

Amended Explanation Page

On 7/29/16 an amended 2015 Annual Statement was filed for AultCare Insurance Company. The following pages were amended: Statement of Revenue (pages 4 and 5), Cash Flow (page 6), Exhibit of Net Investment Income and Capital gain/losses (page 15), and Five Year Historical Data (page 29).



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2015

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ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
AultCare Insurance Company

NAIC Group Code	4805 (Current Period)	4805 (Prior Period)	NAIC Company Code	77216	Employer's ID Number	341624818
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		Ohio	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X]	Property/Casualty[]	Hospital, Medical & Dental Service or Indemnity[]			
	Dental Service Corporation[]	Vision Service Corporation[]	Health Maintenance Organization[]			
	Other[]	Is HMO Federally Qualified? Yes[X] No[] N/A[]				
Incorporated/Organized	08/15/1989		Commenced Business	11/01/1989		
Statutory Home Office	2600 Sixth Street SW (Street and Number)		Canton, OH, 44710 (City or Town, State, Country and Zip Code)			
Main Administrative Office	2600 Sixth Street SW Canton, OH, 44710 (Street and Number)		(330)363-4057 (Area Code) (Telephone Number)			
Primary Location of Books and Records	2600 Sixth Street SW Canton, OH, 44710 (Street and Number)		(330)363-4057 (Area Code) (Telephone Number)			
Internet Website Address	www.aultcare.com					
Statutory Statement Contact	Jeffrey Alan Scheatzle (Name) jscheatzle@aultman.com (E-Mail Address)		(330)363-4057 (Area Code)(Telephone Number)(Extension) (330)363-5012 (Fax Number)			

OFFICERS

Name	Title
Rick L. Haines	President
Joseph J. Feltes	Secretary
Mark D. Wright	Treasurer
Edward J. Roth III	Executive Vice President

OTHERS

DIRECTORS OR TRUSTEES

William Wallace M.D.	Gregory A. Haban M.D.
Christopher E. Remark	Edward J. Roth III
Rick L. Haines	Michael A. Rich M.D.
Mark D. Wright	John B. Humphrey Jr., M.D.
Darryl J. Dillenback	Allen Rovner M.D.
Joseph J. Feltes Esq.	Mark N. Rose M.D.

State of Ohio
 County of Stark 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)
 Rick L. Haines
 (Printed Name)
 1.
 President
 (Title)

(Signature)
 Joseph J. Feltes
 (Printed Name)
 2.
 Secretary
 (Title)

(Signature)
 Mark D. Wright
 (Printed Name)
 3.
 Treasurer
 (Title)

Subscribed and sworn to before me this
 day of , 2016

a. Is this an original filing?
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes[] No[X]
 3
 07/29/2016
 9

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
	XXX	1,075,285	1,378,455
1. Member Months			
2. Net premium income (including \$.....0 non-health premium income)	XXX	250,163,139	465,655,101
3. Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of \$.....0 medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX		
7. Aggregate write-ins for other non-health revenues	XXX		
8. TOTAL Revenues (Lines 2 to 7)	XXX	250,163,139	465,655,101
Hospital and Medical:			
9. Hospital/medical benefits		130,295,812	280,753,814
10. Other professional services			
11. Outside referrals		28,260,816	40,801,964
12. Emergency room and out-of-area		6,074,917	8,974,397
13. Prescription drugs		33,598,205	68,104,369
14. Aggregate write-ins for other hospital and medical		9,192,498	10,178,762
15. Incentive pool, withhold adjustments and bonus amounts		1,309,284	5,066,510
16. Subtotal (Lines 9 to 15)		208,731,532	413,879,817
Less:			
17. Net reinsurance recoveries		14,060,054	13,802,927
18. TOTAL Hospital and Medical (Lines 16 minus 17)		194,671,478	400,076,890
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$.....4,523,397 cost containment expenses		6,840,179	10,733,034
21. General administrative expenses		36,013,347	48,942,405
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)		237,525,005	459,752,329
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	12,638,135	5,902,771
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		699,560	1,529,145
26. Net realized capital gains (losses) less capital gains tax of \$.....663,647		1,288,257	1,809,069
27. Net investment gains (losses) (Lines 25 plus 26)		1,987,816	3,338,213
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29. Aggregate write-ins for other income or expenses			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	14,625,951	9,240,985
31. Federal and foreign income taxes incurred	XXX	6,595,893	3,854,570
32. Net income (loss) (Lines 30 minus 31)	XXX	8,030,058	5,386,415
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX		
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX		
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	XXX		
1401. Reinsurance Claims		9,192,498	10,178,762
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)		9,192,498	10,178,762
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	62,441,652	61,698,901
34. Net income or (loss) from Line 32	8,030,058	5,386,415
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	(1,981,191)	(1,656,227)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	(71,013)	(2,700,000)
39. Change in nonadmitted assets	(115,650)	(2,151,254)
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	(32,352,017)	1,863,817
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)	(26,489,812)	742,751
49. Capital and surplus end of reporting year (Line 33 plus 48)	35,951,840	62,441,652
DETAILS OF WRITE-INS		
4701. 0		
4702. 0		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE **AultCare Insurance Company**
CASH FLOW

		1 Current Year	2 Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	253,718,516	463,144,070
2.	Net investment income	1,233,367	1,801,528
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	254,951,883	464,945,598
5.	Benefit and loss related payments	200,603,335	404,323,057
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	41,775,152	58,089,004
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		3,463,414
10.	TOTAL (Lines 5 through 9)	242,378,487	465,875,475
11.	Net cash from operations (Line 4 minus Line 10)	12,573,396	(929,877)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	7,766,973	10,093,767
12.2	Stocks	3,239,940	8,335,691
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments	775,859	
12.7	Miscellaneous proceeds	1,412	0
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	11,784,184	18,429,457
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	6,941,688	14,400,872
13.2	Stocks	3,438,140	6,604,863
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets	5,685,604	1,688,015
13.6	Miscellaneous applications	0	2,066
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	16,065,431	22,695,817
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)	(4,281,247)	(4,266,359)
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	(2,349,530)	1,863,817
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)	(1,130,813)	14,591
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(3,480,344)	1,878,408
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)	4,811,805	(3,317,829)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	15,787,355	19,105,183
19.2	End of year (Line 18 plus Line 19.1)	20,599,160	15,787,355

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

20.0001	Cumulative effect of changes in accounting principles		
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EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	547,967	382,312
1.1 Bonds exempt from U.S. tax	(a)		
1.2 Other bonds (unaffiliated)	(a)	361,695	62,663
1.3 Bonds of affiliates	(a)		
2.1 Preferred stocks (unaffiliated)	(b)		
2.11 Preferred stocks of affiliates	(b)		
2.2 Common stocks (unaffiliated)		201,167	201,167
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)		
7. Derivative instruments	(f)		
8. Other invested assets		53,417	53,417
9. Aggregate write-ins for investment income			
10. TOTAL Gross investment income		1,164,246	699,560
11. Investment expenses			(g)
12. Investment taxes, licenses and fees, excluding federal income taxes			(g)
13. Interest expense			(h)
14. Depreciation on real estate and other invested assets			(i)
15. Aggregate write-ins for deductions from investment income			
16. TOTAL Deductions (Lines 11 through 15)			
17. Net Investment income (Line 10 minus Line 16)			699,560

DETAILS OF WRITE-INS

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

(a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
 (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	194,202		194,202		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	31,268		31,268		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	1,726,266		1,726,266	(1,981,191)	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	169		169		
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	1,951,904		1,951,904	(1,981,191)	

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)				

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)	83,951,652	116,104,331	115,201,302	112,832,900	122,133,875
2. TOTAL Liabilities (Page 3, Line 24)	47,999,812	53,662,678	53,502,401	54,468,637	64,697,779
3. Statutory minimum capital and surplus requirement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	35,951,840	62,441,652	61,698,901	58,364,264	57,436,096
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	250,163,139	465,655,101	454,121,147	468,467,855	438,117,371
6. TOTAL Medical and Hospital Expenses (Line 18)	194,671,478	400,076,890	393,614,410	421,829,062	397,252,309
7. Claims adjustment expenses (Line 20)	6,840,179	10,733,034	11,244,428	7,415,839	6,837,553
8. TOTAL Administrative Expenses (Line 21)	36,013,347	48,942,405	47,407,786	41,618,594	38,119,722
9. Net underwriting gain (loss) (Line 24)	12,638,135	5,902,771	1,854,524	(2,395,640)	(4,092,214)
10. Net investment gain (loss) (Line 27)	1,987,816	3,338,213	2,234,582	2,279,160	1,388,809
11. TOTAL Other Income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	8,030,058	5,386,415	4,747,949	(312,711)	(3,110,984)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	12,573,396	(929,877)	17,737	(15,260,611)	(2,086,019)
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	35,951,840	62,441,652	61,698,901	58,364,264	57,436,096
15. Authorized control level risk-based capital	8,603,885	14,882,715	14,948,649	16,301,478	16,383,118
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	86,240	112,281	113,942	120,222	121,075
17. TOTAL Members Months (Column 6, Line 7)	1,075,285	1,378,455	1,389,948	1,424,534	1,393,715
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)	77.8	85.9	86.7	90.0	90.7
20. Cost containment expenses	1.8	1.8	1.8	1.0	1.0
21. Other claims adjustment expenses	0.9	0.5	0.6	0.5	0.6
22. TOTAL Underwriting Deductions (Line 23)	94.9	98.7	99.6	100.5	100.9
23. TOTAL Underwriting Gain (Loss) (Line 24)	5.1	1.3	0.4	(0.5)	(0.9)
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	28,229,527	29,767,531	30,865,052	38,802,301	35,783,073
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	32,907,181	34,633,100	32,505,810	40,172,593	36,028,285
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	19,179,080	13,665,063	12,224,446	16,478,301	18,067,146
32. TOTAL of Above Lines 26 to 31	19,179,080	13,665,063	12,224,446	16,478,301	18,067,146
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::