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ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

Medical Health Insuring Corporation of Ohio

NAIC Group Code.....730, 730 (Current Period) (Prior Period) NAIC Company Code..... 95828 Employer's ID Number..... 34-1442712

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

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

Incorporated/Organized..... July 13, 1984 Commenced Business..... January 1, 1985

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

OFFICERS

Name	Title	Name	Title
1. Richard Alan Chiricosta	CEO	2. Steffany Matticola Larkins	Secretary
3. Raymond Karl Mueller	Treasurer	4.	

OTHER

DIRECTORS OR TRUSTEES

James Charles Cellura, Jared Paul Chaney, Richard Alan Chiricosta, Steffany Matticola Larkins, Raymond Karl Mueller

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

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

(Signature)	(Signature)	(Signature)
Richard Alan Chiricosta	Steffany Matticola Larkins	Raymond Karl Mueller
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
CEO	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2016

a. Is this an original filing? Yes [X] No [ ]

b. If no 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	54,513,011		54,513,011	68,464,847
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....10,813,713, Schedule E-Part 1), cash equivalents ($.....0, Schedule E-Part 2) and short-term investments ($.....7,824,026, Schedule DA)	18,637,739		18,637,739	13,193,681
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	73,150,750	0	73,150,750	81,658,528
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	479,761		479,761	600,938
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,469,097		1,469,097	1,586,265
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($.....60,876) and contracts subject to redetermination ($.....9,194,654)	9,255,530		9,255,530	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	28,460,875		28,460,875	30,371,468
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon	2,990,145		2,990,145	
18.2 Net deferred tax asset			0	
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	
24. Health care ($.....6,545,241) and other amounts receivable	8,192,682	1,647,441	6,545,241	4,403,180
25. Aggregate write-ins for other than invested assets	970,458	16,443	954,015	26,080
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	124,969,298	1,663,884	123,305,414	118,646,459
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTALS (Lines 26 and 27)	124,969,298	1,663,884	123,305,414	118,646,459
DETAILS OF WRITE-INS				
1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid Assets	16,027	16,027	0	
2502. Other Receivables	416	416	0	26,080
2503. Contraceptive Only Coverage Receivable	954,015		954,015	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	970,458	16,443	954,015	26,080

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $.....3,713,550 reinsurance ceded)	30,256,450		30,256,450	26,073,100
2.	Accrued medical incentive pool and bonus amounts	177,400		177,400	39,900
3.	Unpaid claims adjustment expenses	842,695		842,695	721,272
4.	Aggregate health policy reserves, including the liability of $.....9,000 for medical loss ratio rebate per the Public Health Service Act	10,609,000		10,609,000	
5.	Aggregate life policy reserves			0	
6.	Property/casualty unearned premium reserve			0	
7.	Aggregate health claim reserves			0	
8.	Premiums received in advance	8,979,326		8,979,326	6,361,064
9.	General expenses due or accrued	5,141,434		5,141,434	3,423,902
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses))			0	1,751,500
10.2	Net deferred tax liability			0	
11.	Ceded reinsurance premiums payable			0	
12.	Amounts withheld or retained for the account of others			0	
13.	Remittances and items not allocated			0	
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15.	Amounts due to parent, subsidiaries and affiliates	7,352,452		7,352,452	10,819,698
16.	Derivatives			0	
17.	Payable for securities			0	
18.	Payable for securities lending			0	
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers, $.....0 unauthorized and $.....0 certified reinsurers)			0	
20.	Reinsurance in unauthorized and certified ($.....0) companies			0	
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	
22.	Liability for amounts held under uninsured plans			0	
23.	Aggregate write-ins for other liabilities (including $.....390,166 current)	390,166	0	390,166	0
24.	Total liabilities (Lines 1 to 23)	63,748,923	0	63,748,923	49,190,436
25.	Aggregate write-ins for special surplus funds	XXX	XXX	4,777,000	3,302,000
26.	Common capital stock	XXX	XXX	4,000,000	4,000,000
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	79,066,417	79,066,417
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	(28,286,926)	(16,912,394)
32.	Less treasury stock at cost:				
	32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	59,556,491	69,456,023
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	123,305,414	118,646,459

DETAILS OF WRITE-INS

2301.	Other Liabilities	390,166		390,166	
2302.				0	
2303.				0	
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	390,166	0	390,166	0
2501.	Estimated 2015 Health Insurance Fee	XXX	XXX		3,302,000
2502.	Estimated 2016 Health Insurance Fee	XXX	XXX	4,777,000	
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	4,777,000	3,302,000
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member months	XXX	604,488	394,555
2.	Net premium income (including $.....0 non-health premium income)	XXX	252,759,010	159,756,026
3.	Change in unearned premium reserves and reserve for rate credits	XXX	(9,000)	76,000
4.	Fee-for-service (net of $.....0 medical expenses)	XXX		
5.	Risk revenue	XXX		
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	252,750,010	159,832,026
Hospital and Medical:				
9.	Hospital/medical benefits		172,765,054	130,178,906
10.	Other professional services		13,053,676	9,277,721
11.	Outside referrals		1,471,027	1,052,569
12.	Emergency room and out-of-area		20,438,614	17,179,358
13.	Prescription drugs		53,121,928	31,332,693
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts		266,163	48,308
16.	Subtotal (Lines 9 to 15)	0	261,116,462	189,069,555
Less:				
17.	Net reinsurance recoveries		42,779,916	34,790,868
18.	Total hospital and medical (Lines 16 minus 17)	0	218,336,546	154,278,687
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including $.....3,190,315 cost containment expenses		7,733,165	5,931,405
21.	General administrative expenses		32,789,181	19,494,474
22.	Increase in reserves for life and accident and health contracts including $.....0 increase in reserves for life only)		7,600,000	
23.	Total underwriting deductions (Lines 18 through 22)	0	266,458,892	179,704,566
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(13,708,882)	(19,872,540)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,737,300	2,165,490
26.	Net realized capital gains or (losses) less capital gains tax of $.....0			68,147
27.	Net investment gains or (losses) (Lines 25 plus 26)	0	1,737,300	2,233,637
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]			
29.	Aggregate write-ins for other income or expenses	0	(1,342,166)	(1,158,851)
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	(13,313,748)	(18,797,754)
31.	Federal and foreign income taxes incurred	XXX	(4,900,871)	1,503,310
32.	Net income (loss) (Lines 30 minus 31)	XXX	(8,412,877)	(20,301,064)

DETAILS OF WRITE-INS

0601.		XXX		
0602.		XXX		
0603.		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703.		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901.	(Other Expense), net of Other Income		(1,342,166)	(1,158,851)
2902.				
2903.				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	(1,342,166)	(1,158,851)

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	69,456,023	88,645,154
34. Net income or (loss) from Line 32	(8,412,877)	(20,301,064)
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.....0		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(1,486,655)	(141,898)
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		774,573
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	0	479,258
48. Net change in capital and surplus (Lines 34 to 47)	(9,899,532)	(19,189,131)
49. Capital and surplus end of reporting period (Line 33 plus 48)	59,556,491	69,456,023

DETAILS OF WRITE-INS

4701. Correction of Error - Paid in Surplus		1,534,681
4702. Correction of Error - Unassigned Funds (Surplus)		(1,055,423)
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	479,258

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	249,238,910	163,669,191
2.	Net investment income	2,481,938	2,905,698
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	251,720,848	166,574,889
5.	Benefit and loss related payments	215,730,027	164,403,650
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	39,633,360	22,602,531
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)	255,363,387	187,006,181
11.	Net cash from operations (Line 4 minus Line 10)	(3,642,539)	(20,431,292)
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	13,758,000	11,345,549
	12.2 Stocks		
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets		
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7 Miscellaneous proceeds		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	13,758,000	11,345,549
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	431,656	2,651,186
	13.2 Stocks		
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		
	13.6 Miscellaneous applications		
	13.7 Total investments acquired (Lines 13.1 to 13.6)	431,656	2,651,186
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	13,326,344	8,694,363
	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)	(4,239,747)	12,738,381
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(4,239,747)	12,738,381
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	5,444,058	1,001,452
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	13,193,681	12,192,229
	19.2 End of year (Line 18 plus Line 19.1)	18,637,739	13,193,681

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

20.0001		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	252,759,010	255,448,081	36,228	274,701		(3,000,000)				
2. Change in unearned premium reserves and reserve for rate credit	(9,000)	(9,000)								
3. Fee-for-service (net of $.....0 medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	252,750,010	255,439,081	36,228	274,701	0	(3,000,000)	0	0	0	0
8. Hospital/medical benefits	172,765,054	172,727,384	21,242	2,201		14,227				XXX
9. Other professional services	13,053,676	12,973,207	1,770	78,699						XXX
10. Outside referrals	1,471,027	1,470,123	904							XXX
11. Emergency room and out-of-area	20,438,614	20,437,071	1,543							XXX
12. Prescription drugs	53,121,928	53,121,928								XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	266,163	266,163								XXX
15. Subtotal (Lines 8 to 14)	261,116,462	260,995,876	25,459	80,900	0	14,227	0	0	0	XXX
16. Net reinsurance recoveries	42,779,916	42,779,916								XXX
17. Total hospital and medical (Lines 15 minus 16)	218,336,546	218,215,960	25,459	80,900	0	14,227	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $.....3,190,315 cost containment expenses	7,733,165	7,707,500	2,381	23,284						
20. General administrative expenses	32,789,181	32,634,119	21,546	133,516						
21. Increase in reserves for accident and health contracts	7,600,000	7,600,000								XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	266,458,892	266,157,579	49,386	237,700	0	14,227	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(13,708,882)	(10,718,498)	(13,158)	37,001	0	(3,014,227)	0	0	0	0
DETAILS OF WRITE-INS										
0501.	0									XXX
0502.	0									XXX
0503.	0									XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0									XXX
1302.	0									XXX
1303.	0									XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	257,074,882		1,626,801	255,448,081
2. Medicare supplement	36,228			36,228
3. Dental only	274,701			274,701
4. Vision only				0
5. Federal employees health benefits plan	(3,000,000)			(3,000,000)
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid				0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	254,385,811	0	1,626,801	252,759,010
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	254,385,811	0	1,626,801	252,759,010

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	260,997,723	260,885,215	30,976	83,271		(1,739)				
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	45,396,359	45,396,359								
1.4 Net	215,601,364	215,488,856	30,976	83,271	0	(1,739)	0	0	0	0
2. Paid medical incentive pools and bonuses	128,663	128,663								
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	33,970,000	33,970,000								
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	3,713,550	3,713,550								
3.4 Net	30,256,450	30,256,450	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	177,400	177,400								
6. Net healthcare receivables (a)	3,624,924	3,621,980	573	2,371						
7. Amounts recoverable from reinsurers December 31, current year	28,460,875	28,460,875								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	30,492,500	30,503,522	4,944			(15,966)				
8.2 Reinsurance assumed	0									
8.3 Reinsurance ceded	4,419,400	4,419,400								
8.4 Net	26,073,100	26,084,122	4,944	0	0	(15,966)	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	39,900	39,900								
11. Amounts recoverable from reinsurers December 31, prior year	30,371,468	30,371,468								
12. Incurred benefits:										
12.1 Direct	260,850,299	260,729,713	25,459	80,900	0	14,227	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	42,779,916	42,779,916	0	0	0	0	0	0	0	0
12.4 Net	218,070,383	217,949,797	25,459	80,900	0	14,227	0	0	0	0
13. Incurred medical incentive pools and bonuses	266,163	266,163	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	0									
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct	33,970,000	33,970,000								
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	3,713,550	3,713,550								
2.4 Net	30,256,450	30,256,450	0	0	0	0	0	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	33,970,000	33,970,000	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	3,713,550	3,713,550	0	0	0	0	0	0	0	0
4.4 Net	30,256,450	30,256,450	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	10,134,701	207,264,747	(214,054)	30,470,504	9,920,647	26,084,122
2. Medicare supplement	10,795	20,182			10,795	4,944
3. Dental only		83,271			0	
4. Vision only					0	
5. Federal employees health benefits plan	(1,739)				(1,739)	(15,966)
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	10,143,757	207,368,200	(214,054)	30,470,504	9,929,703	26,073,100
10. Healthcare receivables (a)	1,790,673	4,003,082		2,398,927	1,790,673	4,567,758
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	47,350	81,313	19,450	157,950	66,800	39,900
13. Totals (Lines 9 - 10 + 11 + 12)	8,400,434	203,446,431	(194,604)	28,229,527	8,205,830	21,545,242

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	2,406	2,382	2,366	2,366	2,366
2. 2011	27,490	29,666	29,601	29,582	29,582
3. 2012	XXX	19,459	21,405	21,398	21,396
4. 2013	XXX	XXX	9,808	10,662	10,635
5. 2014	XXX	XXX	XXX	133,204	143,423
6. 2015	XXX	XXX	XXX	XXX	207,451

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(607)	(895)	(911)	(911)	(911)
2. 2011	30,017	29,644	29,601	29,582	29,582
3. 2012	XXX	21,202	21,348	21,398	21,396
4. 2013	XXX	XXX	11,163	10,630	10,635
5. 2014	XXX	XXX	XXX	154,781	141,438
6. 2015	XXX	XXX	XXX	XXX	231,677

12.GT

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	32,304	29,582	826	2.8	30,408	94.1			30,408	94.1
2. 2012	23,964	21,396	647	3.0	22,043	92.0			22,043	92.0
3. 2013	12,338	10,635	894	8.4	11,529	93.4			11,529	93.4
4. 2014	159,756	143,423	5,606	3.9	149,029	93.3	(194)	2	148,837	93.2
5. 2015	252,759	207,451	6,708	3.2	214,159	84.7	30,628	841	245,628	97.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	1,402	1,337	1,323	1,320	1,320
2. 2011	14,109	15,371	15,296	15,292	15,292
3. 2012	XXX	7,110	8,135	8,130	8,130
4. 2013	XXX	XXX	9,424	10,278	10,251
5. 2014	XXX	XXX	XXX	133,195	143,404
6. 2015	XXX	XXX	XXX	XXX	207,347

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(341)	(558)	(572)	(575)	(575)
2. 2011	15,499	15,361	15,296	15,292	15,292
3. 2012	XXX	7,883	8,094	8,130	8,130
4. 2013	XXX	XXX	10,770	10,263	10,251
5. 2014	XXX	XXX	XXX	154,767	141,418
6. 2015	XXX	XXX	XXX	XXX	231,577

12.HM

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	17,130	15,292	415	2.7	15,707	91.7			15,707	91.7
2. 2012	10,758	8,130	288	3.5	8,418	78.2			8,418	78.2
3. 2013	11,821	10,251	854	8.3	11,105	93.9			11,105	93.9
4. 2014	159,716	143,404	5,606	3.9	149,010	93.3	(194)	2	148,818	93.2
5. 2015	255,448	207,347	6,704	3.2	214,051	83.8	30,628	841	245,520	96.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - MEDICARE SUPPLEMENT

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	7	7	7	7	7
2. 2011	32	33	33	33	33
3. 2012	XXX	18	24	24	24
4. 2013	XXX	XXX	25	28	28
5. 2014	XXX	XXX	XXX	16	26
6. 2015	XXX	XXX	XXX	XXX	21

SECTION B - INCURRED HEALTH CLAIMS - MEDICARE SUPPLEMENT

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(8)	(8)	(8)	(8)	(8)
2. 2011	41	32	33	33	33
3. 2012	XXX	22	23	24	24
4. 2013	XXX	XXX	31	27	28
5. 2014	XXX	XXX	XXX	20	26
6. 2015	XXX	XXX	XXX	XXX	19

12.MS

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	52	33	1	3.0	34	65.4			34	65.4
2. 2012	47	24	1	4.2	25	53.2			25	53.2
3. 2013	44	28	1	3.6	29	65.9			29	65.9
4. 2014	40	26	1	3.8	27	67.5			27	67.5
5. 2015	36	21	1	4.8	22	61.1			22	61.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior					
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	83

SECTION B - INCURRED HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior					
2. 2011					
3. 2012	XXX				
4. 2013	XXX	XXX			
5. 2014	XXX	XXX	XXX		
6. 2015	XXX	XXX	XXX	XXX	81

12.DO

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011				0.0	0	0.0			0	0.0
2. 2012				0.0	0	0.0			0	0.0
3. 2013				0.0	0	0.0			0	0.0
4. 2014				0.0	0	0.0			0	0.0
5. 2015	275	83	3	3.6	86	31.3			86	31.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - VISION ONLY

NONE

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

SECTION B - INCURRED HEALTH CLAIMS - VISION ONLY

NONE

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

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

NONE

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	997	1,038	1,036	1,039	1,039
2. 2011	13,349	14,262	14,272	14,257	14,257
3. 2012	XXX	12,331	13,246	13,244	13,242
4. 2013	XXX	XXX	359	356	356
5. 2014	XXX	XXX	XXX	(7)	(7)
6. 2015	XXX	XXX	XXX	XXX	

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

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	(258)	(329)	(331)	(328)	(328)
2. 2011	14,477	14,251	14,272	14,257	14,257
3. 2012	XXX	13,297	13,231	13,244	13,242
4. 2013	XXX	XXX	362	340	356
5. 2014	XXX	XXX	XXX	(6)	(6)
6. 2015	XXX	XXX	XXX	XXX	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2011	15,122	14,257	410	2.9	14,667	97.0			14,667	97.0
2. 2012	13,159	13,242	358	2.7	13,600	103.4			13,600	103.4
3. 2013	473	356	39	11.0	395	83.5			395	83.5
4. 2014		(7)	(1)	14.3	(8)	0.0			(8)	0.0
5. 2015	(3,000)			0.0	0	0.0			0	0.0

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	7,600,000	7,600,000							
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $.....0) for investment income	3,009,000	9,000				3,000,000			
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	10,609,000	7,609,000	0	0	0	3,000,000	0	0	0
7. Reinsurance ceded	0								
8. Totals (net) (Page 3, Line 4)	10,609,000	7,609,000	0	0	0	3,000,000	0	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.	0								
0502.	0								
0503.	0								
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.	0								
1102.	0								
1103.	0								
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $.....7,600,000 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($.....0 for occupancy of own building)	188	330,863	463,700		794,751
2. Salaries, wages and other benefits	1,075,365	2,771,477	4,849,761		8,696,603
3. Commissions (less $.....0 ceded plus $.....0 assumed)			8,778,288		8,778,288
4. Legal fees and expenses	183		43,749		43,932
5. Certifications and accreditation fees	28,829				28,829
6. Auditing, actuarial and other consulting services	103,734	25,958	341,937		471,629
7. Traveling expenses	14,353	25,782	130,196		170,331
8. Marketing and advertising	20	35	175,149		175,204
9. Postage, express and telephone	32,864	185,797	67,489		286,150
10. Printing and office supplies	12,164	56,331	74,112		142,607
11. Occupancy, depreciation and amortization					0
12. Equipment	1,622	14,923	21,567		38,112
13. Cost or depreciation of EDP equipment and software	197,978	518,894	494,607		1,211,479
14. Outsourced services including EDP, claims, and other services	1,107,966	450,589	1,243,496		2,802,051
15. Boards, bureaus and association fees	974	1,219	16,370		18,563
16. Insurance, except on real estate			43,499		43,499
17. Collection and bank service charges				26,546	26,546
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes			3,549,996		3,549,996
23.3 Regulatory authority licenses and fees	6	228	79,475		79,709
23.4 Payroll taxes	63,016	160,754	290,502		514,272
23.5 Other (excluding federal income and real estate taxes)			12,057,383		12,057,383
24. Investment expenses not included elsewhere				3,960	3,960
25. Aggregate write-ins for expenses	551,053	0	67,905	0	618,958
26. Total expenses incurred (Lines 1 to 25)	3,190,315	4,542,850	32,789,181	30,506	(a) 40,552,852
27. Less expenses unpaid December 31, current year	347,654	495,041	5,138,603	2,831	5,984,129
28. Add expenses unpaid December 31, prior year	273,428	447,844	3,419,040	4,862	4,145,174
29. Amounts receivable relating to uninsured plans, prior year					0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	3,116,089	4,495,653	31,069,618	32,537	38,713,897

DETAILS OF WRITE-INS

2501. Network Access Fees	551,053				551,053
2502. Other			67,905		67,905
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above)	551,053	0	67,905	0	618,958

(a) Includes management fees of $.....14,041,933 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 950,936	880,716
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 937,229	886,050
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 817	1,040
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	1,888,982	1,767,806
11.	Investment expenses		(g) 30,506
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		30,506
17.	Net investment income (Line 10 minus Line 16)		1,737,300

DETAILS OF WRITE-INS

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

(a) Includes $.....36,430 accrual of discount less $.....661,922 amortization of premium and less $.....4,484 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			0		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)			0		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)			0		
2.21	Common stocks of affiliates			0		
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets			0		
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	0	0	0	0	0

NONE

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset			0
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	1,647,441	164,578	(1,482,863)
25. Aggregate write-ins for other than invested assets	16,443	12,651	(3,792)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	1,663,884	177,229	(1,486,655)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	1,663,884	177,229	(1,486,655)

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Assets	16,027	11,955	(4,072)
2502. Other Receivables	416	696	280
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	16,443	12,651	(3,792)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of 1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	6 Current Year Member Months
1. Health maintenance organizations	820	798	776	712	693	9,048
2. Provider service organizations						
3. Preferred provider organizations	40,317	51,016	50,234	48,519	46,417	585,625
4. Point of service						
5. Indemnity only	1					
6. Aggregate write-ins for other lines of business	0	876	877	861	848	9,815
7. Total	41,138	52,690	51,887	50,092	47,958	604,488

DETAILS OF WRITE-INS

0601. Dental Only		876	877	861	848	9,815
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	876	877	861	848	9,815

Dollars are in thousands

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

	State of Domicile	2015	2014
NET INCOME			
(1) Medical Health Insuring Corporation of Ohio state basis (Page 4, Line 32, Columns 2 &3)	OH	$ (8,413)	$ (20,301)
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	OH	$ (8,413)	$ (20,301)
SURPLUS			
(5) Medical Health Insuring Corporation of Ohio state basis (Page 3, line 33, Columns 3 & 4)	OH	$ 59,556	$ 69,456
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	OH	$ 59,556	$ 69,456

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

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

C. Accounting Policy

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

Investments – Investments in bonds are reported at amortized cost or fair value based on their NAIC rating; for GAAP, such fixed maturity investments would be designated at purchase as held-to-maturity, trading, or available-for-sale. Held-to-maturity fixed investments are reported at amortized cost, and the remaining fixed maturity investments are reported at fair value with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of capital and surplus for those designated as available-for-sale.

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

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

Nonadmitted Assets – Certain assets designated as "nonadmitted," principally certain health care receivables and prepaid expenses, are excluded from the accompanying balance sheets and are charged directly to capital and surplus. In accordance with GAAP, such assets are included in the balance sheets net of valuation allowance, if necessary. Capital and surplus was reduced by nonadmitted assets of $1,664 and $177 at December 31, 2015 and 2014, respectively.

Deferred Income Taxes – The Company computes deferred income taxes in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. Under SSAP No. 101, gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more-likely-than-not that some portion or all of the gross deferred tax assets will not be realized to calculate the adjusted gross deferred tax assets. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company includes many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be used; (6) unique tax rules that would impact the utilization of the deferred tax assets; (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused.

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

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

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

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

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

Other significant accounting policies are as follows:

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

Investments – U.S. government securities and corporate bonds not backed by other assets are recorded at cost adjusted for amortization of premiums and discounts using the interest method. The fair values disclosed for these securities are obtained from independent pricing services.

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

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

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

- Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.
- Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

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

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

Aggregate Health Policy Reserves – Aggregate Health Policy Reserves include premium deficiency reserves and reserves for contracts subject to redetermination. Premium deficiency reserves are recognized for health contracts when expected claims, claim adjustment expenses, and administrative costs exceed the premium to be collected for the remainder of the contract period.

Federal Medical Loss Ratio Rebate – The Company is subject to the ACA, which requires the payment of rebates to eligible policyholders or enrollees when the amounts paid for healthcare benefits and quality improvement initiatives fall below specified thresholds. Separate calculations are performed by employer group size (individual, small group, and large group). *Income Taxes* – Changes to liabilities for uncertain tax positions are recorded as income tax expense in the accompanying statement of operations. The total liability for uncertain tax positions at December 31, 2015 and 2014, was $1,200 and $1,751, respectively. The Company does not expect any significant changes in its uncertain tax positions in 2016.

Premium Subsidy and Cost Sharing Subsidy – Under regulations established by the ACA, HHS pays the Company a portion of the premium (Premium Subsidy) and/or a portion of the health care costs (Cost Sharing Subsidy) for qualifying individual members. The Company recognizes monthly premiums received from members and the Premium Subsidy as premium revenue ratably over the contract period. The Premium Subsidy totaled $116,306 and $85,852 in 2015 and 2014, respectively, and is included in net premiums earned. The Cost Sharing Subsidy offsets health care costs when incurred. The Company records a liability if the Cost Sharing Subsidy is paid in advance or a receivable if incurred health care costs exceed the Cost Sharing Subsidy received to date. Qualified individuals incurred $15,140 and $12,780 of claims covered by the Cost Sharing Subsidy in 2015 and 2014, respectively. This amount is reported as reduction of the claims incurred and claims adjustment expense on the statement of operations. At December 31, 2015 and 2014, a receivable of $1,791and $2,334, respectively, is included in health care receivable on the accompanying balance sheet related to the Cost Sharing Subsidy.

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

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

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

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

Temporary Risk Corridors Program – The temporary risk corridors program, effective for policy years 2014, 2015, and 2016, is intended to limit the gains and losses of qualified individual and small group health plans offered for sale on federal or state healthcare exchanges. Plans are required to calculate the ratio of allowable costs (defined as medical claims plus quality improvement costs adjusted for the impact of reinsurance recoveries and the risk adjustment program) to the defined target amount (defined as actual premiums less defined allowable administrative costs inclusive of taxes and profits). Qualified health plans with ratios below 97% are required to make payments to HHS, while plans with ratios greater than 103% are expected to receive funds from HHS.

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

D. Not applicable

NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Note 2 – Not applicable

NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

Items (A) – (D) – Not applicable

NOTE 4 – DISCONTINUED OPERATIONS

Items (A) – (D) – Not applicable

NOTE 5 – INVESTMENTS

Items (A) – (G) – Not applicable

H. Restricted Assets

At December 31, 2015 and 2014, a bond with an admitted asset value of $430 and $411, respectively, was on deposit with the ODI to satisfy regulatory requirements.

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Percentage Gross Restricted to Total Assets	6 Additional Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown					0.000	0.000
b. Collateral held under security lending arrangements					0.000	0.000
c. Subject to repurchase agreements					0.000	0.000
d. Subject to reverse repurchase agreements					0.000	0.000
e. Subject to dollar repurchase agreements					0.000	0.000
f. Subject to dollar reverse repurchase agreements					0.000	0.000
g. Placed under option contracts					0.000	0.000
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock					0.000	0.000
i. LFHLB capital stock					0.000	0.000
j. On deposit with states	430	411	19	430	0.03%	0.03%
k. On deposit with other regulatory bodies					0.000	0.000
l. Pledged as collateral to FHLB (including assets backing funding agreements)					0.000	0.000
m. Pledged as collateral not captured in other categories					0.000	0.000
n. Other restricted assets					0.000	0.000
o. Total Restricted Assets	430	411	19	430	0.03%	0.03%

Items (I) – (K) – Not applicable

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Items (A) – (B) – Not applicable

NOTE 7 – INVESTMENT INCOME

Items (A) – (B) – Not applicable

NOTE 8 – DERIVATIVE INSTRUMENTS

Items (A) – (F) – Not applicable

NOTE 9 – INCOME TAXES

The Company is taxed as a stock property and casualty insurance company and files a consolidated federal income tax return with Medical Mutual of Ohio (the Parent or MMO) and other affiliates. The Company is party to a written tax sharing agreement with its Parent and other affiliates that was amended in the current year but effective retroactively back to January 1, 2014, to specify that each member pays taxes or receives credits (from the Parent) as if the member had filed a separate tax return. The payment is finalized for the tax year after the return is filed and/or after an IRS audit is completed. A member generating a taxable loss, or whose net operating losses (NOLs) are utilized in the current year, is compensated for such losses in the year absorbed by the consolidated group.

Prior to January 1, 2014, the written tax sharing agreement with its Parent and other affiliates was such that the tax liability of the group was apportioned among the members based upon the ratio to which the member's taxable income bears to the consolidated group's taxable income. To the extent that the amount of income tax expense incurred calculated based on a regular federal income tax rate of 35% varied from the amount of the ultimate cash settlement with MMO, as required by the tax sharing agreement, a deemed capital contribution or distribution was recorded directly in capital and surplus.

The retroactive change in the tax sharing agreement had no impact on the results of operations in 2015 or 2014. The portion of the 2013 tax liability allocated to the Company that was not required to be settled in cash pursuant to the tax sharing agreement was accounted for as a capital contribution in 2014. Amounts due to the Company, from the Parent, for the 2014 tax year were settled after the tax return was filed in 2015.

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

Current income tax receivables/payables include all current income taxes, including interest, expected to be collected/paid in a subsequent accounting period.

The Company paid no federal income taxes during 2015 or 2014. The Company cannot recover any income tax incurred relating to 2015 and 2014 if the Company has losses in future years. At December 31, 2015, the Company did not have any net operating loss carryforwards. The Company has no capital loss carryforwards to utilize in future years at December 31, 2015 and 2014.

The Company is subject to federal income tax examinations by tax authorities for the years 2012 through 2015.

NOTES TO FINANCIAL STATEMENTS

A. Deferred Tax Assets/(Liabilities)

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

	2015			2014			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	$ 6,329	$	$ 6,329	$ 6,607	$	$ 6,607	$ (278)	$	$ (278)
b. Statutory valuation allowance adjustment	6,327		6,327	6,607		6,607	(280)		(280)
c. Adjusted gross deferred tax assets (1a-1b)	2		2				2		2
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	2		2				2		2
f. Deferred tax liabilities	2		2				2		2
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	$ 0	$	$ 0	$	$	$	$ 0	$	$ 0

2. Admission Calculation Components

	2015			2014			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$	$	$	$	$	$	$	$	$
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:									
Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
Adjusted gross deferred tax assets allowed per limitation threshold									
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	2		2				2		2
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	$ 2	$	$ 2	$	$	$	$ 2	$	$ 2

3. Other Admissibility Criteria

		2015	2014
a.	Ratio percentage used to determine recovery period and threshold limitation amount	665%	1061%
b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	$ 59,556	$ 69,456

4. Impact of Tax Planning Strategies

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

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

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

B. Deferred Tax Liabilities Not Recognized

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2015	2 2014	3 (Col 1-2) Change
a. Federal	$ (4,742)	$ 1,386,	$ (6,128)
b. Foreign			
c. Subtotal	$ (4,742)	$ 1,386	$ (6,128)
d. Federal income tax on net capital gains		37	(37)
e. Utilization of capital loss carry-forwards			
f. Other	(159)	117	(276)
g. Federal and Foreign income taxes incurred	$ (4,901)	$ 1,540	$ (6,441)

2. Deferred Tax Assets

	1 2015	2 2014	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	$	$	$
2. Unearned premium reserve	629	445	184
3. Policyholder reserves		35	(35)
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward		5,091	(5,091)
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	5,700	1,036	4,664
99. Subtotal	$ 6,329	$ 6,607	$ (278)
b. Statutory valuation allowance adjustment	6,327	6,607	(280)
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	$ 2	$	$ 2
e. Capital:			
1. Investments	$	$	$
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal	$	$	$
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	$ 2	$	$ 2

3. Deferred Tax Liabilities

	1 2015	2 2014	3 (Col 1–2) Change
a. Ordinary:			
1. Investments	$	$	$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)	2		2
99. Subtotal	$ 2	$	$ 2
b. Capital:			
1. Investments	$	$	$
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	$ 2	$	$ 2

4.	Net Deferred Tax Assets (2i – 3c)	$	$	$

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Among the more significant book to tax adjustments were the following:

	December 31, 2015			December 31, 2014		
Description	**Amount**	**Tax Effect**	**Effective Tax Rate**	**Amount**	**Tax Effect**	**Effective Tax Rate**
(Loss) income before taxes	**$ (13,314)**	**$ (4,660)**	**35.0%**	$ (18,761)	$ (6,566)	35.0%
Change in valuation allowance	**(798)**	**(280)**	**2.1**	10,954	3,834	(20.4)
DTA adjustments	–	–	–	7,819	2,737	(14.6)
Change in reserves for uncertain tax positions	**(1,577)**	**(552)**	**4.1**	4,904	1,716	(9.1)
Change in nonadmitted assets	**(1,487)**	**(520)**	**3.9**	(142)	(50)	0.2
Health Insurer Fee	**3,039**	**1,064**	**(8.0)**	177	62	(0.3)
Permanent adjustments and other	**133**	**47**	**(0.3)**	(550)	(193)	1.0
	$ (14,004)	**$ (4,901)**	**36.8%**	$ 4,401	$ 1,540	(8.2)%
Federal income taxes incurred		**$ (4,901)**	**36.8%**		$ 1,503	(8.0)%
Federal income tax on net capital gains		–	–		37	(0.2)
Change in net deferred income tax		–	–		–	
Total statutory income taxes		**$ (4,901)**	**36.8%**		$ 1,540	(8.2)%

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

At December 31, 2015, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

The Company did not have any income tax expense for 2015 and 2014 available for recoupment in the event of future net losses:

Year	Amount
2015	$ 0
2014	$ 0

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

Items (F) – (G) – Not applicable

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

Items (A) – (L) - The Company is a stock casualty company with a health insuring corporation license which is wholly-owned by MMO, a mutual casualty insurance organization. The Company operates in Ohio and provides accident and health insurance and health care management services.

MMO provides administrative services including billing, accounting, marketing, provider relations, claims adjudication, and management information systems to the Company. In 2015 and 2014, charges to the Company for these services totaled $14,042 and $8,825, respectively. Amounts receivable and payable between the Company and MMO are settled within three months.

MMO has guaranteed that the Company will maintain the minimum capital and surplus as required by Ohio law.

NOTE 11 – DEBT

Items (A) – (B) – Not applicable

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

Items (A) – (I) – Not applicable

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

(1) The Company has 25,000 shares of common stock authorized; 10,000 shares issued and outstanding. All shares have a par value of $400.

(2) The Company has no preferred stock authorized or outstanding.

(3) The payment of dividends by the Company to MMO is limited and can only be made from earned profits unless prior approval is received from the Ohio Insurance Commissioner. The maximum amount of dividends that may be paid by insurance companies without prior approval of the Ohio Insurance Commissioner is also subject to restrictions relating to statutory surplus and net income. There were no dividends paid by the Company in 2015 or 2014.

(4) Dates dividends were paid out. Not applicable.

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of the Company profits that may be paid as ordinary dividends to stockholders.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(7) There were no advances to surplus not repaid.

Items (8) – (13) – Not applicable

NOTE 14 – CONTINGENCIES

Items (A) – (E) – Not applicable

NOTE 15 – LEASES

Items (A) – (B) – Not applicable

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

Items (1) – (4) – Not applicable

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

Items (A) – (C) – Not applicable

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

Items (A) – (C) – Not applicable

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

Not applicable

NOTE 20 – FAIR VALUE MEASUREMENTS

A. The Company has no assets or liabilities that are reported at fair value as of December 31, 2015.

B. Not applicable.

C. Aggregate Fair Value of Financial Instrument

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	$ 55,420	$ 54,513	$	$ 55,420	$	$

D. Not applicable.

NOTE 21. – OTHER ITEMS

Items (A) – (B) – Not applicable

B. Other Disclosures

The Company is subject to certain RBC requirements specified by the NAIC and required by the ODI. Under those requirements, the amount of capital and surplus maintained by the Company is determined based on various risk factors. At December 31, 2015, the Company meets the RBC requirements.

Items (D) – (G) – Not applicable

NOTE 22 – EVENTS SUBSEQUENT

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

B.	ACA fee assessment payable for the upcoming year	$ 4,777	$ 3,302
C	ACA fee assessment paid	3,039	177
D.	Premium written subject to ACA 9010 assessment	253,741	161,438
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 30)	59,556	
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	54,779	
G.	Authorized control level (Five-Year Historical Line 31)	$ 8,955	

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

NOTE 23 – REINSURANCE

Items (A) – (D) – Not applicable

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDTERMINATION

A - C. The reserve for contracts subject to redetermination totaled $3,000 at December 31, 2015, and relates to estimated 2011 and 2012 premium adjustments for Federal Employee Health Benefits Program (FEHBP) plans resulting from an audit conducted by the United States Office of Personnel Management which began in 2015. The Company offered no FEHBP plans after 2012.

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

		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year						
(1)	Medical loss ratio rebates incurred	$ (76)	$	$	$	$ (76)
(2)	Medical loss ratio rebates paid					
(3)	Medical loss ratio rebates unpaid					
(4)	Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5)	Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6)	Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	
Current Reporting Year-to-Date						
(7)	Medical loss ratio rebates incurred	$	$	$ 9	$	$ 9
(8)	Medical loss ratio rebates paid					
(9)	Medical loss ratio rebates unpaid			9		9
(10)	Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11)	Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12)	Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	9

E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions YES

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

			AMOUNT
a.	Permanent ACA Risk Adjustment Program		
	Assets		
	1.	Premium adjustments receivable due to ACA Risk Adjustment	$ 9,194
	Liabilities		
	2.	Risk adjustment user fees payable for ACA Risk Adjustment	47
	3.	Premium adjustments payable due to ACA Risk Adjustment	
	Operations (Revenue & Expenses)		
	4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	16,882
	5.	Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	$ 47
b.	Transitional ACA Reinsurance Program		
	Assets		
	1.	Amounts recoverable for claims paid due to ACA Reinsurance	$ 28,461
	2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	3,714
	3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	
	Liabilities		
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	557
	5.	Ceded reinsurance premiums payable due to ACA Reinsurance	
	6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	$ -
	Operations (Revenue & Expenses)		
	7.	Ceded reinsurance premiums due to ACA Reinsurance	$ 1,627
	8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	42,480
	9.	ACA Reinsurance contributions – not reported as ceded premium	$ 603
c.	Temporary ACA Risk Corridors Program		
	Assets		
	1.	Accrued retrospective premium due to ACA Risk Corridors	$ 61
	Liabilities		
	2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	
	Operations (Revenue & Expenses)		
	3.	Effect of ACA Risk Corridors on net premium income (paid/received)	600
	4.	Effect of ACA Risk Corridors on change in reserves for rate credits	$

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

		Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the	
						Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
		1	2	3	4	5	6	7	8	9	10	11
		Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	Permanent ACA Risk Adjustment Program											
1.	Premium adjustments receivable	-	-	7,687	-	(7,687)	-	8,419	-	A	732	-
2.	Premium adjustments (payable)	-	-	-	-	-	-	-		B	-	-
3.	Subtotal ACA Permanent Risk Adjustment Program	-	-	7,687	-	(7,687)	-	8,419	-		732	-
b.	Transitional ACA Reinsurance Program											
1.	Amounts recoverable for claims paid	30,371	-	45,396	-	(15,025)	-	15,025	-	C	-	-
2.	Amounts recoverable for claims unpaid (contra liability)	4,420	-	-	-	4,420	-	(4,420)	-	D	-	-
3.	Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4.	Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums	-	351	-	351	-	-	-	-	F	-	-
5.	Ceded reinsurance premiums payable	-	-			-	-			G	-	-
6.	Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7.	Subtotal ACA Transitional Reinsurance Program	34,791	351	45,396	351	(10,605)	-	10,605	-		-	-
c.	Temporary ACA Risk Corridors Program											
1.	Accrued retrospective premium	-	-	539	-	(539)	-	600	-	I	61	-
2.	Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
3.	Subtotal ACA Risk Corridors Program	-	-	539	-	(539)	-	600	-		61	-
d.	Total for ACA Risk Sharing Provisions	34,791	351	53,622	351	(18,831)	-	19,624	-		793	-

Explanations of Adjustments

A. ACA Risk Adjustment based on the final risk adjustment report received from HHS on June 30, 2015.
B. ACA Risk Adjustment based on the final risk adjustment report received from HHS on June 30, 2015.
C. ACA Reinsurance based on the final reinsurance report received from HHS on June 30, 2015.
D. ACA Reinsurance based on the final reinsurance report received from HHS on June 30, 2015.
E. N/A
F. N/A
G. N/A
H. N/A
I. ACA Risk Corridors based on MLR/Risk Corridors filing and the Risk Corridors Payment Proration Rate issued by CMS on October 1, 2015.
J. N/A

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

A $16,116 redundancy in the December 31, 2014, reserves emerged in 2015, and a $567 redundancy in the December 31, 2013, reserves emerged in 2014. The majority of the redundancy, $10,605, that emerged during 2015 resulted from the HHS announcement that the Transitional ACA Reinsurance Program coinsurance rate for 2014 was increased from 80% to 100%. The remaining 2015 redundancy, as well as the redundancy that emerged during 2014, resulted from differences in claims severity and utilization as compared to expectations.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Items (A) – (G) – Not applicable

NOTE 27 – STRUCTURED SETTLEMENTS

Not Applicable

NOTE 28 – HEALTH CARE RECEIVABLES

A. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans* (SSAP No. 84). The admitted receivable balances as of December 31, 2015 and 2014, are $4,744 and $1,927, respectively, are included in health care and other amounts receivable on the balance sheets. These are comprised of the estimated pharmacy rebates for the current quarter as reported in the financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. Additional details are included in the table below:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2015	$ 2,399	$ 2,399	$	$	$
09/30/2015	1,949	2,345			
06/30/2015	1,306	2,126	1,466		
03/31/2015	1,340	1,534	1,401	(136)	
12/31/2014	1,142	1,173		1,086	5
09/30/2014	970	785		914	
06/30/2014	529	700		681	1
03/31/2014	372	350		319	31
12/31/2013	17	15	16	3	1
09/30/2013	15	17	17		
06/30/2013	120	16	16		
03/31/2013	120	31	31		

B. Not applicable

NOTE 29 – PARTICIPATING POLICIES

Not applicable

NOTE 30 – PREMIUM DEFICIENCY RESERVES

1.	Liability carried for premium deficiency reserve:	$7,600
2.	Date of most recent evaluation of this liability:	February 2016
3.	Was anticipated investment income utilized in the calculation?	Yes [x] No [ ]

NOTE 31 – ANTICIPATED SALVAGE AND SUBROGATION

The reserves for unpaid claims and CAE at December 31, 2015 and 2014, have been reduced by $700 and $388, respectively, related to anticipated subrogation claims recoverable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1, 1A and 2. Yes [X] No [ ]

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

1.3 State regulating? OHIO

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

2.2 If yes, date of change:

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

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009

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

3.4 By what department or departments?
OHIO DEPARTMENT OF INSURANCE

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

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

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

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

4.12 renewals? Yes [ ] No [X]

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

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

4.22 renewals? Yes [ ] No [X]

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

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,

7.21 State the percentage of foreign control 0.000%

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

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

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

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

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

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Michael J. Cellini, PhD, ASA, MAAA, Senior Manager & Consulting Actuary, Ernst & Young, LLP 5 Times Square, New York, NY 10036

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

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation

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

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

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

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

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

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

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

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

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

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

(e) Accountability for adherence to the code.

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

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

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

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

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

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

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

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

BOARD OF DIRECTORS

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

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

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

FINANCIAL

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

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

20.11 To directors or other officers $ 0

20.12 To stockholders not officers $ 0

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

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

20.21 To directors or other officers $ 0

20.22 To stockholders not officers $ 0

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

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

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

21.21 Rented from others $ 0

21.22 Borrowed from others $ 0

21.23 Leased from others $ 0

21.24 Other $ 0

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 0

22.22 Amount paid as expenses $ 0

22.23 Other amounts paid $ 0

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

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

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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

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

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

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

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

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

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

24.09. Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

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

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	$ 0
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	$ 0
24.103	Total payable for securities lending reported on the liability page:	$ 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes [X] No [ ]

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

25.21	Subject to repurchase agreements	$ 0
25.22	Subject to reverse repurchase agreements	$ 0
25.23	Subject to dollar repurchase agreements	$ 0
25.24	Subject to reverse dollar repurchase agreements	$ 0
25.25	Placed under option agreements	$ 0
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 430,191
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 Nature of Restriction	2 Description	3 Amount
		$

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December of the current year: $ 0

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
FIFTH THIRD BANK	5050 KINGSLEY DRIVE, CINCINNATI, OH 45263

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

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

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

PART 1 - COMMON INTERROGATORIES

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

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	62,337,037	63,244,127	907,090
30.2	Preferred Stocks	0	0	0
30.3	Totals	62,337,037	63,244,127	907,090

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

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

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

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

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	$

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 payment represented25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	$

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 0

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

1 Name	2 Amount Paid
	$

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?		Yes [X] No [ ]
1.2	If yes, indicate premium earned on U.S. business only.	$	36,228
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.	$	25,459
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	$	36,228
1.65	Total incurred claims	$	25,459
1.66	Number of covered lives	$	8
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 Current Year	2 Prior Year
2.1	Premium Numerator	$ 252,759,010	$ 159,756,026
2.2	Premium Denominator	$ 252,759,010	$ 159,756,026
2.3	Premium Ratio (2.1/2.2)	$ 100.000	$ 100.000
2.4	Reserve Numerator	$ 41,042,850	$ 26,113,000
2.5	Reserve Denominator	$ 41,042,850	$ 26,113,000
2.6	Reserve Ratio (2.4/2.5)	$ 100.000	$ 100.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [ ] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [X]

5.1 Does the reporting entity have stop-loss reinsurance? Yes [ ] No [X]

5.2 If no, explain:

Management considered (1) the increasing cost of retaining stop loss coverage, (2) the maximum exposure per enrollee, and (3) the strong surplus position of the Company and its Parent in deciding to forgo stop loss coverage during 2015. Risk retention decisions are regularly reviewed by management.

5.3 Maximum retained risk (see instructions)

5.31	Comprehensive Medical	$	0
5.32	Medical Only	$	0
5.33	Medicare Supplement	$	0
5.34	Dental and Vision	$	0
5.35	Other Limited Benefit Plan	$	0
5.36	Other	$	0

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

Hold harmless provisions and covered service provisions

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

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1	Number of providers at start of reporting year	46,486
8.2	Number of providers at end of reporting year	48,205

9.1	Does the reporting entity have business subject to premium rate guarantees?	Yes [ ] No [X]
9.2	If yes, direct premium earned:	
9.21	Business with rate guarantees with rate guarantees between 15-36 months	$ 0
9.22	Business with rate guarantees over 36 months	$ 0
10.1	Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?	Yes [X] No [ ]
10.2	If yes:	
10.21	Maximum amount payable bonuses	$ 251,000
10.22	Amount actually paid for year bonuses	$ 128,663
10.23	Maximum amount payable withholds	$ 0
10.24	Amount actually paid for year withholds	$ 0
11.1	Is the reporting entity organized as:	
11.12	A Medical Group/Staff Model,	Yes [ ] No [X]
11.13	An Individual Practice Association (IPA), or,	Yes [ ] No [X]
11.14	A Mixed Model (combination of above)?	Yes [ ] No [X]
11.2	Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?	Yes [X] No [ ]
11.3	If yes, show the name of the state requiring such minimum capital and surplus.	
	OHIO	
11.4	If yes, show the amount required.	$ 17,909,306
11.5	Is this amount included as part of a contingency reserve in stockholder's equity?	Yes [ ] No [X]
11.6	If the amount is calculated, show the calculation	
	200% authorized control level risk-based capital	

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

1 Name of Service Area
OHIO

13.1	Do you act as a custodian for health savings accounts?	Yes [ ] No [X]
13.2	If yes, please provide the amount of custodial funds held as of the reporting date.	$ 0
13.3	Do you act as an administrator for health savings accounts?	Yes [ ] No [X]
13.4	If yes, please provide the balance of the funds administered as of the reporting date.	$ 0
14.1	Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?	Yes [ ] No [ ] N/A [X]

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

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0		$	$	$	$

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

15.1	Direct Premium Written	$ 0
15.2	Total Incurred Claims	$ 0
15.3	Number of Covered Lives	0

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

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	123,305,414	118,646,459	92,366,347	90,275,064	88,257,853
2. Total liabilities (Page 3, Line 24)	63,748,923	49,190,436	3,721,193	3,611,914	4,482,265
3. Statutory minimum capital and surplus requirement	17,909,306	13,093,616	1,578,852	1,911,988	2,221,040
4. Total capital and surplus (Page 3, Line 33)	59,556,491	69,456,023	88,645,154	86,663,150	83,775,588
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	252,750,010	159,832,026	12,262,266	23,964,203	32,303,775
6. Total medical and hospital expenses (Line 18)	218,336,546	154,278,687	11,250,194	20,580,605	29,410,276
7. Claims adjustment expenses (Line 20)	7,733,165	5,931,405	418,336	637,000	827,647
8. Total administrative expenses (Line 21)	32,789,181	19,494,474	735,168	1,144,264	1,444,390
9. Net underwriting gain (loss) (Line 24)	(13,708,882)	(19,872,540)	(141,432)	1,602,334	621,462
10. Net investment gain (loss) (Line 27)	1,737,300	2,233,637	2,557,618	3,000,159	3,120,366
11. Total other income (Lines 28 plus 29)	(1,342,166)	(1,158,851)	(2,306)	(1,615)	10,000
12. Net income or (loss) (Line 32)	(8,412,877)	(20,301,064)	1,952,352	3,786,062	3,073,531
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(3,642,539)	(20,431,292)	3,664,739	2,507,498	3,011,544
Risk-Based Capital Analysis					
14. Total adjusted capital	59,556,491	69,456,023	88,645,154	86,663,150	83,775,588
15. Authorized control level risk-based capital	8,954,653	6,546,808	789,426	955,994	1,110,520
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	47,958	41,138	2,746	3,934	5,079
17. Total member months (Column 6, Line 7)	604,488	394,555	31,698	45,868	61,696
Operating Percentage (Page 4) **(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0**					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	86.4	96.5	91.7	85.9	91.0
20. Cost containment expenses	1.3	1.4	1.3	1.0	0.9
21. Other claims adjustment expenses	1.8	2.3	2.2	1.7	1.7
22. Total underwriting deductions (Line 23)	105.4	112.4	101.2	93.3	98.1
23. Total underwriting gain (loss) (Line 24)	(5.4)	(12.4)	(1.2)	6.7	1.9
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5)	8,205,830	797,053	1,827,748	2,131,724	2,671,000
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	21,545,242	1,298,737	1,720,900	2,751,242	3,278,000
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above					

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

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only 2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	L	257,385,811			(3,000,000)			254,385,811	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CAN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	257,385,811	0	0	(3,000,000)	0	0	254,385,811	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	257,385,811	0	0	(3,000,000)	0	0	254,385,811	0

DETAILS OF WRITE-INS

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

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

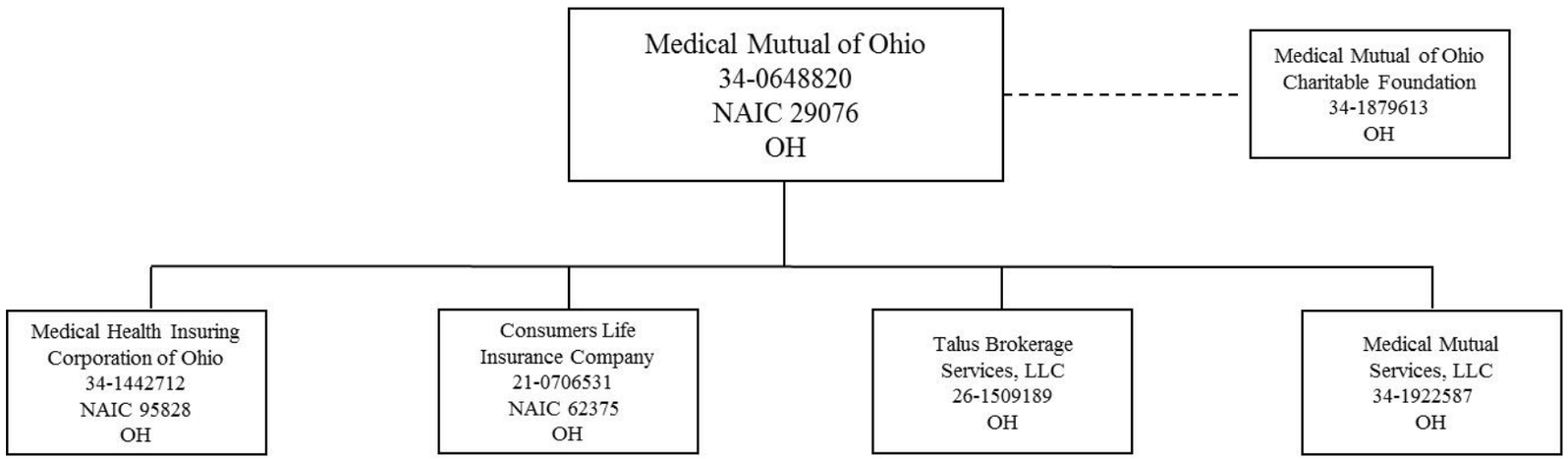
Explanation of basis of allocation by states, premiums by state, etc.

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

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

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

PART 1 – ORGANIZATIONAL CHART



2015 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK