

110

1 1 6 2 0 1 6 2 0 1 0 0 1 0 5

ANNUAL STATEMENT

For the Year Ended December 31, 2016
of the Condition and Affairs of the

Ohio State Medical Association Health Benefits Plan

NAIC Group Code..... 0, 0
(Current Period) (Prior Period)

NAIC Company Code..... 116

Employer's ID Number..... 37-6532551

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Licensed as Business Type.....

Is HMO Federally Qualified? Yes [] No []

Incorporated/Organized..... August 16, 2014

Commenced Business..... April 1, 2015

Statutory Home Office

5115 Parkcenter Ave Ste 200..... Dublin OH US 43017
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office

5115 Parkcenter Ave Ste 200..... Dublin OH US 43017
(Street and Number) (City or Town, State, Country and Zip Code)

800-766-6762
(Area Code) (Telephone Number)

Mail Address

5115 Parkcenter Ave Ste 200..... Dublin OH US 43017
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records

5115 Parkcenter Ave Ste 200..... Dublin OH US 43017
(Street and Number) (City or Town, State, Country and Zip Code)

800-766-6762
(Area Code) (Telephone Number)

Internet Web Site Address

N/A

Statutory Statement Contact

George John Stadlander Mr.

(Name)

george.stadlander@gmail.com

(E-Mail Address)

216-389-2914
(Area Code) (Telephone Number) (Extension)

216-202-3499

(Fax Number)

OFFICERS

Name
1. Todd Mallory Baker M.P.A.F.F.
3.

Title
Trustee-Chairman

Name
2. Charles Joseph Hickey M.D.
4.

Title
Trustee

OTHER

RECEIVED

AUG 11 2017

OFFICE OF RISK
ASSESSMENT

DIRECTORS OR TRUSTEES

Todd Mallory Baker M.P.A.F.F.
Brian J. Santin MD

Charles Joseph Hickey MD

Kevin J. Hackett MD

James E. Silone Jr., DO

State of..... Ohio
County of..... Franklin

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)
Todd Mallory Baker M.P.A.F.F.
1. (Printed Name)
Trustee-Chairman
(Title)

(Signature)
Charles Joseph Hickey M.D.
2. (Printed Name)
Trustee
(Title)

(Signature)
J. Jeffery Cameron
3. (Printed Name)
(Title)

Subscribed and sworn to before me

This 10 day of August 2017

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



STEPHEN REDD
Notary Public
In and for the State of Ohio
My Commission Expires
May 22, 2022

AMENDED FILING EXPLANATION

The 12/31/16 annual statement is being refiled to reflect post audit fiancials.

RECEIVED

U.S. DEPT. OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

AMENDED FILING EXPLANATION

reinsurance settlement for 2016 was received from the reinsurer and the reinsurance settlement of the quota share was determined and agreed to on a preliminary basis. The major reason for the variance was a specific stop loss recovery which was recorded in 2016; but should have been recorded in 2017. Thus the increase in surplus was moved from 2016 into 2017.

Significant lines that changed due to the above item were:

Page 2, line 16.1

Page 4, line 17

Several smaller adjustments were processed and the combined impact of these changes were reflected in impacted accounts. 2016 annual statement will be refiled to reflect these changes.

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....			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 (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 (\$.....2,050,142, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....242,380, Schedule DA).....	2,292,523		2,292,523	2,008,304
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).....	2,292,523	0	2,292,523	2,008,304
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	18		18	2
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	5,777		5,777	18,532
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	5,497,117		5,497,117	4,039,103
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	2,063,502		2,063,502	1,517,621
17. Amounts receivable relating to uninsured plans.....			0	
18. 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).....			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 (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	9,858,937	0	9,858,937	7,583,562
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	9,858,937	0	9,858,937	7,583,562

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
Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501.....			0	
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....908,541 reinsurance ceded).....	100,987		100,987	152,079
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	8,782		8,782	16,755
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserves.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	493,820		493,820	495,139
9. General expenses due or accrued.....	127,861		127,861	39,046
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....			0	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....	8,288,901		8,288,901	6,622,426
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.....			0	
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 reinsurers 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 \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	9,020,351	0	9,020,351	7,325,445
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	250,000	250,000
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	
31. Unassigned funds (surplus).....	XXX	XXX	588,587	8,117
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	838,587	258,117
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	9,858,938	7,583,562

DETAILS OF WRITE-INS

2301.			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
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 through 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	21,227	15,525
Net premium income (including \$.....0 non-health premium income).....	XXX	1,464,236	630,371
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0
8. Total revenues (Lines 2 to 7).....	XXX	1,464,236	630,371
Hospital and Medical:			
9. Hospital/medical benefits.....		5,225,571	3,643,129
10. Other professional services.....		214,090	294,605
11. Outside referrals.....			
12. Emergency room and out-of-area.....		929,835	892,204
13. Prescription drugs.....		1,551,337	1,175,164
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	0	7,920,833	6,005,102
Less:			
Net reinsurance recoveries.....		7,167,272	5,434,326
18. Total hospital and medical (Lines 16 minus 17).....	0	753,561	570,776
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....			
21. General administrative expenses.....		127,755	46,327
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....	0	881,316	617,103
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	582,920	13,268
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		(2,446)	(2,473)
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....			
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	(2,446)	(2,473)
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	0	0
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	580,474	10,795
Federal and foreign income taxes incurred.....	XXX		
Net income (loss) (Lines 30 minus 31).....	XXX	580,474	10,795

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 through 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 through 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 through 1403 plus 1498) (Line 14 above).....	0	0	0
2901.			
2902.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0	0

Ohio State Medical Association Health Benefits Plan
STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year	Prior Year
33. Capital and surplus prior reporting period.....	258,114	247,319
34. Net income or (loss) from Line 32.....	580,474	10,
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.....		
40. Change in unauthorized and certified reinsurance.....		
41. Change in treasury stock.....		
42. Change in surplus notes.....		
43. Cumulative effect of changes in accounting principles.....		
44. Capital changes:		
44.1 Paid in.....		
44.2 Transferred from surplus (Stock Dividend).....		
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....		
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....		
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	580,474	10,795
49. Capital and surplus end of reporting period (Line 33 plus 48).....	838,588	258,114

DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	0	

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	3,142,147	7,729,404
Net investment income.....	(2,462)	(2,473)
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	3,139,685	7,726,931
5. Benefit and loss related payments.....	2,808,548	5,975,421
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	46,913	(9,474)
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).....	2,855,461	5,965,947
11. Net cash from operations (Line 4 minus Line 10).....	284,224	1,760,984
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		
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).....	0	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....		
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).....	0	0
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).....	0	0
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).....		
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	0	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	284,224	1,760,984
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	2,008,301	247,317
19.2 End of year (Line 18 plus Line 19.1).....	2,292,525	2,008,301

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

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plans	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income.....	1,464,236	1,464,236								
2. Change in unearned premium reserves and reserve for rate credit.....	0	0								
3. Fee-for-service (net of \$.....0 medical expenses).....	0									
4. Risk revenue.....	0									
5. Aggregate write-ins for other health care related revenues.....	0	0	0	0	0	0	0	0	0	0
6. Aggregate write-ins for other non-health care related revenues.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
7. Total revenues (Lines 1 to 6).....	1,464,236	1,464,236	0	0	0	0	0	0	0	0
8. Hospital/medical benefits.....	5,225,571	5,225,571								XXX
9. Other professional services.....	214,090	214,090								XXX
10. Outside referrals.....	0									XXX
11. Emergency room and out-of-area.....	929,835	929,835								XXX
12. Prescription drugs.....	1,551,337	1,551,337								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.....	0									XXX
15. Subtotal (Lines 8 to 14).....	7,920,833	7,920,833	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries.....	7,167,272	7,167,272								XXX
17. Total hospital and medical (Lines 15 minus 16).....	753,561	753,561	0	0	0	0	0	0	0	XXX
18. Non-health claims (net).....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....0 cost containment expenses.....	0									
20. General administrative expenses.....	127,755	127,755								
21. Increase in reserves for accident and health contracts.....	0									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).....	881,316	881,316	0	0	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23).....	582,920	582,920	0	0	0	0	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 through 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 through 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 through 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)	9,798,774		8,334,538	1,464,236
2. Medicare supplement				0
3. Dental only				0
4. Vision only				0
5. Federal employees health benefits plan				0
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid				0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	9,798,774	0	8,334,538	1,464,236
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	9,798,774	0	8,334,538	1,464,236

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

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct.....	8,432,092	8,432,092								
1.2 Reinsurance assumed.....	0	0								
1.3 Reinsurance ceded.....	7,588,883	7,588,883								
1.4 Net.....	843,209	843,209	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	1,009,527	1,009,527								
3.2 Reinsurance assumed.....	0	0								
3.3 Reinsurance ceded.....	908,557	908,557								
3.4 Net.....	100,970	100,970	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.....	0									
6. Net healthcare receivables (a).....	0									
7. Amounts recoverable from reinsurers December 31, current year.....	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	1,520,786	1,520,786								
8.2 Reinsurance assumed.....	0	0								
8.3 Reinsurance ceded.....	1,368,707	1,368,707								
8.4 Net.....	152,079	152,079	0	0	0	0	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.....	0									
11. Amounts recoverable from reinsurers December 31, prior year.....	0									
12. Incurred benefits:										
12.1 Direct.....	7,920,833	7,920,833	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	7,128,733	7,128,733	0	0	0	0	0	0	0	0
12.4 Net.....	792,100	792,100	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0
(a) Excludes \$.....	0	0	0	0	0	0	0	0	0	0

0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	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.....	1,009,527	1,009,527								
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	908,557	908,557								
2.4 Net.....	100,970	100,970	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.....	1,009,527	1,009,527	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.....	908,557	908,557	0	0	0	0	0	0	0	0
4.4 Net.....	100,970	100,970	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 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	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		
1. Comprehensive (hospital and medical)	105,187	699,466	1	100,986	105,188	152,079
2. Medicare supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal employees health benefits plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	105,187	699,466	1	100,986	105,188	152,079
10. Healthcare receivables (a)					0	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts					0	
13. Totals (Lines 9 - 10 + 11 + 12)	105,187	699,466	1	100,986	105,188	152,079

(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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX			
5. 2015		XXX	XXX	XXX	418	143
6. 2016		XXX	XXX	XXX	XXX	488

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX			
5. 2015		XXX	XXX	XXX	571	149
6. 2016		XXX	XXX	XXX	XXX	1,620

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

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claim Payments	Claim Adjustment Expense Payments	Percent (Col. 3/2)	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	Percent (Col. 5/1)	Claims Unpaid	Unpaid Claim Adjustment Expense	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	Percent (Col. 9/1)
1. 2012				0.0	0	0.0			0	0.0
2. 2013				0.0	0	0.0			0	0.0
3. 2014				0.0	0	0.0			0	0.0
4. 2015	630	143		0.0	143	22.7			143	22.7
5. 2016	1,445	488		0.0	488	33.8	101	9	596	41.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

		Cumulative Net Amounts Paid				
Year in Which Losses Were Incurred		1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX			
5. 2015		XXX	XXX	XXX	418	143
6. 2016		XXX	XXX	XXX	XXX	699

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
Year in Which Losses Were Incurred		1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX			
5. 2015		XXX	XXX	XXX	571	149
6. 2016		XXX	XXX	XXX	XXX	1 620

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. 2012					0.0	0	0.0			0	0.0
2. 2013					0.0	0	0.0			0	0.0
3. 2014					0.0	0	0.0			0	0.0
4. 2015		630	143	143	0.0	143	22.7			143	22.7
5. 2016		1 445	488	488	0.0	488	33.8	101	9	598	41.4

**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 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 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 Clai
NONE

Underwriting and Investment Ex. - Pt. 2D - Aggregate Reserve for A&H Contracts Only
NONE

Ohio State Medical Association Health Benefits Plan
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....					.....0
2. Salaries, wages and other benefits.....					.....0
3. Commissions (less \$.....2,054,721 ceded plus \$.....1,121,099 assumed).....	.....(290,036)	.....(616,326)	.....(27,260)		.....(933,622)
4. Legal fees and expenses.....					.....0
5. Certifications and accreditation fees.....					.....0
6. Auditing, actuarial and other consulting services.....			.....78,778		.....78,778
7. Traveling expenses.....					.....0
8. Marketing and advertising.....					.....0
9. Postage, express and telephone.....					.....0
10. Printing and office supplies.....					.....0
11. Occupancy, depreciation and amortization.....					.....0
12. Equipment.....					.....0
13. Cost or depreciation of EDP equipment and software.....					.....0
14. Outsourced services including EDP, claims, and other services.....	.....290,036	.....616,326	.....27,260		.....933,622
15. Boards, bureaus and association fees.....					.....0
16. Insurance, except on real estate.....					.....0
17. Collection and bank service charges.....			.....9,611		.....9,611
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.....					.....0
23.3 Regulatory authority licenses and fees.....			.....39,367		.....39,367
23.4 Payroll taxes.....					.....0
23.5 Other (excluding federal income and real estate taxes).....					.....0
24. Investment expenses not included elsewhere.....				.....2,500	.....2,500
25. Aggregate write-ins for expenses.....	.....0	.....0	.....0	.....0	.....0
26. Total expenses incurred (Lines 1 to 25).....	.....0	.....0	.....127,756	.....2,500	(a).....130,256
27. Less expenses unpaid December 31, current year.....			.....127,861		.....127,861
28. Add expenses unpaid December 31, prior year.....					.....0
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).....	.....0	.....0	.....(105)	.....2,500	.....2,395

DETAILS OF WRITE-INS

2501. ....					.....0
2502. ....					.....0
2503. ....					.....0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.....0	.....0	.....0	.....0	.....0
TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.....0	.....0	.....0	.....0	.....0

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

Statement as of December 31, 2016 of the

Ohio State Medical Association Health Benefits Plan

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected	Earned
	During Year	During Year
1. U.S. government bonds.....	(a).....38	54
1.1 Bonds exempt from U.S. tax.....	(a).....	
1.2 Other bonds (unaffiliated).....	(a).....	
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).....	
7. Derivative instruments.....	(f).....	
8. Other invested assets.....		
9. Aggregate write-ins for investment income.....	0	0
10. Total gross investment income.....	38	54
11. Investment expenses.....		(g).....2,500
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).....		2,500
17. Net investment income (Line 10 minus Line 16).....		(2,446)

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 through 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 through 1503 plus 1598) (Line 15 above).....		0

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

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized	Other	Total Realized	Change in	Change in
	Gain (Loss)	Realized	Capital Gain (Loss)	Unrealized	Unrealized
	on Sales	Adjustments	(Columns 1 + 2)	Capital Gain (Loss)	Foreign Exchange
	or Maturity				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

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 through 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
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
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.....			0
25 Aggregate write-ins for other-than-invested assets.....	0	0	0
26 Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	0	0	0
27 From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28 TOTALS (Lines 26 and 27).....	0	0	0

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 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501.....			0
2502.....			0
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

		Total Members at End of					6
Source of Enrollment		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1.	Health maintenance organizations.....						
2.	Provider service organizations.....						
3.	Preferred provider organizations.....	1,771	1,725	1,735	1,775	1,845	21,227
4.	Point of service.....						
5.	Indemnity only.....						
6.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7.	Total.....	1,771	1,725	1,735	1,775	1,845	21,227

DETAILS OF WRITE-INS

0601.....							
0602.....							
0603.....							
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

Accounting Practices

The accompanying statutory financial statements of the Ohio State Medical Association Health Benefits Plan ("OSMA HBP") have been prepared in accordance with the National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* except to the extent that Ohio state law differs. The State of Ohio has adopted certain prescribed accounting practices that differ from those used by the NAIC. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company. The *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio, and the State has adopted certain prescribed accounting practices that differ from those found in NAIC SAP.

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Ohio State Medical Association Health Benefits Plan state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 580,475	\$ 10,796
(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)	XXX	XXX	XXX	\$ 580,475	\$ 10,796
SURPLUS					
(5) Ohio State Medical Association Health Benefits Plan state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 838,590	\$ 258,116
(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)	XXX	XXX	XXX	\$ 838,590	\$ 258,116

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

These financial statements have been prepared in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual. These require management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Actual results could differ from those estimates. Significant estimates made in preparing the financial statements include the reliability of long-lived assets.

C. Accounting Policy

- 1. Cash and short-term investments include cash and US government and agency obligations with original dates of maturity of less than twelve months when purchased. **Short-term investments are stated at fair value.**
- 2. The company does not hold any Bonds.
- 3. The company does not hold any common stocks.
- 4. The company does not hold any preferred stocks.
- 5. The reporting entity holds no mortgage loans on real estate.
- 6. The company does not hold any Loan-backed securities.
- 7. The reporting entity has no investments in subsidiaries.
- 8. The reporting entity has no interests in joint ventures.
- 9. The reporting entity holds no derivatives.
- 10. The reporting entity does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- 11. Unpaid losses and loss adjustment expenses are determined based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods used to make such estimates, which establishes the resulting liability, are continually reviewed by management and contracted consultants. Any adjustments are reflected in the period in which the adjustment is determined. The reporting entity has no unpaid loss and loss adjustments.
- 12. The Company has not modified its capitalization policy from the prior period.
- 13. The company has no pharmaceutical rebate receivables.

D. Going Concern

There is no substantial doubt about the Ohio State Medical Association Health Benefits Plan's ability to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

None

Note 3 – Business Combinations and Goodwill

None

Note 4 – Discontinued Operations

None

Note 5 – Investments

NOTES TO FINANCIAL STATEMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans - None
- B. Debt Restructuring - None
- C. Reverse Mortgages - None
- D. Loan-Backed Securities - None
- F. Real Estate - None
- G. Investments in Low-Income Housing Trade Credits (LIHTC) - None
- H. Restricted Assets - None
- J. Offsetting and Netting of Assets and Liabilities - None
- K. Structured Notes - None

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

The Ohio State Medical Association Health Benefits Plan has no interest or involvement in any Joint Ventures, Partnerships, or Limited Liability Companies.

Note 7 – Investment Income

A. Accrued Investment Income
The OSMA HBP does not admit investment income due and accrued if the amounts are over 90 days past due.

Note 8 – Derivative Instruments

Not Applicable: The OSMA HBP does not contract for or invest in derivative instruments.

Note 9 – Income Taxes

- A. Deferred Tax Assets/(Liabilities) - None
- B. Deferred Tax Liabilities Not Recognized - Not Applicable
- C. Current and Deferred Income Taxes - None
- D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate - None
- E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits - None
- F. Consolidated Federal Income Tax Return - None
- G. Federal or Foreign Federal Income Tax Loss Contingencies - None

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships
The OSMA HBP is a multiple employer welfare arrangement operating in the State of Ohio. The OSMA HBP is not part of an insurance holding company system.

Note 11 – Debt

None

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

- A. Defined Benefit Plan - None
- B. Investment Policies and Strategies - Not Applicable
- C. Fair Value of Plan Assets - Not Applicable
- D. Basis Used to Determine Expected Long-Term Rate-of-Return - Not Applicable
- E. Defined Contribution Plans - None
- F. Multiemployer Plans - None

- G. Consolidated/Holding Company Plans - None
- H. Postemployment Benefits and Compensated Absences - None
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - None

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- (1) The number of shares of each class of capital stock authorized, issued and outstanding as of the balance sheet date and the par value or stated value of each class.
None
- (2) The dividend rate, liquidation value and redemption schedule (including prices and dates) of any preferred stock issues.
None
- (3) Dividend restrictions, if any, and an indication if the dividends are cumulative.
None
- (4) The dates and amounts of dividends paid. Note for each payment whether the dividend was ordinary or extraordinary.
None
- (5) The portion of the reporting entity's profits that may be paid as ordinary dividends to stockholders.
None
- (6) A description of any restrictions placed on the unassigned funds (surplus), including for whom the surplus is being held.
None
- (7) For mutual reciprocals, and similarly organized entities, the total amount of advances to surplus not repaid, if any.
None
- (8) The total amount of stock held by the reporting entity, including stock of affiliated entities, for special purposes such as:
a. Conversion of preferred stock None
b. Employee stock options None
c. Stock purchase warrants None
- (9) A description of the reasons for changes in the balances of any special surplus funds from the prior period.
None
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses.
None
- (11) Surplus Notes
None
- (12) The impact of the restatement in a quasi-reorganization as long as financial statements for the period of the reorganization are presented.
None
- (13) The effective date of a quasi-reorganization for a period of ten years following the reorganization.
None

Note 14 – Liabilities, Contingencies and Assessments

None

Note 15 – Leases

None

Note 16 – Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans

None

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None

Note 20 – Fair Value Measurements

Not Applicable - All investments are reportable at valuations acknowledged by the Securities Valuation Office ("SVO").

Note 21 – Other Items

- A. Unusual or Infrequent Items - None
- B. Troubled Debt Restructuring Debtors - None
- C. Other Disclosures - None
- D. Business Interruption Insurance Recoveries - None
- G. Retained Assets - None

NOTES TO FINANCIAL STATEMENTS

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 ☐ No ☒

B.	ACA fee assessment payable for the upcoming year	\$	\$
C.	ACA fee assessment paid		
D.	Premium written subject to ACA 9010 assessment		
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)		
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)		
G.	Authorized control level (Five-Year Historical Line 15)	\$	

H.

Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)?

Yes ☐ No ☒

Note 23 – Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1)

Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

No
- (2)

Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

No

Section 2 – Ceded Reinsurance Report – Part A

- (1)

Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes

a.

If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

b.

What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$4,829,022
- (2)

Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

No

Section 3 – Ceded Reinsurance Report – Part B

- (1)

What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2)

Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

No

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

\$

B. Uncollectible Reinsurance

- (1)

Ohio State Medical Association Health Benefits Plan has written off in the current year reinsurance balances due from the entities listed below, the amount of: \$0.00.

C. Commutation of Ceded Reinsurance

Ohio State Medical Association Health Benefits Plan has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1)	Claims incurred	\$	
(2)	Claims adjustment expenses incurred		
(3)	Premiums earned		
(4)	Other		
	Entity	Amount	\$0.00

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

- Disclose the method used by the reporting entity to estimate accrued retrospective premium adjustments.
Applicable – No Retrospective Premium Adjustments
- B. Disclose whether accrued retrospective premiums are recorded through written premium or as an adjustment to earned premium.
Not Applicable – No Retrospective Premium Adjustments
- C. Disclose the amount of net premiums written that are subject to retrospective rating features, as well as the corresponding percentage to total net premiums written.
This disclosure should include all business that is subject to the accounting guidance provided in SSAP No. 66 (including business that is subject to medical loss ratio rebate requirements pursuant to the Public Health Service Act).
\$0, No Retrospective Premium Adjustments
- D. Disclose the following amounts for medical loss ratio rebates required pursuant to the Public Health Service Act.
\$0, Not Subject to Medical Loss Ratio rebate requirement
- 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 [] No [X]

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year: - None

(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: Not Applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

None

Note 26 – Intercompany Pooling Arrangements

None

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

- A. Pharmaceutical Rebate Receivables - None
- B. Risk Sharing Receivables - None

Note 29 – Participating Policies

None

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve: \$ 0
2. Date of most recent evaluation of this liability: 3/1/2017
3. Was anticipated investment income utilized in the calculation? Yes [] No [X]

Note 31 – Anticipated Salvage and Subrogation

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 []

☒

1

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 []

No []

N/A [X]

1.3

State regulating?

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.

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.

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).

3.4

By what department or departments?

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 [X]

☐

4.12

renewals?

Yes [X]

No []

4.2

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

4.21

sales of new business?

Yes []

No [X]

4.22

renewals?

Yes []

No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes []

No [X]

5.2

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

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

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

%

☐

7.22

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

1 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?
Maloney + Novotny LLC, 1111 Superior Avenue #700, Cleveland, OH 44114

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes []

No [X]

10.2

If 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 []

☐

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 compliance with the domiciliary state insurance laws?

Yes [X]

No []

N/A []

10.6

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

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?
John Lloyd, Consulting Actuary, Optium Consulting
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes ☐ No ☒
- 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 BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

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 ☒ 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.
- If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes ☐ No ☒
- 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 ☒
- 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 ☒
- 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	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	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 ☒ No ☐
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

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

21.21 Rented from others

\$

21.22 Borrowed from others

\$

21.23 Leased from others

\$

21.24 Other

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

Yes ☐ No ☒
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

\$

22.22 Amount paid as expenses

\$

22.23 Other amounts paid

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

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

\$0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01

Were all of 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 ☒ ☐

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 ☒

24.05

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

\$

24.06

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

\$

24.07

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

Yes ☐ No ☐ N/A ☒

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes ☐ No ☐ N/A ☒

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 ☒

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 ☐ No ☒

25.2

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

25.21

Subject to repurchase agreements

\$ 0

25.22

Subject to reverse repurchase agreements

\$ 0

25.23

Subject to dollar repurchase agreements

\$ 0

25.24

Subject to reverse dollar repurchase agreements

\$ 0

25.25

Placed under option agreements

\$ 0

25.26

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

\$ 0

25.27

FHLB Capital Stock

\$ 0

25.28

On deposit with states

\$ 0

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
		\$ <input type="text"/>

26.1

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

Yes ☐ No ☒

26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes ☐ No ☐ N/A ☒

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 ☒

27.2

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

\$

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 ☒ 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's Address
Fifth Third Bank	38 Fountain Square Plaza Cincinnati, Ohio 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 ☒

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

Investment management -- Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts", "... handle securities"].

1 Name of Firm or Individual	2 Affiliation
Ohio State Medical Association Board of Trustees	A

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed

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:

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 Holding	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	0	0	0
30.2 Preferred Stocks	0	0	0
30.3 Totals	0	0	0

30.4 Describe the sources or methods utilized in determining the fair values:

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

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

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

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

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 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 represented 25% 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 ☐ No ☒

1.2

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

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

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.

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

1.62

Total incurred claims

\$

1.63

Number of covered lives

\$

All years prior to most current three years:

1.64

Total premium earned

\$

1.65

Total incurred claims

\$

1.66

Number of covered lives

\$

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

1.72

Total incurred claims

\$

1.73

Number of covered lives

\$

All years prior to most current three years:

1.74

Total premium earned

\$

1.75

Total incurred claims

\$

1.76

Number of covered lives

\$

2.

Health Test:

	1 Current Year	2 Prior Year
2.1	Premium Numerator \$ <input type="text"/>	Premium Numerator \$ <input type="text"/>
2.2	Premium Denominator \$ <input type="text"/>	Premium Denominator \$ <input type="text"/>
2.3	Premium Ratio (2.1/2.2) \$ <input type="text"/>	Premium Ratio (2.1/2.2) \$ <input type="text"/>
2.4	Reserve Numerator \$ <input type="text"/>	Reserve Numerator \$ <input type="text"/>
2.5	Reserve Denominator \$ <input type="text"/>	Reserve Denominator \$ <input type="text"/>
2.6	Reserve Ratio (2.4/2.5) \$ <input type="text"/>	Reserve Ratio (2.4/2.5) \$ <input type="text"/>

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 ☒

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 ☒ 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 ☒

5.1

Does the reporting entity have stop-loss reinsurance?

Yes ☒ No ☐

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental and Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

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:

28

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

7.1

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

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

0

8.2

Number of providers at end of reporting year

0

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 [] No [X]

10.2

If yes:

10.21

Maximum amount payable bonuses

\$ 0

10.22

Amount actually paid for year bonuses

\$ 0

10.23

Maximum amount payable withholds

\$ 0

10.24

Amount actually paid for year withholds

\$ 0

11.1

Is the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes [] No [X]

11.13

An Individual Practice Association (IPA), or,

Yes [] No [X]

11.14

A Mixed Model (combination of above)?

Yes [] No [X]

11.2

Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

Yes [X] No []

11.3

If yes, show the name of the state requiring such minimum capital and surplus.

11.4

If yes, show the amount required.

\$ 0

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

12.

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

1

Name of Service Area

13.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]

13.2

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

\$ 0

13.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

13.4

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

\$ 0

14.1

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

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

14.2

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

1	2	3	4	Assets Supporting Reserve Credit		
Company Name	NAIC Company Code	Domiciliary Jurisdiction	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)

Statement as of December 31, 2016 of the

Ohio State Medical Association Health Benefits Plan

FIVE-YEAR HISTORICAL DATA

	1 2016	2 2015	3 2014	4 2013	5 2012
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	9,858,937	7,583,562	247,319	249,792	
2. Total liabilities (Page 3, Line 24).....	9,020,351	7,325,446			
3. Statutory minimum capital and surplus requirement.....		150,000	150,000	150,000	
4. Total capital and surplus (Page 3, Line 33).....	838,587	258,117	247,319	249,792	
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	1,464,236	630,371			
6. Total medical and hospital expenses (Line 18).....	753,561	570,776			
7. Claims adjustment expenses (Line 20).....					
8. Total administrative expenses (Line 21).....	127,755	46,327			
9. Net underwriting gain (loss) (Line 24).....	582,920	13,268			
10. Net investment gain (loss) (Line 27).....	(2,446)	(2,473)	(2,473)	(208)	
11. Total other income (Lines 28 plus 29).....					
12. Net income or (loss) (Line 32).....	580,474	10,795	(2,473)	(208)	
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	284,224	1,760,988	(2,475)	(208)	
Risk-Based Capital Analysis					
14. Total adjusted capital.....	838,587	258,117	247,319		
15. Authorized control level risk-based capital.....	53,757	50,721	0		
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	1,845	1,771			
17. Total member months (Column 6, Line 7).....	21,227	15,525			
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).....	51.5	90.5			
20. Cost containment expenses.....					
21. Other claims adjustment expenses.....					
22. Total underwriting deductions (Line 23).....	60.2	97.9			
23. Total underwriting gain (loss) (Line 24).....	39.8	2.1			
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5).....	105,188				
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)].....	152,079				
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?

If no, please explain:

Yes [] No []

Ohio State Medical Association Health Benefits Plan
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		Direct Business Only							
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	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	9,785,734						9,785,734	
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		9,785,734	0	0	0	0	0	9,785,734	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX								0	
61. Total (Direct Business).....(a) 1		9,785,734	0	0	0	0	0	9,785,734	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 through 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.

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

