

121

ANNUAL STATEMENT

OF THE

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**OFFICE OF RISK
ASSESSMENT**

Sequent Midwest Business Health Fund

Of

Columbus

in the state of OH

to the Insurance Department

of the state of

For the Year Ended

December 31, 2016

2016



ANNUAL STATEMENT

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

Sequent Midwest Business Health Fund

NAIC Group Code.....6371, 6371 (Current Period) (Prior Period)	NAIC Company Code..... 121	Employer's ID Number..... 311732659
Organized under the Laws of OHIO	State of Domicile or Port of Entry OHIO	Country of Domicile US
Licensed as Business Type.....Other	Is HMO Federally Qualified? Yes [] No []	
Incorporated/Organized..... October 7, 2015	Commenced Business..... October 7, 2015	
Statutory Home Office	8415 Pulsar Place Suite 200..... Columbus OH USA 43240 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	8415 Pulsar Place Suite 200..... Columbus OH USA 43240 (Street and Number) (City or Town, State, Country and Zip Code)	614-436-5880 (Area Code) (Telephone Number)
Mail Address	8415 Pulsar Place Suite 200..... Columbus OH USA 43240 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	8415 Pulsar Place Suite 200..... Columbus OH USA 43240 (Street and Number) (City or Town, State, Country and Zip Code)	614-436-5880 (Area Code) (Telephone Number)
Internet Web Site Address	www.sequent.biz	
Statutory Statement Contact	James Thomas Caldwell (Name) jcaldwell@sequent.biz (E-Mail Address)	614-410-2395 (Area Code) (Telephone Number) (Extension) 614-410-3715 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Dwight William Seeley #	Vice President	2.	
3.		4.	


OTHER

DIRECTORS OR TRUSTEES

Jeffrey Saunders Smith #	Justin Chadwell Eddy #	Isabell H Toth #	Jonathan Alexander Allison #
Michael Peter Stinziano #			

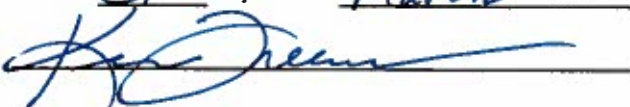
State of..... OHIO
County of..... FRANKLIN

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 this period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

 (Signature)	(Signature)	(Signature)
Dwight William Seeley		
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
Vice President		
(Title)	(Title)	(Title)

Subscribed and sworn to before me

This 31st day of March 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



KIM FREEMAN
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03 O.R.C.

Statement as of December 31, 2016 of the

Sequent Midwest Business Health Fund

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).....			C	
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			C	
2.2 Common stocks.....			C	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			C	
3.2 Other than first liens.....			C	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			C	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			C	
4.3 Properties held for sale (less \$.....0 encumbrances).....			C	
5. Cash (\$.....2,785,837, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	2,785,837		2,785,837	2,983,546
6. Contract loans (including \$.....0 premium notes).....			C	
7. Derivatives (Schedule DB).....			C	
8. Other invested assets (Schedule BA).....			C	
9. Receivables for securities.....			C	
10. Securities lending reinvested collateral assets (Schedule DL).....			C	
11. Aggregate write-ins for invested assets.....	C	C	C	C
12. Subtotals, cash and invested assets (Lines 1 to 11).....	2,785,837	C	2,785,837	2,983,546
13. Title plants less \$.....0 charged off (for Title Insurers only).....			C	
14. Investment income due and accrued.....			C	
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			C	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			C	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			C	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	56,356		56,356	
16.2 Funds held by or deposited with reinsured companies.....			C	
16.3 Other amounts receivable under reinsurance contracts.....			C	
17. Amounts receivable relating to uninsured plans.....			C	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			C	
18.2 Net deferred tax asset.....			C	
19. Guaranty funds receivable or on deposit.....			C	
20. Electronic data processing equipment and software.....			C	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			C	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			C	
23. Receivables from parent, subsidiaries and affiliates.....	4,402		4,402	3,606
24. Health care (\$.....0) and other amounts receivable.....			C	
25. Aggregate write-ins for other-than-invested assets.....	C	C	C	173,000
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	2,846,595	C	2,846,595	3,160,152
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			C	
28. TOTAL (Lines 26 and 27).....	2,846,595	C	2,846,595	3,160,152

DETAILS OF WRITE-INS				
1101.			C	
1102.			C	
1103.			C	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	C	C	C	C
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	C	C	C	C
2501. Deposit.....			C	173,000
2502.			C	
2503.			C	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	C	C	C	C
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	C	C	C	173,000

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	1,585,476		1,585,476	1,013,409
2. Accrued medical incentive pool and bonus amounts.....			C	
3. Unpaid claims adjustment expenses.....			C	
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			C	
5. Aggregate life policy reserves.....			C	
6. Property/casualty unearned premium reserves.....			C	
7. Aggregate health claim reserves.....			C	
8. Premiums received in advance.....			C	
9. General expenses due or accrued.....	13,038		13,038	52,353
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....			C	
10.2 Net deferred tax liability.....			C	
11. Ceded reinsurance premiums payable.....			C	
12. Amounts withheld or retained for the account of others.....			C	
13. Remittances and items not allocated.....			C	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			C	
15. Amounts due to parent, subsidiaries and affiliates.....			C	320
16. Derivatives.....			C	
17. Payable for securities.....			C	
18. Payable for securities lending.....			C	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers).....			C	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			C	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			C	
22. Liability for amounts held under uninsured plans.....			C	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	56,761	C	56,761	69,017
24. Total liabilities (Lines 1 to 23).....	1,655,275	C	1,655,275	1,135,099
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	C	C
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX		
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	C	C
31. Unassigned funds (surplus).....	XXX	XXX	1,191,320	2,025,052
32. Less treasury stock at cost:				
32.10.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.20.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	1,191,320	2,025,052
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	2,846,595	3,160,151

DETAILS OF WRITE-INS

2301. Transitional Re-Insurance Fee.....	56,761		56,761	69,017
2302.			C	
2303.			C	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	C	C	C	C
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	56,761	C	56,761	69,017
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	C	C
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	C	C
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	C	C
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX	C	C

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	83,840	20,713
2. Net premium income (including \$.....0 non-health premium income).....	XXX	11,068,417	2,306,476
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX	¢	¢
7. Aggregate write-ins for other non-health revenues.....	XXX	¢	¢
8. Total revenues (Lines 2 to 7).....	XXX	11,068,417	2,306,476
Hospital and Medical:			
9. Hospital/medical benefits.....		7,039,045	1,259,783
10. Other professional services.....		1,156,450	258,226
11. Outside referrals.....			
12. Emergency room and out-of-area.....		710,168	143,165
13. Prescription drugs.....		2,251,036	573,752
14. Aggregate write-ins for other hospital and medical.....	¢	¢	¢
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	¢	11,156,699	2,234,926
Less:			
17. Net reinsurance recoveries.....		1,158,991	69,402
18. Total hospital and medical (Lines 16 minus 17).....	¢	9,997,708	2,165,524
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....203,738 cost containment expenses.....		203,738	47,246
21. General administrative expenses.....		1,700,702	509,241
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).....	¢	11,902,148	2,722,011
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	(833,731)	(415,535)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....			
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....			
27. Net investment gains or (losses) (Lines 25 plus 26).....	¢	¢	¢
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....			
29. Aggregate write-ins for other income or expenses.....	¢	¢	¢
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	(833,731)	(415,535)
31. Federal and foreign income taxes incurred.....	XXX		
32. Net income (loss) (Lines 30 minus 31).....	XXX	(833,731)	(415,535)

DETAILS OF WRITE-INS

0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	¢	¢
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX	¢	¢
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	¢	¢
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX	¢	¢
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	¢	¢	¢
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	¢	¢	¢
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	¢	¢	¢
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	¢	¢	¢

Sequent Midwest Business Health Fund
STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year	Prior Year
33. Capital and surplus prior reporting period.....	2,025,054	
34. Net income or (loss) from Line 32.....	(833,731)	(415,535)
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.....		2,440,589
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.....	C	C
48. Net change in capital and surplus (Lines 34 to 47).....	(833,731)	2,025,054
49. Capital and surplus end of reporting period (Line 33 plus 48).....	1,191,323	2,025,054

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

Statement as of December 31, 2016 of the

Sequent Midwest Business Health Fund

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	11,068,417	2,306,476
2. Net investment income.....		
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	11,068,417	2,306,476
5. Benefit and loss related payments.....	9,481,997	1,152,115
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,956,011	435,117
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).....	11,438,008	1,587,232
11. Net cash from operations (Line 4 minus Line 10).....	(369,591)	719,244
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.....		2,440,589
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).....	171,884	(176,286)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	171,884	2,264,303
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).....	(197,707)	2,983,547
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	2,983,547	
19.2 End of year (Line 18 plus Line 19.1).....	2,785,840	2,983,547

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

20.0001		
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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 XX Medicaid	Other Health	Other Non-Health
1. Net premium income.....	11,068,417	10,953,029		78,748	24,691					11,949
2. Change in unearned premium reserves and reserve for rate credit.....	0	0								XXX
3. Fee-for-service (net of \$.00 medical expenses).....	0	0								XXX
4. Risk revenue.....	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues.....	0	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
6. Aggregate write-ins for other non-health care related revenues.....	0	XXX								0
7. Total revenues (Lines 1 to 6).....	11,068,417	10,953,029	0	78,748	24,691	0	0	0	0	11,949
8. Hospital/medical benefits.....	7,039,045	7,039,045								XXX
9. Other professional services.....	1,156,450	1,156,450								XXX
10. Outside referrals.....	0	0								XXX
11. Emergency room and out-of-area.....	710,168	710,168								XXX
12. Prescription drugs.....	2,251,036	2,251,036								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	0								XXX
15. Subtotal (Lines 8 to 14).....	11,156,699	11,156,699	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries.....	1,158,991	1,158,991								XXX
17. Total hospital and medical (Lines 15 minus 16).....	9,997,708	9,997,708	0	XXX	XXX	0	0	0	0	XXX
18. Non-health claims (net).....	0	XXX	XXX			XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.203,738 cost containment expenses.....	203,738	203,738								
20. General administrative expenses.....	1,700,702	1,700,702								
21. Increase in reserves for accident and health contracts.....	0	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).....	11,902,148	11,902,148	0	0	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23).....	(833,731)	(949,119)	0	78,748	24,691	0	0	0	0	11,949

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)	12,280,828		1,327,799	10,953,029
2. Medicare supplement				.0
3. Dental only	925,970		847,222	78,748
4. Vision only	154,217		129,526	24,691
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)	13,361,015	.0	2,304,547	11,056,468
10. Life	132,010		120,061	11,949
11. Property/casualty				.0
12. Totals (Lines 9 to 11)	13,493,025	.0	2,424,608	11,068,417

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.....	10,640,988	10,640,988								
1.2 Reinsurance assumed.....	0	0								
1.3 Reinsurance ceded.....	1,158,991	1,158,991								
1.4 Net.....	9,481,997	9,481,997	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0	0								
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	1,585,476	1,585,476								
3.2 Reinsurance assumed.....	0	0								
3.3 Reinsurance ceded.....	0	0								
3.4 Net.....	1,585,476	1,585,476	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	0	0								
4.2 Reinsurance assumed.....	0	0								
4.3 Reinsurance ceded.....	0	0								
4.4 Net.....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	0	0								
6. Net healthcare receivables (a).....	56,356	56,356								
7. Amounts recoverable from reinsurers December 31, current year.....	0	0								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	1,013,409	1,013,409								
8.2 Reinsurance assumed.....	0	0								
8.3 Reinsurance ceded.....	0	0								
8.4 Net.....	1,013,409	1,013,409	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0	0								
9.2 Reinsurance assumed.....	0	0								
9.3 Reinsurance ceded.....	0	0								
9.4 Net.....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0	0								
11. Amounts recoverable from reinsurers December 31, prior year.....	0	0								
12. Incurred benefits:										
12.1 Direct.....	11,156,699	11,156,699	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed.....	0	0								
12.3 Reinsurance ceded.....	1,158,991	1,158,991	0	0	0	0	0	0	0	0
12.4 Net.....	9,997,708	9,997,708	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0								

(a) Excludes \$.00 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	311,287	311,287								
1.2 Reinsurance assumed	0	0								
1.3 Reinsurance ceded	0	0								
1.4 Net	311,287	311,287	0	0	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct	1,274,189	1,274,189								
2.2 Reinsurance assumed	0	0								
2.3 Reinsurance ceded	0	0								
2.4 Net	1,274,189	1,274,189	0	0	0	0	0	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0	0								
3.2 Reinsurance assumed	0	0								
3.3 Reinsurance ceded	0	0								
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	1,585,476	1,585,476	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	0	0	0	0	0	0	0	0	0	0
4.4 Net	1,585,476	1,585,476	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)	1,074,156	8,351,485	18,763	1,566,713		1,092,919	1,013,409
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)	1,074,156	8,351,485	18,763	1,566,713		1,092,919	1,013,409
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)	1,074,156	8,351,485	18,763	1,566,713		1,092,919	1,013,409

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

Sequent Midwest Business Health Fund

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

		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		712	708
5. 2015		XXX	XXX	XXX	1,495	2,573
6. 2016		XXX	XXX	XXX	XXX	8,351

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

		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		909	708
5. 2015		XXX	XXX	XXX	2,508	2,591
6. 2016		XXX	XXX	XXX	XXX	9,918

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012					0.0	0	0.0			0	0.0
2. 2013					0.0	0	0.0			0	0.0
3. 2014			708		0.0	708	0.0			708	0.0
4. 2015		2,246	2,573	47	1.8	2,620	116.7	19		2,639	117.5
5. 2016		10,953	8,351	204	2.4	8,555	78.1	1,567		10,122	92.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX		712	708
5. 2015		XXX	XXX	XXX	1,495	2,573
6. 2016		XXX	XXX	XXX	XXX	8,351

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior						
2. 2012						
3. 2013		XXX				
4. 2014		XXX	XXX		909	708
5. 2015		XXX	XXX	XXX	2,508	2,591
6. 2016		XXX	XXX	XXX	XXX	9,918

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		708		0.0	708	0.0			708	0.0
4. 2015	2,246	2,573	47	1.8	2,620	116.7	19		2,639	117.5
5. 2016	10,953	8,351	204	2.4	8,555	78.1	1,567		10,122	92.4

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

SECTION A - PAID HEALTH CLAIMS - MEDICARE SUPPLEMENT

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - MEDICARE SUPPLEMENT

		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		
6. 2016		XXX	XXX	XXX	XXX	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 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				0.0	0	0.0			0	0.0
5. 2016				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - DENTAL ONLY

	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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - DENTAL ONLY

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 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		
6. 2016		XXX	XXX	XXX	XXX	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 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				0.0	0	0.0			0	0.0
5. 2016				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - VISION ONLY

	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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - VISION ONLY

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 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		
6. 2016		XXX	XXX	XXX	XXX	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 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				0.0	0	0.0			0	0.0
5. 2016				0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

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

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1 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		
6. 2016		XXX	XXX	XXX	XXX	

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

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 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		
6. 2016		XXX	XXX	XXX	XXX	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2012				.00	.0	.00			.0	.00
2. 2013				.00	.0	.00			.0	.00
3. 2014				.00	.0	.00			.0	.00
4. 2015				.00	.0	.00			.0	.00
5. 2016				.00	.0	.00			.0	.00

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

		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		
6. 2016		XXX	XXX	XXX	XXX	

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

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					0.0	0	0.0			0	0.0
5. 2016					0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

		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	Years in Which Premiums were Earned and Claims were Incurred				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					0.0	0	0.0			0	0.0
5. 2016					0.0	0	0.0			0	0.0

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

SECTION A - PAID HEALTH CLAIMS - OTHER

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - OTHER

		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		
6. 2016		XXX	XXX	XXX	XXX	

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

		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	Years in Which Premiums were Earned and Claims were Incurred				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					0.0	0	0.0			0	0.0
5. 2016					0.0	0	0.0			0	0.0

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....0								
2. Additional policy reserves (a).....0								
3. Reserve for future contingent benefits.....0								
4. Reserve for rate credits or experience rating refunds (Including \$.....0) for investment income.....0								
5. Aggregate write-ins for other policy reserves.....000000000
6. Totals (gross).....000000000
7. Reinsurance ceded.....0								
8. Totals (net) (Page 3, Line 4).....000000000
9. Present value of amounts not yet due on claims.....0								
10. Reserve for future contingent benefits.....0								
11. Aggregate write-ins for other claim reserves.....000000000
12. Totals (gross).....000000000
13. Reinsurance ceded.....0								
14. Totals (net) (Page 3, Line 7).....000000000

DETAILS OF WRITE-INS

0501.0								
0502.0								
0503.0								
0598. Summary of remaining write-ins for Line 5 from overflow page.....000000000
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....000000000
1101.0								
1102.0								
1103.0								
1198. Summary of remaining write-ins for Line 11 from overflow page.....000000000
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....000000000

(a) Includes \$.....0 premium deficiency reserve.

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.....			391,007		391,007
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....					0
4. Legal fees and expenses.....			118,651		118,651
5. Certifications and accreditation fees.....			3,469		3,469
6. Auditing, actuarial and other consulting services.....			264,573		264,573
7. Traveling expenses.....			212		212
8. Marketing and advertising.....					0
9. Postage, express and telephone.....			464		464
10. Printing and office supplies.....			16,247		16,247
11. Occupancy, depreciation and amortization.....					0
12. Equipment.....					0
13. Cost or depreciation of EDP equipment and software.....			7,675		7,675
14. Outsourced services including EDP, claims, and other services.....	203,738		745,622		949,360
15. Boards, bureaus and association fees.....			8,439		8,439
16. Insurance, except on real estate.....					0
17. Collection and bank service charges.....			631		631
18. Group service and administration fees.....			2,250		2,250
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.....			7,099		7,099
23.4 Payroll taxes.....			26,373		26,373
23.5 Other (excluding federal income and real estate taxes).....			89,990		89,990
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	18,000	0	18,000
26. Total expenses incurred (Lines 1 to 25).....	203,738	0	1,700,702	0	(a) 1,904,440
27. Less expenses unpaid December 31, current year.....			13,038		13,038
28. Add expenses unpaid December 31, prior year.....			52,353		52,353
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).....	203,738	0	1,740,017	0	1,943,755

DETAILS OF WRITE-INS

2501. Board Fees.....			18,000		18,000
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above).....	0	0	18,000	0	18,000

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

Statement as of December 31, 2016 of the

Sequent Midwest Business Health Fund

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected	Eamed
	During Year	During Year
1. U.S. government bonds.....	(a).....
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.....00
10. Total gross investment income.....00
11. Investment expenses.....	(g).....
12. Investment taxes, licenses and fees, excluding federal income taxes.....	(g).....
13. Interest expense.....	(h).....
14. Depreciation on real estate and other invested assets.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....0
16. Total deductions (Lines 11 through 15).....0
17. Net investment income (Line 10 minus Line 16).....0

DETAILS OF WRITE-INS		
0901.
0902.
0903.
0998. Summary of remaining write-ins for Line 9 from overflow page.....00
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....00
1501.
1502.
1503.
1598. Summary of remaining write-ins for Line 15 from overflow page.....00
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....00
(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).....00000
10. Total capital gains (losses).....00000
DETAILS OF WRITE-INS					
0901.0
0902.0
0903.0
0998. Summary of remaining write-ins for Line 9 from overflow page.....00000
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....00000

Sequent Midwest Business Health Fund
EXHIBIT OF NONADMITTED ASSETS

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

Source of Enrollment	Total Members at End of					Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health maintenance organizations.....						
2. Provider service organizations.....						
3. Preferred provider organizations.....	2,238	2,462	2,524	2,564	2,671	31,155
4. Point of service.....						
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	4,877	5,175	5,246	5,224	5,383	62,685
7. Total.....	7,115	7,637	7,770	7,788	8,054	93,840

DETAILS OF WRITE-INS

0601.	1,073	1,272	1,267	1,259	1,279	15,151
0602.	1,202	1,364	1,371	1,365	1,394	16,379
0603.	2,602	2,539	2,608	2,600	2,710	31,155
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	4,877	5,175	5,246	5,224	5,383	62,685

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year		
1. Pharmaceutical rebate receivables.					0	
2. Claim overpayment receivables.					0	
3. Loans and advances to providers.					0	
4. Capitation arrangement receivables.					0	
5. Risk sharing receivables.					0	
6. Other health care receivables.					0	
7. Totals (Lines 1 through 6)	0	0	0	0	0	0

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

Statement as of December 31, 2016 of the

Sequent Midwest Business Health Fund

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0399999, Aggregate accounts not individually listed - covered	311,287					311,287
0499999, Subtotals	311,287	0	0	0	0	311,287
0599999, Unreported claim and other claim reserves						1,274,189
0799999, Total claims unpaid						1,585,476

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2		3	4	5	6	7	8
Name of Affiliate	1 - 30 Days		31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates								
02999999. Receivables not individually listed		4,402	0	0	0	0	4,402	
03999999. Total gross amounts receivable		4,402	0	0	0	0	4,402	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1		2	3	4	5
Affiliate		Description	Amount	Current	Non-Current

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method		1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:							
1.	Medical groups	0	0.0				
2.	Intermediaries	0	0.0				
3.	All other providers	0	0.0				
4.	Total capitation payments	0	0.0	0		0	0
Other Payments:							
5.	Fee-for-service	0	0.0	xxx	xxx		
6.	Contractual fee payments	8,389,951	100.0	xxx	xxx		8,389,951
7.	Bonus/withhold arrangements - fee-for-service	0	0.0	xxx	xxx		
8.	Bonus/withhold arrangements - contractual fee payments	0	0.0	xxx	xxx		
9.	Non-contingent salaries	0	0.0	xxx	xxx		
10.	Aggregate cost arrangements	0	0.0	xxx	xxx		
11.	All other payments	0	0.0	xxx	xxx		
12.	Total other payments	8,389,951	100.0	xxx	xxx	0	8,389,951
13.	Total (Line 4 plus Line 12)	8,389,951	100.0	xxx	xxx	0	8,389,951

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
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EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment.....						0
2. Medical furniture, equipment and fixtures.....						0
3. Pharmaceuticals and surgical supplies.....						0
4. Durable medical equipment.....						0
5. Other property and equipment.....						0
6. Total.....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Sequent Midwest Business Health Fund state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (833,731)	\$ (415,535)
(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	\$ (833,731)	\$ (415,535)
SURPLUS					
(5) Sequent Midwest Business Health Fund state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 1,191,320	\$ 2,025,052
(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	\$ 1,191,320	\$ 2,025,052

B. Use of Estimates in the Preparation of the Financial Statement: The preparation of financial statements in conformity with the accounting principles prescribed or permitted by the Insurance Department of the State of Ohio requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

C. Accounting Policy: The financial statements are prepared using accounting principles prescribed or permitted by the Insurance Department of the State of Ohio. Under this method, the Fund does not record prepaid expenses or recognize income on unbilled exit assessments.

Claim payments are recorded when paid by the third-party claims processor. Amounts due to claims processors that have yet to be reimbursed by the Plan are recorded as payable to claims administrators in the accompanying statements.

Plan obligations at December 31, 2016 for health claims incurred but not reported are estimated by the Plan's actuary in accordance with accepted actuarial principles based on claims data provided by the Plan's third-party claims administrators. These amounts are paid by the plan only if claims are submitted and approved for payment. The total health claims incurred but not reported as of December 31, 2016 were \$1,274,189

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

None

Note 4 – Discontinued Operations

None

Note 5 – Investments

None

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None

Note 7 – Investment Income

None

Note 8 – Derivative Instruments

None

Note 9 – Income Taxes

The VEBA Trust that was established to hold the Plan's assets is qualified pursuant to Section 501(c) (9) of the Internal Revenue Code. The IRS has determined and informed the company by a letter dated January 16, 2002 that the Trust is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator and the Plan's tax counsel believe the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC, and therefore believe that the Plan is qualified and the related Trust is tax-exempt.

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

Sequent, Inc. withholds participant contributions through payroll deductions and collects employer contributions on behalf of the Plan, which are then remitted to the Plan and held in the Trust. At December 31, 2016, the Plan had an accounts receivable due from Sequent, Inc of \$4,402. (\$125 for amounts withheld from the employer and employees not yet remitted to the Plan and \$4,277 for services performed on behalf of Sequent, Inc.)

Note 11 – Debt

None

NOTES TO FINANCIAL STATEMENTS

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

None-Employees of the MEWA participate in the Sequent Retirement Savings Plan

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

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

1. Concentration of Credit Risk-Cash is on deposit in one financial institution, which is insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At times throughout the year, the cash balance may be in excess of the insured limits.

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

None

Note 21 – Other Items

None

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) | | | 1,191,320 | |
| F. | Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above) | | | 1,191,320 | |
| G. | Authorized control level (Five-Year Historical Line 15) | \$ | | 641,768 | |
- 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

Section1 – 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? No
- 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. \$_____

NOTES TO FINANCIAL STATEMENTS

- 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?
\$ _____
- (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. \$ _____ Not applicable
- (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
None
- C. Commutation of Ceded Reinsurance
None
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
None

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination
None

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses
During 2016 incurred amounts related to prior years experienced adverse development of \$79,510.00.

Note 26 – Intercompany Pooling Arrangements
None

Note 27 – Structured Settlements
Not Applicable for Health Entities

Note 28 – Health Care Receivables
None

Note 29 – Participating Policies
None

Note 30 – Premium Deficiency Reserves
None

Note 31 – Anticipated Salvage and Subrogation-None

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 ☐ No ☒

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☐ No ☐ N/A ☒

1.3

State regulating? OHIO

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒

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 ☒

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☐ N/A ☒

4.1

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

4.11

sales of new business?

Yes ☐ No ☒

4.12

renewals?

Yes ☐ 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 ☒

4.22

renewals?

Yes ☐ No ☒

5.1

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

Yes ☐ No ☒

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 ☒

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 ☒

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 ☒

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 ☒

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?
Plante & Moran, PLLC Suite 600 65 E. State St. Columbus, OH 43215

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 ☒

10.2

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

10.3

Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes ☐ No ☒

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 ☐ No ☐ N/A ☒

10.6

If the response to 10.5 is no or n/a, please explain:
Audit Committee not required by State of Ohio. Audits are completed by a third party and reported to the ODI according to ODI requirements.

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?
Milliman 1120 S. 101st Street Suite 400 Omaha, NE 68124-1088 (Hiro Misawa)

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

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.

14.11

If the response to 14.1 is no, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes ☐ No ☒

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:

\$

4,402

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 ☒ No ☐

24.02

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

24.03

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

24.04

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

Yes ☐ No ☐ N/A ☒

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
		\$

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

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

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 ☒
- 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 ☒
- 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 ☒

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 ☐
- 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 ☒ 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?

\$ 118,651
- 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
Porterwright	\$ 78,137
Bailey Cavalieri LLC	40,514

- 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.

\$ 0

1.3

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

\$ 0

1.31

Reason for excluding:

-

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

\$ 0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

\$ 0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

\$ 0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

\$ 0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$ 11,056,468

\$ 2,303,665

2.2

Premium Denominator

\$ 11,068,417

\$ 2,306,476

2.3

Premium Ratio (2.1/2.2)

\$ 99.892

\$ 99.878

2.4

Reserve Numerator

\$ 1,585,476

\$ 1,013,409

2.5

Reserve Denominator

\$ 1,585,476

\$ 1,013,409

2.6

Reserve Ratio (2.4/2.5)

\$ 100.000

\$ 100.000

3.1

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

Yes [☐] No [☒]

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

\$ 150,000

5.32

Medical Only

\$ 0

5.33

Medicare Supplement

\$ 0

5.34

Dental and Vision

\$ 0

5.35

Other Limited Benefit Plan

\$ 0

5.36

Other

\$ 0

6.

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

Aggregate Stop Loss-Terminal Liability Endorsement, Specific Stop Loss-Terminal Liability Endorsement

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 ☒ 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 ☒

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 ☒

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 ☒

11.13

An Individual Practice Association (IPA), or,

Yes ☐ No ☒

11.14

A Mixed Model (combination of above)?

Yes ☐ No ☒

11.2

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

Yes ☒ No ☐

11.3

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

OHIO

11.4

If yes, show the amount required.

\$150,000

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes ☐ No ☒

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

Ohio

13.1

Do you act as a custodian for health savings accounts?

Yes ☐ No ☒

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 ☒

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 ☒

14.2

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

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

15.

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

15.1

Direct Premium Written

\$132,010

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)

Sequent Midwest Business Health Fund
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).....	2,846,595	3,160,152			
2. Total liabilities (Page 3, Line 24).....	1,655,275	1,135,099			
3. Statutory minimum capital and surplus requirement.....	150,000				
4. Total capital and surplus (Page 3, Line 33).....	1,191,320	2,025,052			
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	11,068,417	2,306,476			
6. Total medical and hospital expenses (Line 18).....	9,997,708	2,165,524			
7. Claims adjustment expenses (Line 20).....	203,738	47,246			
8. Total administrative expenses (Line 21).....	1,700,702	509,241			
9. Net underwriting gain (loss) (Line 24).....	(833,731)	(415,535)			
10. Net investment gain (loss) (Line 27).....					
11. Total other income (Lines 28 plus 29).....					
12. Net income or (loss) (Line 32).....	(833,731)	(415,535)			
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	(369,591)	719,244			
Risk-Based Capital Analysis					
14. Total adjusted capital.....	1,191,320	2,025,052			
15. Authorized control level risk-based capital.....	641,768	177,385			
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	8,054	7,115			
17. Total member months (Column 6, Line 7).....	93,840	20,713			
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).....	90.3	93.9			
20. Cost containment expenses.....	1.8	2.0			
21. Other claims adjustment expenses.....					
22. Total underwriting deductions (Line 23).....	107.5	118.0			
23. Total underwriting gain (loss) (Line 24).....	(7.5)	(18.0)			
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5).....	1,092,919	908,705			
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	1,013,409	1,054,150			
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.....					

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

Yes ☐ No ☐

If no, please explain:



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Sequent Midwest Business Health Fund 2. Columbus, OH

BUSINESS IN THE STATE OF OHIO DURING THE YEAR

(Location)

NAIC Group Code.....6371

NAIC Company Code.....121

	1 Total	2 Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		Individual	Group							
Total Members at end of:										
1. Prior year.....	7,115		2,238		1,073	1,202				2,602
2. First quarter.....	7,637		2,462		1,272	1,364				2,539
3. Second quarter.....	7,770		2,524		1,267	1,371				2,608
4. Third quarter.....	7,788		2,564		1,259	1,365				2,600
5. Current year.....	8,054		2,671		1,279	1,394				2,710
6. Current year member months.....	93,840		31,155		15,151	16,379				31,155
Total Member Ambulatory Encounters for Year:										
7. Physician.....	283		283							
8. Non-physician.....	15,717		15,717							
9. Totals.....	16,000	0	16,000	0	0	0	0	0	0	0
10. Hospital patient days incurred.....	350		350							
11. Number of inpatient admissions.....	82		82							
12. Health premiums written (b).....	13,493,025		12,280,828		154,217	925,970				132,010
13. Life premiums direct.....	0									
14. Property/casualty premiums written.....	0									
15. Health premiums earned.....	13,493,055		12,280,828		154,217	925,970				132,040
16. Property/casualty premiums earned.....	0									
17. Amount paid for provision of health care services.....	8,389,951		8,389,951							
18. Amount incurred for provision of health care services.....	11,156,699		11,156,699							

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	ID Number	Effective Date	Name of Reinsured	Domiciliary Jurisdiction	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance

SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
Accident and Health - Non-Affiliates - U.S. Non-Affiliates						
79413.....	362739571.....	01/01/2015	BP-United Healthcare Insurance Company.....	CT.....	56,356	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates.....				56,356	.0
2199999.	Total - Accident and Health Non-Affiliates.....				56,356	.0
2299999.	Total - Accident and Health.....				56,356	.0
2399999.	Total U.S.....				56,356	.0
9999999.	Total.....				56,356	.0

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11		12	13	14
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Type of Business Ceded	Premiums	Unearned Premiums (estimated)	Reserve Credit Taken Other Than for Unearned Premiums	Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance	
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates														
10345.....	311440175.....	.01/01/2015	Anthem Blue Cross Blue Shield/Community Insurance Group.....	OH.....	OTH/A/G.....	D.....	847,222	0	0	0	0	0	0	
10345.....	311440175.....	.01/01/2015	Anthem Blue Cross Blue Shield/Community Insurance Group.....	OH.....	OTH/A/G.....	OH.....	129,526	0	0	0	0	0	0	
79413.....	362739571.....	.01/01/2015	BP-United Healthcare Insurance Company.....	CT.....	SSU/A/G.....	SLEL.....	1,313,417	0	0	0	0	0	0	
79413.....	362739571.....	.01/01/2015	BP-United Healthcare Insurance Company.....	CT.....	ASU/A/G.....	SLEL.....	14,382	0	0	0	0	0	0	
0899999.....	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates.....						2,304,547	0	0	0	0	0	0	
1099999.....	Total - General Account - Authorized - Non-Affiliates.....						2,304,547	0	0	0	0	0	0	
1199999.....	Total - General Account - Authorized.....						2,304,547	0	0	0	0	0	0	
3499999.....	Total - General Account - Authorized, Unauthorized and Certified.....						2,304,547	0	0	0	0	0	0	
6999999.....	Total - U.S.....						2,304,547	0	0	0	0	0	0	
9999999.....	Total.....						2,304,547	0	0	0	0	0	0	

SCHEDULE S - PART 4
Reinsurance Ceded To Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols. 5 + 6 + 7)	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9 + 11 + 12 + 13 + 14 But Not in Excess of Col. 8

SCHEDULE S - PART 5

Reinsurance Ceded to Certified Reinsurers as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Domestic Rating JUL 1 thru JUL 1 (see Section 5)	Cert- ified Rein- surer	Effective Date of Certified Reinsurer	Percent Collateral Required for Full Credit (0% - 100%)	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total Recoverable Reserve Credit Taken (Cols. 9 + 10 + 11)	Miscellaneous Balances (Credit)	Net Obligation Subject to Collateral (Col. 12 - 13)	Dollar Amount of Collateral Required for Full Credit (Col. 14 x Col. 8)	Multiple Beneficiary Trust	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Total Collateral Provided (Cols. 16 + 17 + 19 + 20 + 21)	Percent of Collateral Provided for Net Obligation Subject to Collateral (Col. 22 / Col. 14)	Percent Credit Allowed on Net Obligation Subject to Collateral (Col. 23 / Col. 8, not to Exceed 100%)	Amount of Credit Allowed for Net Obligation Subject to Collateral (Col. 14 x Col. 24)	Liability for Reinsurance with Certified Reinsurers Due to Collateral Deficiency (Col. 14 - Col. 25)

Sequent Midwest Business Health Fund
SCHEDULE S - PART 6

Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2016	2 2015	3 2014	4 2013	5 2012
A. OPERATIONS ITEMS					
1. Premiums.....	2,305	456			
2. Title XVIII - Medicare.....					
3. Title XIX - Medicaid.....					
4. Commissions and reinsurance expense allowance.....					
5. Total hospital and medical expenses.....	1,159				
B. BALANCE SHEET ITEMS					
6. Premiums receivable.....					
7. Claims payable.....					
8. Reinsurance recoverable on paid losses.....	56				
9. Experience rating refunds due or unpaid.....					
10. Commissions and reinsurance expense allowances due.....					
11. Unauthorized reinsurance offset.....					
12. Offset for reinsurance with certified reinsurers.....					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F).....					
14. Letters of credit (L).....					
15. Trust agreements (T).....					
16. Other (O).....					
D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Multiple beneficiary trust.....					
18. Funds deposited by and withheld from (F).....					
19. Letters of credit (L).....					
20. Trust agreements (T).....					
21. Other (O).....					

Sequent Midwest Business Health Fund
SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12).....	2,785,837		2,785,837
2. Accident and health premiums due and unpaid (Line 15).....			0
3. Amounts recoverable from reinsurers (Line 16.1).....	56,356		56,356
4. Net credit for ceded reinsurance.....	XXX		0
5. All other admitted assets (balance).....	4,402		4,402
6. Totals assets (Line 28).....	2,846,595	0	2,846,595
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	1,585,476		1,585,476
8. Accrued medical incentive pool and bonus payments (Line 2).....			0
9. Premiums received in advance (Line 8).....			0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount).....			0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount).....			0
12. Reinsurance with certified reinsurers (Line 20 inset amount).....			0
13. Funds held under reinsurance treaties with certified reinsurers (Line 19 third inset amount).....			0
14. All other liabilities (balance).....	69,799		69,799
15. Total liabilities (Line 24).....	1,655,275	0	1,655,275
16. Total capital and surplus (Line 33).....	1,191,320	XXX	1,191,320
17. Total liabilities, capital and surplus (Line 34).....	2,846,595	0	2,846,595
NET CREDIT FOR CEDED REINSURANCE			
18. Claims unpaid.....	0		
19. Accrued medical incentive pool.....	0		
20. Premiums received in advance.....	0		
21. Reinsurance recoverable on paid losses.....	0		
22. Other ceded reinsurance recoverables.....	0		
23. Total ceded reinsurance recoverables.....	0		
24. Premiums receivable.....	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers.....	0		
26. Unauthorized reinsurance.....	0		
27. Reinsurance with certified reinsurers.....	0		
28. Funds held under reinsurance treaties with certified reinsurers.....	0		
29. Other ceded reinsurance payables/offsets.....	0		
30. Total ceded reinsurance payables/offsets.....	0		
31. Total net credit for ceded reinsurance.....	0		

Sequent Midwest Business Health Fund
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	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	13,361,015				132,010		13,493,025	
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		13,361,015	0	0	0	132,010	0	13,493,025	0
60.	Reporting entity contributions for Employee Benefit Plans.....XXX								0	
61.	Total (Direct Business).....(a)	1	13,361,015	0	0	0	132,010	0	13,493,025	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	0
58999. Total (Lines 58001 through 58003 + 58998).....		0	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.

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	Direct Business Only					Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama.....AL						0
2. Alaska.....AK						0
3. Arizona.....AZ						0
4. Arkansas.....AR						0
5. California.....CA						0
6. Colorado.....CO						0
7. Connecticut.....CT						0
8. Delaware.....DE						0
9. District of Columbia.....DC						0
10. Florida.....FL						0
11. Georgia.....GA						0
12. Hawaii.....HI						0
13. Idaho.....ID						0
14. Illinois.....IL						0
15. Indiana.....IN						0
16. Iowa.....IA						0
17. Kansas.....KS						0
18. Kentucky.....KY						0
19. Louisiana.....LA						0
20. Maine.....ME						0
21. Maryland.....MD						0
22. Massachusetts.....MA						0
23. Michigan.....MI						0
24. Minnesota.....MN						0
25. Mississippi.....MS						0
26. Missouri.....MO						0
27. Montana.....MT						0
28. Nebraska.....NE						0
29. Nevada.....NV						0
30. New Hampshire.....NH						0
31. New Jersey.....NJ						0
32. New Mexico.....NM						0
33. New York.....NY						0
34. North Carolina.....NC						0
35. North Dakota.....ND						0
36. Ohio.....OH						0
37. Oklahoma.....OK						0
38. Oregon.....OR						0
39. Pennsylvania.....PA						0
40. Rhode Island.....RI						0
41. South Carolina.....SC						0
42. South Dakota.....SD						0
43. Tennessee.....TN						0
44. Texas.....TX						0
45. Utah.....UT						0
46. Vermont.....VT						0
47. Virginia.....VA						0
48. Washington.....WA						0
49. West Virginia.....WV						0
50. Wisconsin.....WI						0
51. Wyoming.....WY						0
52. American Samoa.....AS						0
53. Guam.....GU						0
54. Puerto Rico.....PR						0
55. US Virgin Islands.....VI						0
56. Northern Mariana Islands.....MP						0
57. Canada.....CAN						0
58. Aggregate Other Alien.....OT						0
59. Totals.....	0	0	0	0	0	0

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

PART 1 – ORGANIZATIONAL CHART

SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	

SCHEDULE Y
PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)

Sequent Midwest Business Health Fund

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING		Responses
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?	NO
4.	Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES

APRIL FILING		WAIVED
5.	Will the Management's Discussion and Analysis be filed by April 1?	WAIVED
6.	Will the Supplemental Investment Risk Interrogatories be filed by April 1?	WAIVED
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	WAIVED

JUNE FILING		YES
8.	Will an audited financial report be filed by June 1?	YES
9.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES

AUGUST FILING		
10.	Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1?	YES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING		NO
11.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	NO
14.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
15.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
16.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
17.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
18.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO
19.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for Independent CPA be filed electronically with the NAIC by March 1?	NO
20.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	NO

APRIL FILING		NO
21.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
22.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	WAIVED
25.	Will the regulator-only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	WAIVED

AUGUST FILING		
26.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES




















Sequent Midwest Business Health Fund

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

EXPLANATIONS:

BAR CODE:

1.
2.
3. The data for this supplement is not required to be filed.
4.
5.
6.
7.
8.
9.
10.
11. The data for this supplement is not required to be filed.
12. The data for this supplement is not required to be filed.
13. The data for this supplement is not required to be filed.
14. The data for this supplement is not required to be filed.
15. The data for this supplement is not required to be filed.
16. The data for this supplement is not required to be filed.
17. The data for this supplement is not required to be filed.
18. The data for this supplement is not required to be filed.
19. The data for this supplement is not required to be filed.
20. The data for this supplement is not required to be filed.
21. The data for this supplement is not required to be filed.
22. The data for this supplement is not required to be filed.
23. The data for this supplement is not required to be filed.
24.
25.
26.


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SCHEDULE E - PART 1 - CASH

1	2	3	4	5	6	7
Depository	Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
Open Depositories						
JP MOrgan Chase Bank N/A.....					2,612,837	XXX
100 E. Broad St., 10th Floor. Columbus, OH 43215-0170.....						
BMO Harris Bank.....					173,000	XXX
111 W. Monroe St., Chicago, IL 60603.....						
0199999. Total - Open Depositories.....	XXX	XXX	0	0	2,785,837	XXX
0399999. Total Cash on Deposits.....	XXX	XXX	0	0	2,785,837	XXX
0599999. Total Cash.....	XXX	XXX	0	0	2,785,837	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January.....	2,834,936	4. April.....	3,236,429	7. July.....	3,434,186	10. October.....	3,041,268
2. February.....	3,092,864	5. May.....	2,977,969	8. August.....	3,226,851	11. November.....	2,960,607
3. March.....	3,094,187	6. June.....	3,206,374	9. September.....	3,367,546	12. December.....	2,785,837