

Change in presentation to reflect proceeds received on the disposal of Bond.



# QUARTERLY STATEMENT

AS OF JUNE 30, 2016  
OF THE CONDITION AND AFFAIRS OF THE

## HealthSpan Inc

NAIC Group Code	00000 (Current Period)	00000 (Prior Period)	NAIC Company Code	15284	Employer's ID Number		31-1431434
Organized under the Laws of			Ohio	State of Domicile or Port of Entry			Ohio
Country of Domicile				United States			
Licensed as business type:	Life, Accident & Health [ ]	Property/Casualty [ ]	Hospital, Medical & Dental Service or Indemnity [ ]				
	Dental Service Corporation [ ]	Vision Service Corporation [ ]	Health Maintenance Organization [ ]				
	Other [ ]		Is HMO Federally Qualified? Yes [ ] No [ ]				
Incorporated/Organized	07/30/2013	Commenced Business			07/30/2013		
Statutory Home Office	225 Pictoria Dr STE 320 (Street and Number)			Cincinnati, OH, US 45246 (City or Town, State, County and Zip Code)			
Main Administrative Office	225 Pictoria Dr STE 320 (Street and Number)			Cincinnati, OH, US 45246 (City or Town, State, County and Zip Code)			513-551-1400 (Area Code) (Telephone Number)
Mail Address	225 Pictoria Dr STE 320 (Street and Number or P.O. Box)			Cincinnati, OH, US 45246 (City or Town, State, County and Zip Code)			
Primary Location of Books and Records	4600 McAuley Place (Street and Number)			Cincinnati, OH, US 45242 (City or Town, State, County and Zip Code)			513-981-5300 (Area Code) (Telephone Number)
Internet Web Site Address	N/A						
Statutory Statement Contact	Felicia Browning (Name)			216-479-5510 (Area Code) (Telephone Number) (Extension)			
	Felicia.Browning@Mercy.com (E-Mail Address)			216-623-8793 (FAX Number)			

## OFFICERS

Name	Title	Name	Title
Allan Greenberg #	President	David Nowiski	Treasurer

## OTHER OFFICERS

DIRECTORS OR TRUSTEES			
Jeffrey Copeland	Walid Sidani MD	Robert Campbell	Allen Calonge
William Franks			

State of .....

ss

County of .....

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.

\_\_\_\_\_  
Allan Greenberg  
President

\_\_\_\_\_  
David Nowiski  
Treasurer

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

b. If no:

1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this  
day of \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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09/02/2016  
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**STATEMENT AS OF JUNE 30, 2016 OF THE HealthSpan Inc**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	16,887,930	16,110,407	39,637,803
2. Net investment income.....	(1,158)	13,734	23,646
3. Miscellaneous income.....	6,439,419	7,823,895	14,230,722
4. Total (Lines 1 to 3).....	23,326,191	23,948,036	53,892,171
5. Benefit and loss related payments.....	16,318,272	18,799,644	46,992,157
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	11,715,597	3,331,033	23,119,997
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9).....	28,033,869	22,130,677	70,112,154
11. Net cash from operations (Line 4 minus Line 10).....	(4,707,678)	1,817,359	(16,219,983)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	4,500,000	0	0
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	4,500,000	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	0	0	0
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	360	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	360	0	0
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	4,499,640	0	0
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	24,250,000
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	308,922	583,084	8,605,783
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	308,922	583,084	32,855,783
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	100,884	2,400,443	16,635,800
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	25,996,685	9,360,885	9,360,885
19.2 End of period (Line 18 plus Line 19.1).....	26,097,569	11,761,328	25,996,685

## SCHEDULE A – VERIFICATION

Real Estate	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in circumstance.....		
4. Total gain (loss) on disposal.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....		
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....		

# Not Selected For Printing

## SCHEDULE B – VERIFICATION

Mortgage Loans	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposal.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....		
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....		
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....		

# Not Selected For Printing

## SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....		
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....		

# Not Selected For Printing

## SCHEDULE D – VERIFICATION

Bonds and Stocks	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	4,897,257	4,891,831
2. Cost of bonds and stocks acquired.....	0	0
3. Accrual of discount.....	60	5,427
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration for bonds and stocks disposed of.....	4,500,000	0
7. Deduct amortization of premium.....	(2,437)	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9).....	399,754	4,897,257
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	399,754	4,897,257

**STATEMENT AS OF JUNE 30, 2016 OF THE HealthSpan Inc**

**SCHEDULE D - PART 4**

**Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter**

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
<b>Bonds - U.S. Governments</b>																						
912828-VG-2	US Treasury N/B 00.5% - 06/15/2016		06/15/2016				4,500,000	4,500,000	4,484,707	4,497,563	0	2,437	0	2,437	0	4,500,000	0	360	360	11,250	06/15/2016	1
0599999 - Bonds - U.S. Governments							4,500,000	4,500,000	4,484,707	4,497,563	0	2,437	0	2,437	0	4,500,000	0	360	360	11,250	XXX	XXX
8399997 - Subtotals - Bonds - Part 4							4,500,000	4,500,000	4,484,707	4,497,563	0	2,437	0	2,437	0	4,500,000	0	360	360	11,250	XXX	XXX
8399999 - Subtotals - Bonds							4,500,000	4,500,000	4,484,707	4,497,563	0	2,437	0	2,437	0	4,500,000	0	360	360	11,250	XXX	XXX
9999999 Totals							4,500,000	XXX	4,484,707	4,497,563	0	2,437	0	2,437	0	4,500,000	0	360	360	11,250	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

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