X	X X X	1,700,120	1,635,940
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	1,700,120	1,635,940
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	8,052,726	7,518,657
2.	Net premium income (including \$.....0 non-health premium income)	X X X	201,562,614	186,973,375
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL Revenues (Lines 2 to 7)	X X X	201,562,614	186,973,375
Hospital and Medical:				
9.	Hospital/medical benefits			
10.	Other professional services		170,266,345	158,384,496
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs			
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts			
16.	Subtotal (Lines 9 to 15)		170,266,345	158,384,496
Less:				
17.	Net reinsurance recoveries			
18.	TOTAL Hospital and Medical (Lines 16 minus 17)		170,266,345	158,384,496
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....395,520 cost containment expenses		1,118,814	2,553,562
21.	General administrative expenses		13,849,755	12,080,983
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)			
23.	TOTAL Underwriting Deductions (Lines 18 through 22)		185,234,914	173,019,041
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	16,327,700	13,954,334
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		3,388,827	2,979,943
26.	Net realized capital gains (losses) less capital gains tax of \$.....0		(119,706)	4,536,426
27.	Net investment gains (losses) (Lines 25 plus 26)		3,269,121	7,516,369
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]		1,990	(128,739)
29.	Aggregate write-ins for other income or expenses		(1,005,140)	(3,599,527)
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	18,593,671	17,742,437
31.	Federal and foreign income taxes incurred	X X X		
32.	Net income (loss) (Lines 30 minus 31)	X X X	18,593,671	17,742,437
DETAILS OF WRITE-INS				
0601.	.....	X X X		
0602.	.....	X X X		
0603.	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701.	.....	X X X		
0702.	.....	X X X		
0703.	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Contribution to Delta Dental Fund		(1,400,000)	(3,600,000)
2902.	Miscellaneous Income (Expense)		394,860	473
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)		(1,005,140)	(3,599,527)

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	117,726,110	101,696,303
34.	Net income or (loss) from Line 32	18,593,671	17,742,437
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(2,681,065)	(1,949,471)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	1,282,113	236,841
40.	Change in unauthorized and certified reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in		
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		
48.	Net change in capital and surplus (Lines 34 to 47)	17,194,719	16,029,807
49.	Capital and surplus end of reporting year (Line 33 plus 48)	134,920,829	117,726,110
DETAILS OF WRITE-INS			
4701.	.....		
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	202,742,618	187,017,365
2.	Net investment income	3,541,845	3,015,184
3.	Miscellaneous income	394,858	474
4.	TOTAL (Lines 1 through 3)	206,679,321	190,033,023
5.	Benefit and loss related payments	166,917,959	158,114,996
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	13,022,327	15,280,627
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	TOTAL (Lines 5 through 9)	179,940,286	173,395,623
11.	Net cash from operations (Line 4 minus Line 10)	26,739,035	16,637,400
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	15,286,389	7,205,735
12.2	Stocks	20,576,702	30,078,947
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets	750,000	
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds	73,366	
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	36,686,457	37,284,682
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	22,831,418	27,085,616
13.2	Stocks	34,385,201	33,901,586
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	57,216,619	60,987,202
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(20,530,162)	(23,702,520)
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)	(1,352,623)	131,535
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(1,352,623)	131,535
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	4,856,250	(6,933,585)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	5,152,743	12,086,328
19.2	End of year (Line 18 plus Line 19.1)	10,008,993	5,152,743

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

20.0001			
---------	-------	--	--

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	201,562,614			201,562,614						
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues										X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL Revenues (Lines 1 to 6)	201,562,614			201,562,614						
8.	Hospital/medical benefits										X X X
9.	Other professional services	170,266,345			170,266,345						X X X
10.	Outside referrals										X X X
11.	Emergency room and out-of-area										X X X
12.	Prescription drugs										X X X
13.	Aggregate write-ins for other hospital and medical										X X X
14.	Incentive pool, withhold adjustments and bonus amounts										X X X
15.	Subtotal (Lines 8 to 14)	170,266,345			170,266,345						X X X
16.	Net reinsurance recoveries										X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	170,266,345			170,266,345						X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....395,520 cost containment expenses	1,118,814			1,259,662					(140,848)	
20.	General administrative expenses	13,849,755			15,593,300					(1,743,545)	
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	185,234,914			187,119,307					(1,884,393)	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	16,327,700			14,443,307					1,884,393	
DETAILS OF WRITE-INS											
0501.	.....										X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)										X X X
0601.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	.....										X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	.....	.....	.....	.....
2.	Medicare Supplement .....	.....	.....	.....	.....
3.	Dental only	201,562,614	.....	.....	201,562,614
4.	Vision only .....	.....	.....	.....	.....
5.	Federal Employees Health Benefits Plan .....	.....	.....	.....	.....
6.	Title XVIII - Medicare .....	.....	.....	.....	.....
7.	Title XIX - Medicaid .....	.....	.....	.....	.....
8.	Other health .....	.....	.....	.....	.....
9.	Health subtotal (Lines 1 through 8)	201,562,614	.....	.....	201,562,614
10.	Life .....	.....	.....	.....	.....
11.	Property/casualty .....	.....	.....	.....	.....
12.	TOTALS (Lines 9 to 11)	201,562,614	.....	.....	201,562,614

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

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	166,917,959			166,917,959						
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	166,917,959			166,917,959						
2. Paid medical incentive pools and bonuses										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	9,954,986			9,954,986						
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	9,954,986			9,954,986						
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year										
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year ..										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	6,606,600			6,606,600						
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	6,606,600			6,606,600						
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year										
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	170,266,345			170,266,345						
12.2 Reinsurance assumed										
12.3 Reinsurance ceded										
12.4 Net	170,266,345			170,266,345						
13. Incurred medical incentive pools and bonuses										

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

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

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	4,684,226			4,684,226						
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	4,684,226			4,684,226						
2. Incurred but Unreported:										
2.1 Direct	5,270,760			5,270,760						
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	5,270,760			5,270,760						
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct	9,954,986			9,954,986						
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	9,954,986			9,954,986						

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

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical)						
2.	Medicare Supplement						
3.	Dental only	5,807,474	161,110,485	19,800	9,935,186	5,827,274	6,606,600
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	5,807,474	161,110,485	19,800	9,935,186	5,827,274	6,606,600
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pool and bonus amounts						
13.	TOTALS (Lines 9 - 10 + 11 + 12)	5,807,474	161,110,485	19,800	9,935,186	5,827,274	6,606,600

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

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

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	5,512	5,543	5,543	5,543	5,543
2.	2011	118,805	124,652	124,684	124,684	124,684
3.	2012	X X X	130,292	135,786	135,825	135,825
4.	2013	X X X	X X X	136,148	142,145	142,240
5.	2014	X X X	X X X	X X X	152,079	157,791
6.	2015	X X X	X X X	X X X	X X X	161,110

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	(396)	(396)	(396)	(396)	(396)
2.	2011	124,484	124,684	124,684	124,684	124,684
3.	2012	X X X	136,418	135,825	135,825	135,825
4.	2013	X X X	X X X	142,446	142,240	142,240
5.	2014	X X X	X X X	X X X	158,590	157,811
6.	2015	X X X	X X X	X X X	X X X	171,045

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	145,620	124,684	6,827	5.475	131,511	90.311			131,511	90.311
2.	2012	159,644	135,825	6,101	4.492	141,926	88.902			141,926	88.902
3.	2013	167,041	142,240	3,272	2.300	145,512	87.112			145,512	87.112
4.	2014	186,973	157,791	2,511	1.591	160,302	85.735	20		160,322	85.746
5.	2015	201,563	161,110	1,073	0.666	162,183	80.463	9,935	183	172,301	85.482

12 Total

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE

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

Dental Only

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	5,512	5,543	5,543	5,543	5,543
2.	2011	118,805	124,652	124,684	124,684	124,684
3.	2012	X X X	130,292	135,786	135,825	135,825
4.	2013	X X X	X X X	136,148	142,145	142,240
5.	2014	X X X	X X X	X X X	152,079	157,791
6.	2015	X X X	X X X	X X X	X X X	161,110

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	(396)	(396)	(396)	(396)	(396)
2.	2011	124,484	124,684	124,684	124,684	124,684
3.	2012	X X X	136,418	135,825	135,825	135,825
4.	2013	X X X	X X X	142,446	142,240	142,240
5.	2014	X X X	X X X	X X X	158,590	157,811
6.	2015	X X X	X X X	X X X	X X X	171,045

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2011	145,620	124,684	6,827	5.475	131,511	90.311			131,511	90.311
2.	2012	159,644	135,825	6,101	4.492	141,926	88.902			141,926	88.902
3.	2013	167,041	142,240	3,272	2.300	145,512	87.112			145,512	87.112
4.	2014	186,973	157,791	2,511	1.591	160,302	85.735	20		160,322	85.746
5.	2015	201,563	161,110	1,073	0.666	162,183	80.463	9,935	183	172,301	85.482

12 Dental Only

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)	3,784	11,265	98,793		113,842
2.	Salaries, wages and other benefits	484,082	855,287	11,946,442	197,935	13,483,746
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)			3,975,233		3,975,233
4.	Legal fees and expenses			4,018		4,018
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services	192,286	15,609	420,573		628,468
7.	Traveling expenses	7,022	10,585	588,354	900	606,861
8.	Marketing and advertising	1,466	3,010	1,045,113	455	1,050,044
9.	Postage, express and telephone	5,245	926,248	267,801	534	1,199,828
10.	Printing and office supplies	355	65,645	51,219	204	117,423
11.	Occupancy, depreciation and amortization	14,007	41,627	390,953	2,247	448,834
12.	Equipment	7,025	53,211	297,168	8,458	365,862
13.	Cost or depreciation of EDP equipment and software	65,170	258,794	1,861,917	23,420	2,209,301
14.	Outsourced services including EDP, claims, and other services	77,180	930,901	1,088,381		2,096,462
15.	Boards, bureaus and association fees	4,050	2,834	433,628		440,512
16.	Insurance, except on real estate			217,921		217,921
17.	Collection and bank service charges	230	8,941	401,416		410,587
18.	Group service and administration fees					
19.	Reimbursements by uninsured plans	(537,453)	(2,612,955)	(14,131,041)		(17,281,449)
20.	Reimbursements from fiscal intermediaries			283,143	1,133	284,276
21.	Real estate expenses	10,854	32,272	5,563		48,689
22.	Real estate taxes	489	1,457			1,946
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes					
23.2	State premium taxes			1,898,190		1,898,190
23.3	Regulatory authority licenses and fees	890	24,377	1,806,515		1,831,782
23.4	Payroll taxes	58,623	93,936	828,520	11,006	992,085
23.5	Other (excluding federal income and real estate taxes)					
24.	Investment expenses not included elsewhere					
25.	Aggregate write-ins for expenses	215	250	69,935		70,400
26.	TOTAL Expenses Incurred (Lines 1 to 25)	395,520	723,294	13,849,755	246,292	(a) 15,214,861
27.	Less expenses unpaid December 31, current year	64,713	118,342	2,368,798		2,551,853
28.	Add expenses unpaid December 31, prior year	1,816	174,487	2,684,400		2,860,703
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	332,623	779,439	14,165,357	246,292	15,523,711
DETAILS OF WRITE-INS						
2501.	Legal Settlement & Arviration Hearing			51,697		51,697
2502.	Contribution & Community Affairs	151	162	13,609		13,922
2503.	Miecellaneous Expense	64	88	4,629		4,781
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	215	250	69,935		70,400

(a) Includes management fees of \$.....23,407,681 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 215,950	 113,139
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a)..... 1,095,072	 906,302
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b)..... 39,637	 26,340
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated)	 2,393,479	 2,439,183
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)..... 5,197	 5,197
7.	Derivative instruments	(f).....	.....
8.	Other invested assets	 150,000	 150,000
9.	Aggregate write-ins for investment income .....	.....	.....
10.	TOTAL Gross investment income	 3,899,335	 3,640,161
11.	Investment expenses .....	.....	(g)..... 246,292
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g).....
13.	Interest expense .....	.....	(h).....
14.	Depreciation on real estate and other invested assets .....	.....	(i).....
15.	Aggregate write-ins for deductions from investment income .....	.....	..... 5,042
16.	TOTAL Deductions (Lines 11 through 15) .....	.....	..... 251,334
17.	Net Investment income (Line 10 minus Line 16) .....	.....	..... 3,388,827
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....
1501.	Miscellaneous expense .....	.....	..... 5,042
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	.....	..... 5,042
(a) Includes \$.....24,906 accrual of discount less \$.....218,495 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(b) Includes \$.....180 accrual of discount less \$.....11,799 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	 76,069	.....	..... 76,069	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated)	 (43,561)	.....	..... (43,561)	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated)	 (5,351)	.....	..... (5,351)	 7,816	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated)	 (146,863)	.....	..... (146,863)	 (2,614,424)	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	..... (74,457)	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	TOTAL Capital gains (losses)	 (119,706)	.....	..... (119,706)	 (2,681,065)	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)	972,323	2,199,744	1,227,421
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)	972,323	2,199,744	1,227,421
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	14,739	21,588	6,849
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3	Accrued retrospective premiums and contracts subject to redetermination			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers			
16.2	Funds held by or deposited with reinsured companies			
16.3	Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans	2,028	41,369	39,341
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset			
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets			
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets		8,502	8,502
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	989,090	2,271,203	1,282,113
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	989,090	2,271,203	1,282,113
DETAILS OF WRITE-INS				
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	Prepaid Miscellaneous		8,502	8,502
2502.	.....			
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)		8,502	8,502

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	 633,919	 665,976	 668,166	 678,858	 678,239	 8,052,726
4.	Point of Service .....	.....	.....	.....	.....	.....	.....
5.	Indemnity Only .....	.....	.....	.....	.....	.....	.....
6.	Aggregate write-ins for other lines of business .....	.....	.....	.....	.....	.....	.....
7.	TOTAL	 633,919	 665,976	 668,166	 678,858	 678,239	 8,052,726
DETAILS OF WRITE-INS							
0601.	.....	.....	.....	.....	.....	.....	.....
0602.	.....	.....	.....	.....	.....	.....	.....
0603.	.....	.....	.....	.....	.....	.....	.....
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	.....	.....	.....	.....	.....	.....
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	.....	.....	.....	.....	.....	.....

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Delta Dental Plan of Ohio (Company) are presented on the basis of accounting practices prescribed or permitted by the State of Ohio Insurance Department in accordance with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*.

The State of Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The NAIC *Accounting Practices and Procedures* manual has been adopted as a component of prescribed or permitted practices by the State of Ohio. The state has not adopted any accounting practices that differ from those found in NAIC SAP with regards to completion the Company’s financial statement.

Description	December 31, 2015	December 31, 2014
Net Income, OH	\$ 18,593,671	\$ 17,742,437
Effect of OH prescribed practices		
Effect of OH permitted practices		
Net income, NAIC SAP	\$ 18,593,671	\$ 17,742,437

Description	December 31, 2015	December 31, 2014
Statutory Surplus, OH	\$ 134,920,829	\$ 117,726,110
Effect of OH prescribed practices		
Effect of OH permitted practices		
Policyholders Surplus, NAIC SAP	\$ 134,920,829	\$ 117,726,110

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

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

C. Accounting Policy

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

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common stocks are recorded at market value except investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the statutory equity basis.
- (4) Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32.
- (5) No mortgage loans on real estate are held as of December 31, 2015 and 2014.
- (6) Loan backed securities are stated at amortized cost. The retrospective adjustment method is used to value MBS’s and the scientific interest method is used to value CMO’s.
- (7) The Company carries its investment in a non insurance affiliate at the audited GAAP equity basis adjusted to a statutory equity basis.
- (8) The Company has no ownership interests in joint ventures, partnerships or limited liability companies as of December 31, 2015 and 2014.
- (9) No derivatives are held as of December 31, 2015 and 2014.
- (10) Not applicable.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified it capitalization policy from the prior period.
- (13) Not applicable

2. Accounting Changes and Corrections of Errors

The Company had no accounting changes or correction of errors during fiscal years 2015 and 2014

3. Business Combinations and Goodwill

The Company had no goodwill on its books and no business combinations occurred during fiscal years 2015 and 2014.

Notes to Financial Statements

4. Discontinued Operations

The Company had no discontinued operations during the fiscal years ending December 31, 2015 and 2014.

5. Investments

- A. The Company owned no mortgage loans.
- B. The Company had no investments in restructured debt.
- C. The Company had no investments in reverse mortgages.
- D. The Company had no investments in loan backed securities that are recorded at other-than-temporarily impaired values.
- E. The Company had no repurchase agreements.
- F. The Company does not have investments in real estate.
- G. The Company has no investments in low-income housing tax credits (LIHTC).
- H. Restricted Assets

(1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6
Restricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown						
b. Collateral held under security lending agreements						
c. Subject to repurchase agreements						
d. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						
g. Placed under option contracts						
h. Letter stock or securities restricted as to sale						
i. FHLB capital stock						
j. On deposit with states	150,456	150,586	(130)	150,456	0.094%	0.095%
k. On deposit with other regulatory bodies						
l. Pledged as collateral to FHLB						
m. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Total Restricted Assets						

(2) & (3) – Not applicable
(3) Restricted Assets (Including Pledged)

- I. Not applicable.
- J. Not applicable.
- K. Not applicable.

Notes to Financial Statements

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

No due and accrued income was excluded from surplus in 2015 and 2014.

8. Derivative Instruments

The Company held no derivative instruments in 2015 and 2014.

9. Income Taxes

The Company is exempt from federal income taxes under provisions of Section 501(c)(4) of the Internal Revenue Code.

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

Delta Dental Plan of Michigan (DDPMI)

- A. In 1982, DDPMI assumed the responsibility for the general management and supervision of the operations of the Company. On January 1, 1999, the agreement was amended to reflect that DDPMI is the sole member of the Company.
- B&C. Monthly a management fee, based on a management agreement, was calculated and paid to DDPMI. The fee is based on a percentage of the number of paid claims, not to exceed actual costs. The management fee for fiscal years 2015 and 2014 was \$23,303,386 and \$24,146,865 respectively.
- D. At December 31, 2015, the Company recorded an amount due from DDPMI of \$676,156. At December 31, 2015, the Company recorded an amount due to DDPMI of \$325,274. The December payments were paid based on an estimated calculation. The terms of the agreement require outstanding amounts to be settled monthly.
- E. No guarantees or undertakings took place during fiscal years 2015 and 2014.
- F. DDPMI provides general management and supervision of the operations of the Company. In addition, per the management agreement, DDPMI makes the rental payments for the office facilities, which the Company occupies.
- G. DDPMI is the sole corporate member of the Company.
- H. The Company has no investment in DDPMI.
- I&J. The Company has no investments in an SCA entity that exceed 10% of admitted assets.
- K. The Company has no investments in a foreign insurance subsidiary.

Renaissance Holding Company (Renaissance Holding)

- A. The Company owns 500 and 500 shares of common stock of Renaissance Holding, which represents 4.2% ownership of Renaissance Holding as of December 31, 2015 and 2014, respectively. Renaissance Holding is a for-profit holding company domiciled in the state of Michigan. The Company and Renaissance Holding belong to the same holding company system.
- B&C. There were no material transactions between the companies in 2015 and 2014.
- D. At December 31, 2015 and 2014, the Company reported no amounts due from or to Renaissance Holding.
- E. No guarantees or undertakings took place during fiscal years 2015 and 2014.
- F. No management agreement or service contract existed between the Company and Renaissance Holding in 2015 and 2014.
- G&H. The Company owns 4.2% of the outstanding Renaissance Holding common stock as of December 31, 2015 and 2014, respectively. Companies belonging to the same holding company system as Delta Dental Plan of Ohio own the remaining 95.8% of outstanding common stock as of December 31, 2015 and 2014, respectively.
- I. The book value of the Renaissance Holding stock represents 2.7% and 3.0% of the Company's admitted assets at 2015 and 2014, respectively.
- J. The Company did not recognize any impairment write down for its investment in Renaissance Holding for the statement period.
- L. Renaissance Holding is a downstream holding company. The value of Renaissance Holding is based on the audited GAAP basis adjusted to a statutory equity basis. The adjustment to statutory basis included a "look through" to the subsidiaries held by Renaissance Holding. The values of these subsidiaries in determining Renaissance Holding's statutory equity value were also adjusted to a statutory equity basis.

Notes to Financial Statements

GLM Holding Company (GLM Holding)

- A. The Company owns 1,500 and 0 shares of common stock of GLM Holding, which represents 25% and 0% ownership of GLM Holding as of December 31, 2015 and 2014, respectively. GLM Holding is a for-profit holding company domiciled in the state of Michigan. The Company and GLM Holding belong to the same holding company system.
- B&C. The Company purchased 1,500 shares of GLM Holding in 2015. There were no material transactions between the companies in 2014.
- G. At December 31, 2015 and 2014, the Company reported no amounts due from or to GLM Holding.
- H. No guarantees or undertakings took place during fiscal years 2015 and 2014.
- I. No management agreement or service contract existed between the Company and GLM Holding in 2015 and 2014.
- G&H The Company owns 25 and 0% of the outstanding GLM Holding common stock as of December 31, 2015 and 2014, respectively. A company belonging to the same holding company system as Delta Dental Plan of Ohio owns the remaining 75% of outstanding common stock as of December 31, 2015.
- I. (1) The Company owns 25% and 0% of the outstanding GLM Holding common stock as of December 31, 2015 and 2014, respectively of GLM Holding, which is held the audited GAAP basis adjusted to a statutory equity value and is equal to or exceeds 10% of the admitted assets of the Company. There is no difference between the amount at which the investment is carried and the amount of underlying equity in net assets.
(2) There is no available quoted market price.
(3) GLM Holding reported the following statement values at December 31, 2015 and 2014:

		<u>2015</u>		<u>2014</u>
Admitted Assets	\$	69,042,561	\$	-
Liabilities	\$	9,139,232	\$	-
Net Gain (Loss)	\$	(934,594)	\$	-

- (4) Not applicable
(5) Not applicable

- J. The Company did not recognize any impairment write down for its investment in GLM Holding for the statement period.
- L. GLM Holding is a downstream holding company. The value of GLM Holding is based on the audited GAAP basis adjusted to a statutory equity basis. The adjustment to statutory basis included a “look through” to the subsidiaries held by GLM Holding. The values of these subsidiaries in determining GLM Holding’s statutory equity value were also adjusted to a statutory equity basis.

Delta Dental of North Carolina (DDNC)

- A. The Company and DDNC are related companies belonging to the same holding company system.
- B&C. During 2010, DDNC issued a surplus note to the Company in the amount of \$3,750,000 which accrues interest at a rate of 4% per annum. Any repayment of the surplus note, including interest, is subject to approval by the North Carolina Department of Insurance. A portion of the surplus note, \$1,250,000, was repaid in 2012, leaving a remaining balance of \$2,500,000. In 2015 an additional portion of the surplus note was repaid, \$750,000 leaving a remaining balance of \$1,750,000. Interest of \$150,000 was also paid in 2015.
- D. At December 31, 2015 and 2014, the Company reported no amounts due from or to DDNC.
- E. No guarantees or undertakings took place during fiscal years 2015 and 2014.
- F. No management agreement or service contracts exist between DDNC and the Company.

Renaissance Health Service Corporation (RHSC)

- A RHSC is the holding company of Delta Dental Plan of Ohio. RHSC is a Michigan non-profit corporation.
- B&C. There were no material transactions between the Company and RHSC in 2015 and 2014.
- D. At December 31, 2015 and 2014, the Company reported no amounts due from or to RHSC.
- E. No guarantees or undertakings took place during fiscal years 2015 and 2014.
- F. No management agreement or service contracts exist between RHSC and the Company.
- G&H. RHSC is the holding company of Delta Dental Plan of Ohio. There is no stock ownership between the two companies.

Notes to Financial Statements

11. Debt

The Company carried no debt on its books at December 31, 2015 and 2014.

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

This note does not apply to the Company, which does not have employees.

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

- (1) The Company is a non-profit organization and has no stock outstanding.
- (2) There is no preferred stock outstanding.
- (3) No dividends exist.
- (4) No dividends exist.
- (5) No dividends exist.
- (6) There were no restrictions placed on the surplus, including for whom the surplus is being held.
- (7) There are no advances to surplus.
- (8) No stock, including stock of affiliated companies, is held for special purposes.
- (9) There are no changes in balances of special surplus funds from the prior year.
- (10) The portion of unassigned funds (surplus) represented by accumulated unrealized (loss) gains at December 31, 2015 and 2014 was \$3,253,868 and \$5,935,816, respectively.
- (11) The Company has issued no surplus debentures or similar obligations.
- (12) There are no restatements due to prior quasi-reorganizations.
- (13) There have been no quasi-reorganizations in the prior 10 years.

14. Liabilities, Contingencies and Assessments

The Company had no contingencies to report.

15. Leases

A. Lessee Operating Lease

- 1. Under their management agreement with Delta Dental Plan of Michigan, the Company leases office space under various non-cancelable operating lease agreements that expire through January 31, 2017. Rental expense is paid directly by Delta Dental Plan of Michigan.

- 2. At December 31, 2015, the minimum aggregate rental commitments are as follows:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2016	\$ 126,327
2017	73,416
2018	68,931
2019	28,721
2020	-
Total	\$ 297,395

- 3. There were no contingent rentals, sublease rentals or sale-leaseback transactions.

B. Not applicable

6. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

The Company held no financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk in 2015 and 2014.

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

The Company had no sales, transfers or servicing of financial assets or extinguishments of liabilities.

Notes to Financial Statements

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans

The gain from operations from Administrative Service Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2015 and 2014:

2015	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses.	\$0	\$0	\$0
b. Total net other income or expenses (including interest paid to or received from other plans.)	\$0	\$0	\$0
c. Net gain (loss) from operations	\$0	\$0	\$0
d. Total claim payment volume	\$0	\$0	\$0

2014	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses.	\$0	\$0	\$0
b. Total net other income or expenses (including interest paid to or received from other plans.)	\$0	\$0	\$0
c. Net gain (loss) from operations	\$0	\$0	\$0
d. Total claim payment volume	\$0	\$0	\$0

B. ASC Plans

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2015 and 2014:

2015	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 257,180,882	\$ -	\$ 257,180,882
b. Gross administrative fees accrued	17,281,450	-	17,281,450
c. Other income or expenses (including interest paid to or received from plans)	-	-	-
d. Gross expenses incurred (claims and administrative)	<u>272,577,939</u>	<u>-</u>	<u>272,577,939</u>
e. Total gain (loss) from operations	<u>\$ 1,884,393</u>	<u>\$ -</u>	<u>\$ 1,884,393</u>

Notes to Financial Statements

2014

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 243,658,298	\$ -	\$ 243,658,298
b. Gross administrative fees accrued	16,937,272	-	16,937,272
c. Other income or expenses (including interest paid to or received from plans)	-	-	-
d. Gross expenses incurred (claims and administrative)	260,044,463	-	260,044,463
e. Total gain (loss) from operations	\$ 551,107	\$ -	\$ 551,107

C. The Company wrote no Medicare business in 2015 and 2014.

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

2015:

Name and Address of Managing General Agent or Third Party Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written
Delta Dental Plan of MI Okemos, MI 48864	38-1791480	yes	Dental	C,CA,B,P,U	\$ 201,562,614

2014:

Name and Address of Managing General Agent or Third Party Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written
Delta Dental Plan of MI 4100 Okemos Rd. Okemos, MI 48864	38-1791480	yes	Dental	C,CA,B,P,U	\$ 186,973,375

- C - Claims Payment
- CA - Claims Adjustment
- R - Reinsurance Ceding
- B - Binding Authority
- P - Premium Collection
- U - Underwriting

Notes to Financial Statements

20. Fair Value Measurements

A.

1. Fair Value Measurements at Reporting Date

Description	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Perpetual Preferred stock				
Industrial & Misc	\$339,190	\$2,017,478	\$0	\$2,356,668
Parent, Subs, and Affiliate	0	0	0	\$0
Total Perpetual Preferred Stock	\$339,190	\$2,017,478	\$0	\$2,356,668
Bonds				
U.S. Governments	\$0	\$8,946,471	\$0	\$8,946,471
Industrial & Misc	0	35,592,489	0	35,592,489
Hybrid Securities	0	0	0	0
Parent, Subs, and Affiliate	0	0	0	0
Total Bonds	\$0	\$44,538,960	\$0	\$44,538,960
Common stock				
Industrial & Misc	\$71,726,101	\$0	\$0	\$71,726,101
Parent, Subs, and Affiliate	0	0	0	0
Total Common Stocks	\$71,726,101	\$0	\$0	\$71,726,101
Derivative assets				
Interest rate contracts	\$0	\$0	\$0	\$0
Foreign exchange contracts	0	0	0	0
Credit contracts	0	0	0	0
Commodity futures contracts	0	0	0	0
Commodity forward contracts	0	0	0	0
Total Derivatives	\$0	\$0	\$0	\$0
Separate account assets	\$0	\$0	\$0	\$0
Total assets at fair value	\$72,065,291	\$46,556,438	\$0	\$118,621,729
b. Liabilities at fair value				
Derivative liabilities	\$0	\$0	\$0	\$0
Total liabilities at fair value	\$0	\$0	\$0	\$0

- 2. None
- 3. None
- 4. None
- 5. None

- B. None
- C. None
- D. None

21. Other Items

- A. The Company had no extraordinary items.
- B. The Company had no troubled debt restructuring.
- C. The Company had no unusual items to disclose.
- D. Not applicable.
- E. The Company has no state tax credits.
- F. The Company owns several mortgage pools in the investment portfolio, all of which are backed by federal agencies. The federal agency-backed mortgage pools do not have sub-prime mortgage exposure. The Company does not own any mortgage pools that are not backed by federal agencies, so there is no sub-prime exposure in the portfolios.
- G. Not applicable.

22. Events Subsequent

Type II – Nonrecognized Subsequent Events

On January 1, 2016, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity’s net premium written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year.

Notes to Financial Statements

A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2015, the Company has written health insurance business subject to the ACA assessment, expects to conduct health insurance business in 2016, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2016 to be \$1,700,120. This amount is reflected in special surplus. This assessment is expected to impact risk based capital (RBC) by 1.3%. Reporting the ACA assessment as of December 31, 2015, would not have triggered an RBC action level.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Act (YES/NO)?	Yes	Yes
B. ACA fees assessment payable for the upcoming year	\$ 1,700,120	\$ 1,635,940
C. ACA fee assessment paid	\$ 1,700,120	\$ 1,158,187
D. Premium written subject to ACA 9010 assessment	\$ 95,711,325	\$ 88,081,405
E. Total Adjusted Capital before surplus adjustment	\$ 134,920,829	
F. Total Adjusted Capital after surplus adjustment	\$ 133,220,709	
G. Authorized Control Level after surplus adjustment	\$ 11,232,322	
H. Would reporting the ACA assessment as of December 31, 2015, have triggered and RBC action level (YES/NO)?	No	No

23. Reinsurance

The Company has no ceded reinsurance agreements.

24. Retrospectively Rated Contracts & Contracts Subject to Re-determination

- A,B The Company estimates accrued retrospective premium adjustments for a portion of its group dental insurance business through a claims paid development method and aggregate reserve factors based on premium and prior experience.
- C. The amount of net premiums written by the Company at December 31, 2015 and 2014 subject to retrospectively rating features were \$1.3 million and \$1.3 million, respectively. These amounts represented .65% and .69% of total net premiums written by the Company in 2015 and 2014, respectively.
- D. Not applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2014 were \$6,782,903. As of December 31, 2015, \$5,846,166 has been paid for incurred claims and claim adjustment expense attributable to insured events of prior years. Remaining reserves for prior years are now \$20,164 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$916,573 favorable prior-year loss development since December 31, 2014 to December 31, 2015. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The business to which this relates does not include retrospectively rated policies, therefore there was no return premium accrued as a result of the prior year effects.

26. Intercompany Pooling Arrangements

The Company had no intercompany pooling arrangements in 2015 and 2014.

27. Structured Settlement

Not applicable.

28. Health Care Receivables

The Company reported no pharmaceutical rebate receivables or risk sharing receivables in 2015 and 2014.

29. Participating Policies

The Company did not have participating contracts in 2015 and 2014.

30. Premium Deficiency Reserves

There were no Premium Deficiency Reserves reported by the Company in 2015 and 2014.

31. Anticipated Salvage and Subrogation

The Company has no anticipated salvage and subrogation included as a reduction of loss reserves and loss adjustment expense reserves.

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.

12/31/2013
- 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.

12/31/2013
- 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).

05/27/2015
- 3.4 By what department or departments?
State of Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

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

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

Yes[] No[X]
- 4.12 renewals?

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

Yes[] No[X]
- 4.22 renewals?

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

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

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

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

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

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

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

1	2
Nationality	Type of Entity

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Plante & Moran, PLLC 1111 Michigan Avenue, East Lansing, Michigan 48823
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

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

Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Toby L. Hall, ASA, MAAA 4100 Okemos Rd, Okemos, Mlchigan 48864 -employee

GENERAL INTERROGATORIES (Continued)

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

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

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

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

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

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

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

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

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

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

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

e. Accountability for adherence to the code.

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

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

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

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

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

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

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

BOARD OF DIRECTORS

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

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

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

Yes[X] No[]

Yes[X] No[]

FINANCIAL

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

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

20.11 To directors or other officers

20.12 To stockholders not officers

20.13 Trustees, supreme or grand (Fraternal only)

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

20.21 To directors or other officers

20.22 To stockholders not officers

20.23 Trustees, supreme or grand (Fraternal only)

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

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

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

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

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

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

Yes[] No[X]

\$ 0

\$ 0

\$ 0

Yes[X] No[]

\$ 0

INVESTMENT

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

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

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

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

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

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

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

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

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

\$ 0

\$ 0

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

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

GENERAL INTERROGATORIES (Continued)

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

Yes[] No[] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

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

\$ 0

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

\$ 0

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

\$ 0
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes[X] No[]
- 25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements

\$ 0

25.22 Subject to reverse repurchase agreements

\$ 0

25.23 Subject to dollar repurchase agreements

\$ 0

25.24 Subject to reverse dollar repurchase agreements

\$ 0

25.25 Placed under option agreements

\$ 0

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

\$ 0

25.27 FHLB Capital Stock

\$ 0

25.28 On deposit with states

\$ 150,456

25.29 On deposit with other regulatory bodies

\$ 0

25.30 Pledged as collateral - excluding collateral pledged to an FHLB

\$ 0

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

\$ 0

25.32 Other

\$ 0
- 25.3 For category (25.26) provide the following:

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

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

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

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

If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0
28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
Bank of America/Merrill Lynch	135. LaSalle St ., Chicago, IL 60603
Fifth Third Bank	P.O. Box 630900, Cincinnati, OH 45263-0900
First Premiere Bank	PO Box 1348, Sioux Falls, SD 57101

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

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

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

Yes[] No[X]
- 28.04 If yes, give full and complete information relating thereto:

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

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

1	2	3
Central Registration Depository Number(s)	Name	Address
108633	AEW REIT	Two Seaport Lane, Boston, MA 02210-2021
104650	ClearArc Capital, Inc.	111 Lyon Street NW, MD RMNR2B Grand Rapids, MI 49503
104859	Eaton Vance	P.O. Box 9653, Providence, RI 02940-9653
105360	Invesco Advisers, Inc.	1555 Peachtree Street, NE, Atlanta, GA 30309
107038	JP Morgan	270 Park Avenue, New York, NY 10017
74069	McDonnell Investment Management, LLC	1515 W 22nd St., 11th Fl., Oak Brook, IL 60523

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

Yes[] No[X]
- 29.2 If yes, complete the following schedule:

GENERAL INTERROGATORIES (Continued)

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

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

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

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	44,849,765	44,538,960	(310,805)
30.2 Preferred stocks	562,319	556,668	(5,651)
30.3 Totals	45,412,084	45,095,628	(316,456)

30.4 Describe the sources or methods utilized in determining the fair values
The brokers relay the fair market values from IDS, a pricing service.

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[] No[X]

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[] No[] N/A[X]

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

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

Yes[X] No[]

32.2 If no, list exceptions:

OTHER

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

\$..... 461,225

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

1	2
Name	Amount Paid
Delta Dental Plans Association	440,425

34.1 Amount of payments for legal expenses, if any?

\$..... 0

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

1	2
Name	Amount Paid

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

\$..... 0

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

1	2
Name	Amount Paid

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

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

Yes[] No[X]

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

\$ 0

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.

\$ 0

1.6 Individual policies - Most current three years:

1.61 TOTAL Premium earned

\$ 0

1.62 TOTAL Incurred claims

\$ 0

1.63 Number of covered lives

..... 0

All years prior to most current three years:

1.64 TOTAL Premium earned

\$ 0

1.65 TOTAL Incurred claims

\$ 0

1.66 Number of covered lives

..... 0

1.7 Group policies - Most current three years:

1.71 TOTAL Premium earned

\$ 0

1.72 TOTAL Incurred claims

\$ 0

1.73 Number of covered lives

..... 0

All years prior to most current three years:

1.74 TOTAL Premium earned

\$ 0

1.75 TOTAL Incurred claims

\$ 0

1.76 Number of covered lives

..... 0

2. Health Test

		1	2
		Current Year	Prior Year
2.1	Premium Numerator	201,562,614	186,973,375
2.2	Premium Denominator	201,562,614	186,973,375
2.3	Premium Ratio (2.1 / 2.2)	1.000	1.000
2.4	Reserve Numerator	9,954,986	6,606,600
2.5	Reserve Denominator	9,954,986	6,606,600
2.6	Reserve Ratio (2.4 / 2.5)	1.000	1.000

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

Yes[] No[X]

3.2 If yes, give particulars:

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

Yes[X] No[]

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

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

5.1 Does the reporting entity have stop-loss reinsurance?

Yes[] No[X]

5.2 If no, explain:

Not necessary, dental polices contain annual maximum benefit.

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 & Vision

\$ 0

5.35 Other Limited Benefit Plan

\$ 0

5.36 Other

\$ 0

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

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

Yes[X] No[]

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

..... 7,289

8.2 Number of providers at end of reporting year

..... 7,489

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

Yes[X] No[]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

..... 69,184,966

9.22 Business with rate guarantees over 36 months

..... 12,591,141

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

Yes[] No[X]

10.2 If yes:

10.21 Maximum amount payable bonuses

\$ 0

10.22 Amount actually paid for year bonuses

\$ 0

10.23 Maximum amount payable withholds

\$ 0

10.24 Amount actually paid for year withholds

\$ 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes[] No[X]

11.13 An Individual Practice Association (IPA), or,

Yes[] No[X]

11.14 A Mixed Model (combination of above)?

Yes[] 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.

State of Ohio

11.4 If yes, show the amount required.

\$ 2,400,274

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.
Required admitted assets =(110% of liabilities (\$24,002,748) = \$26,403,022 less liabilities (24,002,748) = \$2,400,274

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

1
Name of Service Area
State of Ohio

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

Yes[] No[X]

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

\$ 0

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

Yes[] No[X]

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

\$ 0

GENERAL INTERROGATORIES (Continued)

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

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

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

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

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

15.1 Direct Premium Written\$ 0

15.2 Total incurred claims\$ 0

15.2 Number of covered lives0

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

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	158,923,575	137,854,263	120,276,390	100,329,938	87,070,685
2. TOTAL Liabilities (Page 3, Line 24)	24,002,746	20,128,153	18,580,087	17,097,000	16,584,297
3. Statutory minimum capital and surplus requirement	2,400,274	2,012,815	1,858,009	1,709,700	1,658,429
4. TOTAL Capital and Surplus (Page 3, Line 33)	134,920,829	117,726,110	101,696,303	83,232,938	70,486,388
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	201,562,614	186,973,375	167,041,466	159,643,731	145,619,801
6. TOTAL Medical and Hospital Expenses (Line 18)	170,266,345	158,384,496	141,853,212	136,617,589	124,087,725
7. Claims adjustment expenses (Line 20)	1,118,814	2,553,562	3,307,223	6,241,390	6,288,023
8. TOTAL Administrative Expenses (Line 21)	13,849,755	12,080,983	10,299,971	9,519,298	10,284,248
9. Net underwriting gain (loss) (Line 24)	16,327,700	13,954,334	11,581,060	7,265,454	4,959,805
10. Net investment gain (loss) (Line 27)	3,269,121	7,516,369	3,560,815	2,594,957	2,743,858
11. TOTAL Other Income (Lines 28 plus 29)	(1,003,150)	(3,728,266)	6,266	(2,001,905)	(4,993,341)
12. Net income or (loss) (Line 32)	18,593,671	17,742,437	15,148,141	7,858,506	2,710,322
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	26,739,035	16,637,400	10,394,866	11,403,486	(1,523,699)
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	134,920,829	117,726,110	101,696,303	83,232,938	70,486,388
15. Authorized control level risk-based capital	11,232,322	9,275,541	8,448,709	9,743,037	8,972,123
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	678,239	633,919	554,603	545,458	514,641
17. TOTAL Members Months (Column 6, Line 7)	8,052,726	7,518,657	6,682,012	6,514,837	6,122,308
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	84.5	84.7	84.9	85.6	85.2
20. Cost containment expenses	0.2	0.0	0.1	0.6	0.6
21. Other claims adjustment expenses	0.4	1.4	1.9	3.4	3.7
22. TOTAL Underwriting Deductions (Line 23)	91.9	92.5	93.1	95.4	96.6
23. TOTAL Underwriting Gain (Loss) (Line 24)	8.1	7.5	6.9	4.6	3.4
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	5,827,274	6,131,392	5,565,147	5,909,227	5,573,587
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	6,606,600	6,337,100	6,158,130	5,709,540	5,969,798
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)	19,295,452	4,369,910	4,297,412	2,340,211	1,980,752
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	1,750,000	2,500,000	2,500,000	2,500,000	3,750,000
32. TOTAL of Above Lines 26 to 31	21,045,452	6,869,910	6,797,412	4,840,211	5,730,752
33. TOTAL Investment in Parent Included in Lines 26 to 31 above					

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

If no, please explain::

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

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit - Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	201,562,614						201,562,614	
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	201,562,614						201,562,614	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	TOTAL (Direct Business)	(a)... 1	201,562,614						201,562,614	

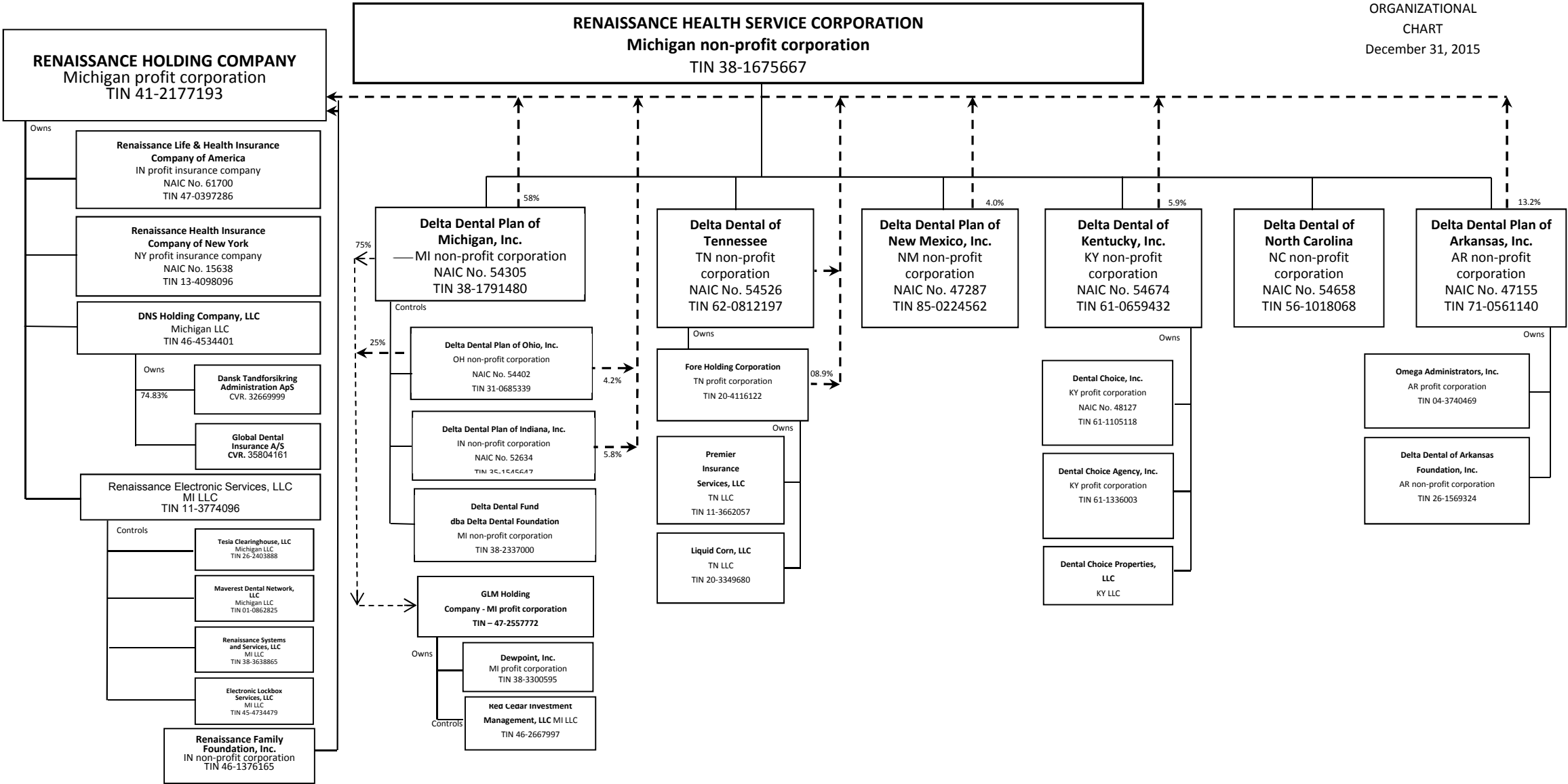
DETAILS OF WRITE-INS										
58001.	X X X									
58002.	X X X									
58003.	X X X									
58998.Summary of remaining write-ins for Line 58 from overflow page	X X X									
58999.TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X									

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

(a) Insert the number of L responses except for Canada and Other Alien.
Explanation of basis of allocation of premiums by states, etc.: The Company allocates premium to a state for Group business by where the contract was issued and delivered.

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

ORGANIZATIONAL
CHART
December 31, 2015



**INDEX TO HEALTH
ANNUAL STATEMENT**

Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 - Enrollment By Product Type for Health Business Only	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid	18
Exhibit 3 - Health Care Receivables	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries	24
Exhibit 8 - Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-ins	44
Schedule A - Part 1	E01
Schedule A - Part 2	E02
Schedule A - Part 3	E03
Schedule A - Verification Between Years	SI02
Schedule B - Part 1	E04
Schedule B - Part 2	E05
Schedule B - Part 3	E06
Schedule B - Verification Between Years	SI02
Schedule BA - Part 1	E07
Schedule BA - Part 2	E08
Schedule BA - Part 3	E09
Schedule BA - Verification Between Years	SI03
Schedule D - Part 1	E10
Schedule D - Part 1A - Section 1	SI05
Schedule D - Part 1A - Section 2	SI08
Schedule D - Part 2 - Section 1	E11
Schedule D - Part 2 - Section 2	E12
Schedule D - Part 3	E13
Schedule D - Part 4	E14
Schedule D - Part 5	E15
Schedule D - Part 6 - Section 1	E16
Schedule D - Part 6 - Section 2	E16
Schedule D - Summary By Country	SI04
Schedule D - Verification Between Years	SI03
Schedule DA - Part 1	E17
Schedule DA - Verification Between Years	SI10
Schedule DB - Part A - Section 1	E18
Schedule DB - Part A - Section 2	E19
Schedule DB - Part A - Verification Between Years	SI11
Schedule DB - Part B - Section 1	E20
Schedule DB - Part B - Section 2	E21
Schedule DB - Part B - Verification Between Years	SI11
Schedule DB - Part C - Section 1	SI12
Schedule DB - Part C - Section 2	SI13
Schedule DB - Part D - Section 1	E22
Schedule DB - Part D - Section 2	E23

INDEX TO HEALTH
ANNUAL STATEMENT

Schedule DB - Verification	SI14
Schedule DL - Part 1	E24
Schedule DL - Part 2	E25
Schedule E - Part 1 - Cash	E26
Schedule E - Part 2 - Cash Equivalents	E27
Schedule E - Part 3 - Special Deposits	E28
Schedule E - Verification Between Years	SI15
Schedule S - Part 1 - Section 2	31
Schedule S - Part 2	32
Schedule S - Part 3 - Section 2	33
Schedule S - Part 4	34
Schedule S - Part 5	35
Schedule S - Part 6	36
Schedule S - Part 7	37
Schedule T - Part 2 - Interstate Compact	39
Schedule T - Premiums and Other Considerations	38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14