



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2016  
OF THE CONDITION AND AFFAIRS OF THE

Medical Benefits Mutual Life Insurance Co.

NAIC Group Code	0000 (Current)	0000 (Prior)	NAIC Company Code	74322	Employer's ID Number	31-4210910
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		OH
Country of Domicile	United States of America					
Incorporated/Organized	05/06/1938			Commenced Business 04/04/1938		
Statutory Home Office	1975 Tamarack Road (Street and Number)			Newark , OH, US 43055 (City or Town, State, Country and Zip Code)		
Main Administrative Office	1975 Tamarack Road (Street and Number)			Newark , OH, US 43055 (City or Town, State, Country and Zip Code)		
	Newark , OH, US 43055 (City or Town, State, Country and Zip Code)			740-522-8425 (Area Code) (Telephone Number)		
Mail Address	1975 Tamarack Road (Street and Number or P.O. Box)			Newark , OH, US 43055 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	1975 Tamarack Road (Street and Number)			Newark , OH, US 43055 (City or Town, State, Country and Zip Code)		
	Newark , OH, US 43055 (City or Town, State, Country and Zip Code)			740-522-8425 (Area Code) (Telephone Number)		
Internet Website Address	www.medben.com					
Statutory Statement Contact	John Edward Nydegger, Jr. (Name)			740-522-8425 (Area Code) (Telephone Number)		
	enydegger@medben.com (E-mail Address)			740-522-7526 (FAX Number)		

OFFICERS

CEO	Douglas James Freeman	Vice President of Finance & Controller	John Edward Nydegger Jr.
President/Treasurer	Kurt Jeffrey Harden		

OTHER

Caroline Fischer Rouse Fraker, VP, Compliance & Chief Privacy Officer	Lori Sue Kane, Vice President	Rose Gribble McEntire, Vice President & Chief Security Officer

DIRECTORS OR TRUSTEES

Jeffrey Scott Cantley	Charles Daniel Delawder	Nancy Shrider Dix
Douglas James Freeman	Kurt Jeffrey Harden	Andrew Stevens Dix

State of Ohio SS:  
County of Licking

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

Douglas James Freeman CEO	Kurt Jeffrey Harden President/Treasurer	John Edward Nydegger, Jr. Vice President of Finance & Controller
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Subscribed and sworn to before me this  
1 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.....

Bethany Painter  
Notary Public  
8/10/2020

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	5,003,115		5,003,115	5,648,527
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	500		500	500
2.2 Common stocks .....	6,175,118	2,355	6,172,763	5,889,486
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	1,191,883		1,191,883	1,890,366
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....			0	0
4.3 Properties held for sale (less \$ .....0 encumbrances) .....			0	0
5. Cash (\$ .....88,499 , Schedule E - Part 1), cash equivalents (\$ ..... , Schedule E - Part 2) and short-term investments (\$ .....1,111,519 , Schedule DA) .....	1,200,018		1,200,018	1,319,214
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives (Schedule DB) .....			0	0
8. Other invested assets (Schedule BA) .....			0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	13,570,634	2,355	13,568,279	14,748,093
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	13,992		13,992	16,217
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	18,066
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	19,723	19,723	0	2,002
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....	1,849	0	1,849	79,059
18.1 Current federal and foreign income tax recoverable and interest thereon ....			0	0
18.2 Net deferred tax asset .....	1,637,000	1,047,000	590,000	447,000
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	117,828	117,828	0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	13,449	13,449	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	369,147		369,147	390,804
24. Health care (\$ ..... ) and other amounts receivable .....	14,938		14,938	20,166
25. Aggregate write-ins for other than invested assets .....	1,115,119	313,417	801,702	745,874
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	16,873,680	1,513,773	15,359,907	16,467,281
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	16,873,680	1,513,773	15,359,907	16,467,281
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. Cash Surrender Value of Officers Life Insurance .....	801,702		801,702	745,874
2502. Prepaid Expenses and Deposits .....	313,417	313,417	0	0
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	1,115,119	313,417	801,702	745,874

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Aggregate reserve for life contracts \$ (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	0	0
2. Aggregate reserve for accident and health contracts (including \$ 0 Modco Reserve)	0	0
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	60,000	60,000
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	97,763	845,779
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ 51,902 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	53,564	84,079
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded	0	0
9.4 Interest maintenance reserve (IMR, Line 6)	(1,466)	(1,538)
10. Commissions to agents due or accrued-life and annuity contracts \$ accident and health \$ and deposit-type contract funds \$	2,578	9,531
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	2,935,980	2,754,624
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	44,280	47,025
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee	5,000	5,000
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		55,888
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	1,014,733	1,009,787
24.02 Reinsurance in unauthorized and certified (\$ 0 ) companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	300,350	315,810
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans	138,558	246,339
24.07 Funds held under coinsurance		
24.08 Derivatives	0	0
24.09 Payable for securities		
24.10 Payable for securities lending		
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	10,000	30,000
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	4,661,340	5,462,325
27. From Separate Accounts Statement		
28. Total liabilities (Lines 26 and 27)	4,661,340	5,462,325
29. Common capital stock		
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)		
34. Aggregate write-ins for special surplus funds	58	0
35. Unassigned funds (surplus)	10,698,509	11,004,957
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$ )		
36.2 shares preferred (value included in Line 30 \$ )		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ in Separate Accounts Statement)	10,698,567	11,004,957
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	10,698,567	11,004,957
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	15,359,907	16,467,282
DETAILS OF WRITE-INS		
2501. Claims Adjustment Liability	10,000	30,000
2502. Liability for Negative Equity in Subsidiary		0
2503. Liability for Amounts Held for Employee Claims Reserve		0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	10,000	30,000
3101.		0
3102.		0
3103.		0
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	0	0
3401. Misc	58	0
3402.		0
3403.		0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	58	0

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) .....	2,218,560	5,495,811
2. Considerations for supplementary contracts with life contingencies .....	0	
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	(54,299)	(196,962)
4. Amortization of Interest Maintenance Reserve (IMR, Line 5) .....	223	
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	54
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....	0	
7. Reserve adjustments on reinsurance ceded .....	0	
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	
8.2 Charges and fees for deposit-type contracts .....	0	
8.3 Aggregate write-ins for miscellaneous income .....	3,135,836	3,168,444
9. Total (Lines 1 to 8.3) .....	5,300,320	8,467,347
10. Death benefits .....	65,000	47,500
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....	0	0
13. Disability benefits and benefits under accident and health contracts .....	718,675	3,293,951
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	
15. Surrender benefits and withdrawals for life contracts .....	0	
16. Group conversions .....	0	
17. Interest and adjustments on contract or deposit-type contract funds .....	0	
18. Payments on supplementary contracts with life contingencies .....	0	
19. Increase in aggregate reserves for life and accident and health contracts .....	0	
20. Totals (Lines 10 to 19) .....	783,675	3,341,451
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....	102,034	284,954
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	0	
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4) .....	4,344,214	4,601,928
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3) .....	147,298	213,547
25. Increase in loading on deferred and uncollected premiums .....	0	
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	
27. Aggregate write-ins for deductions .....	820,023	0
28. Totals (Lines 20 to 27) .....	6,197,244	8,441,880
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	(896,924)	25,467
30. Dividends to policyholders .....	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	(896,924)	25,467
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	(233,180)	24,614
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(663,744)	853
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ ..... (excluding taxes of \$ ..... transferred to the IMR) .....	36,799	49,184
35. Net income (Line 33 plus Line 34) .....	(626,945)	50,037
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	11,004,957	11,203,610
37. Net income (Line 35) .....	(626,945)	50,037
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ ..... .....	207,028	108,443
39. Change in net unrealized foreign exchange capital gain (loss) .....		
40. Change in net deferred income tax .....		
41. Change in nonadmitted assets .....	174,737	(53,938)
42. Change in liability for reinsurance in unauthorized and certified companies .....		
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....	0	0
44. Change in asset valuation reserve .....	(4,946)	(115,500)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....		
47. Other changes in surplus in Separate Accounts Statement .....		
48. Change in surplus notes .....		
49. Cumulative effect of changes in accounting principles .....		
50. Capital changes:		
50.1 Paid in .....		
50.2 Transferred from surplus (Stock Dividend) .....		
50.3 Transferred to surplus .....		
51. Surplus adjustment:		
51.1 Paid in .....	0	0
51.2 Transferred to capital (Stock Dividend) .....		
51.3 Transferred from capital .....		
51.4 Change in surplus as a result of reinsurance .....		
52. Dividends to stockholders .....		
53. Aggregate write-ins for gains and losses in surplus .....	(56,263)	(187,695)
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	(306,390)	(198,654)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	10,698,567	11,004,957
DETAILS OF WRITE-INS		
08.301. Miscellaneous Income .....	1,229,028	1,277,803
08.302. Fee Income .....	28,853	102,751
08.303. Management Fee Income .....	1,877,955	1,787,890
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	3,135,836	3,168,444
2701. ACA Risk Adjustment Expense .....	819,826	0
2702. IMR amortization adjusment .....	197	0
2703. ....		0
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....	820,023	0
5301. Adjusted to non-admitted asset to tie to TB (Change in nonadmitted asset Ln 41) .....	(56,315)	(187,695)
5302. Misc .....	52	0
5303. ....		
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	(56,263)	(187,695)

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance .....	2,206,111	5,306,453
2. Net investment income .....	(22,391)	(35,571)
3. Miscellaneous income .....	3,135,836	3,168,498
4. Total (Lines 1 through 3) .....	5,319,556	8,439,380
5. Benefit and loss related payments .....	1,531,614	3,842,757
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	5,277,482	6,530,232
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	(138,180)	(381,386)
10. Total (Lines 5 through 9) .....	6,670,916	9,991,603
11. Net cash from operations (Line 4 minus Line 10) .....	(1,351,360)	(1,552,223)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	1,854,411	1,539,410
12.2 Stocks .....	574,269	182,764
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	2,428,680	1,722,174
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	1,238,680	875,147
13.2 Stocks .....	533,822	550,819
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	(574,976)	(262,171)
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	1,197,526	1,163,795
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	1,231,154	558,379
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	(55,888)	(369,112)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	56,898	(443,625)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	1,010	(812,737)
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) .....	(119,195)	(1,806,582)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	1,319,213	3,125,795
19.2 End of year (Line 18 plus Line 19.1) .....	1,200,018	1,319,213

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

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Medical Benefits Mutual Life Insurance Co.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts .....	2,218,560	0	0	0		0	197,341	0	2,021,219	0	0	
2. Considerations for supplementary contracts with life contingencies .....	0											
3. Net investment income .....	(54,299)						(5,444)		(48,855)			
4. Amortization of Interest Maintenance Reserve (IMR) .....	224						22		202			
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0											
6. Commissions and expense allowances on reinsurance ceded .....	0	0	0	0		0	0	0	0	0	0	
7. Reserve adjustments on reinsurance ceded .....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts .....	0											
8.2 Charges and fees for deposit-type contracts .....	0											
8.3 Aggregate write-ins for miscellaneous income .....	3,135,835	0	0	0	0	0	314,414	0	2,821,421	0	0	0
9. Totals (Lines 1 to 8.3) .....	5,300,320	0	0	0	0	0	506,333	0	4,793,987	0	0	0
10. Death benefits .....	65,000						65,000					
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0											
12. Annuity benefits .....	0											
13. Disability benefits and benefits under accident and health contracts .....	718,675								718,675	0	0	
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0											
15. Surrender benefits and withdrawals for life contracts .....	0											
16. Group conversions .....	0											
17. Interest and adjustments on contract or deposit-type contract funds .....	0											
18. Payments on supplementary contracts with life contingencies .....	0											
19. Increase in aggregate reserves for life and accident and health contracts .....	0											
20. Totals (Lines 10 to 19) .....	783,675	0	0	0	0	0	65,000	0	718,675	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	102,034	0	0	0		0	0	0	102,034	0	0	0
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0	0		0	0	0	0	0	0	0
23. General insurance expenses .....	4,344,214						422,595		3,921,619	0	0	
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	147,298						18,270		129,028		0	
25. Increase in loading on deferred and uncollected premiums .....	0											
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0											
27. Aggregate write-ins for deductions .....	820,023	0	0	0	0	0	82,220	0	737,803	0	0	0
28. Totals (Lines 20 to 27) .....	6,197,244	0	0	0	0	0	588,085	0	5,609,159	0	0	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	(896,924)	0	0	0	0	0	(81,752)	0	(815,172)	0	0	0
30. Dividends to policyholders .....	0										0	
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	(896,924)	0	0	0	0	0	(81,752)	0	(815,172)	0	0	0
32. Federal income taxes incurred (excluding tax on capital gains) .....	(233,180)						(23,380)		(209,800)			
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(663,744)	0	0	0	0	0	(58,372)	0	(605,372)	0	0	0
DETAILS OF WRITE-INS												
08.301. Miscellaneous .....	1,229,027						123,228		1,105,799			
08.302. Fee Income .....	28,853						2,893		25,960			
08.303. I/C Mgmt Fee .....	1,877,955						188,293		1,689,662			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	3,135,835	0	0	0	0	0	314,414	0	2,821,421	0	0	0
2701. IMR amortization adjustment .....	197						20		177			
2702. ACA Risk Adjustment Expense .....	819,826						82,200		737,626			
2703. .....												
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	820,023	0	0	0	0	0	82,220	0	737,803	0	0	0

(a) Includes the following amounts for FEGLI/SGLI: Line 1 , Line 10 , Line 16 , Line 23 , Line 24

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year .....								
2. Tabular net premiums or considerations .....								
3. Present value of disability claims incurred .....					XXX.....			
4. Tabular interest .....								
5. Tabular less actual reserve released .....								
6. Increase in reserve on account of change in valuation basis .....								
7. Other increases (net) .....								
8. Totals (Lines 1 to 7) .....								
9. Tabular cost .....					XXX.....			
10. Reserves released by death .....				XXX.....	XXX.....			XXX.....
11. Reserves released by other terminations (net) .....								
12. Annuity, supplementary contract and disability payments involving life contingencies .....								
13. Net transfers to or (from) Separate Accounts .....								
14. Total Deductions (Lines 9 to 13) .....								
15. Reserve December 31, current year								

NONE

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a) .....19,336	.....14,829
1.1	Bonds exempt from U.S. tax .....	(a) .....	.....
1.2	Other bonds (unaffiliated) .....	(a) .....72,558	.....79,896
1.3	Bonds of affiliates .....	(a) .....	.....
2.1	Preferred stocks (unaffiliated) .....	(b) .....	.....
2.11	Preferred stocks of affiliates .....	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....105,077	.....105,077
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) .....	.....1,137
7	Derivative instruments .....	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....8,808	.....8,808
10.	Total gross investment income .....	205,779	209,747
11.	Investment expenses .....		(g) .....202,101
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g) .....43,778
13.	Interest expense .....		(h) .....18,167
14.	Depreciation on real estate and other invested assets .....		(i) .....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		264,046
17.	Net investment income (Line 10 minus Line 16) .....		(54,299)
<b>DETAILS OF WRITE-INS</b>			
0901.	.....	8,808	8,808
0902.	.....		
0903.	.....		
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	8,808	8,808
1501.	.....		
1502.	.....		
1503.	.....		
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		0

- (a) Includes \$ .....1,542 accrual of discount less \$ .....31,225 amortization of premium and less \$ .....2,333 paid for accrued interest on purchases.
- (b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.
- (c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.
- (d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.
- (e) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.
- (f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.
- (g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.
- (i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....0	.....0	.....0	.....0	.....0
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....0	.....	.....
1.2	Other bonds (unaffiliated) .....	.....2	.....0	.....2	.....0	.....0
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....89,927	.....0	.....89,927	.....187,328	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....46,291	.....0
3.	Mortgage loans .....	.....	.....0	.....0	.....0	.....0
4.	Real estate .....	.....	.....0	.....0	.....	.....0
5.	Contract loans .....	.....	.....	.....0	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....0	.....	.....
7.	Derivative instruments .....	.....	.....	.....0	.....	.....
8.	Other invested assets .....	.....	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....(53,129)	.....0	.....(53,129)	.....(26,591)	.....0
10.	Total capital gains (losses) .....	.....36,799	.....0	.....36,799	.....207,028	.....0
DETAILS OF WRITE-INS						
0901.	Adjusted to non-admitted asset PY .....	.....(53,129)	.....	.....(53,129)	.....(26,591)	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	.....(53,129)	.....0	.....(53,129)	.....(26,591)	.....0



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Medical Benefits Mutual Life Insurance Co.

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
<b>FIRST YEAR (other than single)</b>											
1. Uncollected .....	0										
2. Deferred and accrued .....	0										
3. Deferred , accrued and uncollected:											
3.1 Direct .....	0										
3.2 Reinsurance assumed .....	0										
3.3 Reinsurance ceded .....	0										
3.4 Net (Line 1 + Line 2) .....	0	0	0	0	0	0	0	0	0	0	0
4. Advance .....	0										
5. Line 3.4 - Line 4 .....	0	0	0	0	0	0	0	0	0	0	0
6. Collected during year:											
6.1 Direct .....	0										
6.2 Reinsurance assumed .....	0										
6.3 Reinsurance ceded .....	0										
6.4 Net .....	0	0	0	0	0	0	0	0	0	0	0
7. Line 5 + Line 6.4 .....	0	0	0	0	0	0	0	0	0	0	0
8. Prior year (uncollected + deferred and accrued - advance) .....	0	0	0	0	0	0	0	0	0	0	0
9. First year premiums and considerations:											
9.1 Direct .....	0										
9.2 Reinsurance assumed .....	0										
9.3 Reinsurance ceded .....	0										
9.4 Net (Line 7 - Line 8) .....	0	0	0	0	0	0	0	0	0	0	0
<b>SINGLE</b>											
10. Single premiums and considerations:											
10.1 Direct .....	0										
10.2 Reinsurance assumed .....	0										
10.3 Reinsurance ceded .....	0										
10.4 Net .....	0	0	0	0	0	0	0	0	0	0	0
<b>RENEWAL</b>											
11. Uncollected .....	0										
12. Deferred and accrued .....	0										
13. Deferred, accrued and uncollected:											
13.1 Direct .....	0										
13.2 Reinsurance assumed .....	0										
13.3 Reinsurance ceded .....	0										
13.4 Net (Line 11 + Line 12) .....	0	0	0	0	0	0	0	0	0	0	0
14. Advance .....	53,564					1,662		51,902			
15. Line 13.4 - Line 14 .....	(53,564)	0	0	0	0	(1,662)	0	(51,902)	0	0	0
16. Collected during year:											
16.1 Direct .....	2,290,570					227,902		2,062,668			
16.2 Reinsurance assumed .....	0										
16.3 Reinsurance ceded .....	84,598					33,585		51,013			
16.4 Net .....	2,205,972	0	0	0	0	194,317	0	2,011,655	0	0	0
17. Line 15 + Line 16.4 .....	2,152,408	0	0	0	0	192,655	0	1,959,753	0	0	0
18. Prior year (uncollected + deferred and accrued - advance) .....	(66,153)	0	0	0	0	(4,686)	0	(61,467)	0	0	0
19. Renewal premiums and considerations:											
19.1 Direct .....	2,303,158					230,926		2,072,232			
19.2 Reinsurance assumed .....	0										
19.3 Reinsurance ceded .....	84,598					33,585		51,013			
19.4 Net (Line 17 - Line 18) .....	2,218,560	0	0	0	0	197,341	0	2,021,219	0	0	0
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct .....	2,303,158	0	0	0	0	230,926	0	2,072,232	0	0	0
20.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
20.3 Reinsurance ceded .....	84,598	0	0	0	0	33,585	0	51,013	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4) .....	2,218,560	0	0	0	0	197,341	0	2,021,219	0	0	0

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS  
AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
<b>DIVIDENDS AND COUPONS APPLIED</b> <b>(included in Part 1)</b>											
21. To pay renewal premiums .....	0										
22. All other .....	0										
<b>REINSURANCE COMMISSIONS AND</b> <b>EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded .....	0										
23.2 Reinsurance assumed .....	0										
23.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded .....	0										
24.2 Reinsurance assumed .....	0										
24.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded .....	0										
25.2 Reinsurance assumed .....	0										
25.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6) .....	0	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22) .....	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
<b>COMMISSIONS INCURRED</b> <b>(direct business only)</b>											
27. First year (other than single) .....	0										
28. Single .....	0										
29. Renewal .....	102,034							102,034			
30. Deposit-type contract funds .....	0										
31. Totals (to agree with Page 6, Line 21)	102,034	0	0	0	0	0	0	102,034	0	0	0

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3			
	Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1. Rent .....	3,889		34,793			38,682
2. Salaries and wages .....	182,885		1,636,200			1,819,085
3.11 Contributions for benefit plans for employees .....	3,875		34,669			38,544
3.12 Contributions for benefit plans for agents .....						0
3.21 Payments to employees under non-funded benefit plans .....	2,395		21,431			23,826
3.22 Payments to agents under non-funded benefit plans .....						0
3.31 Other employee welfare .....						0
3.32 Other agent welfare .....						0
4.1 Legal fees and expenses .....	3,996		35,752			39,748
4.2 Medical examination fees .....						0
4.3 Inspection report fees .....						0
4.4 Fees of public accountants and consulting actuaries .....	20,170		180,458			200,628
4.5 Expense of investigation and settlement of policy claims .....						0
5.1 Traveling expenses .....	10,219		91,424			101,643
5.2 Advertising .....	6,125		54,796			60,921
5.3 Postage, express, telegraph and telephone .....	29,872		267,255			297,127
5.4 Printing and stationery .....	9,429		84,362			93,791
5.5 Cost or depreciation of furniture and equipment .....	719		6,434			7,153
5.6 Rental of equipment .....	206		1,844			2,050
5.7 Cost or depreciation of EDP equipment and software .....	6,591		58,964			65,555
6.1 Books and periodicals .....	1,965		17,577			19,542
6.2 Bureau and association fees .....	741		6,632			7,373
6.3 Insurance, except on real estate .....	19,158		171,404			190,562
6.4 Miscellaneous losses .....						0
6.5 Collection and bank service charges .....	1,357		12,138			13,495
6.6 Sundry general expenses .....	17,087		152,867			169,954
6.7 Group service and administration fees .....		140,813				140,813
6.8 Reimbursements by uninsured plans .....						0
7.1 Agency expense allowance .....						0
7.2 Agents' balances charged off (less \$ recovered) .....						0
7.3 Agency conferences other than local meetings .....						0
9.1 Real estate expenses .....	12,417		111,089			123,506
9.2 Investment expenses not included elsewhere .....					202,101	202,101
9.3 Aggregate write-ins for expenses .....	89,499	0	800,717	0	0	890,216
10. General expenses incurred .....	422,595	140,813	3,780,806	0	202,101	(a) 4,546,315
11. General expenses unpaid December 31, prior year .....	316,745		2,437,879			2,754,624
12. General expenses unpaid December 31, current year .....	295,173		2,640,807			2,935,980
13. Amounts receivable relating to uninsured plans, prior year .....						0
14. Amounts receivable relating to uninsured plans, current year .....						0
15. General expenses paid during year (Lines 10+11-12-13+14) .....	444,167	140,813	3,577,878	0	202,101	4,364,959
DETAILS OF WRITE-INS						
09.301. Other Professional Services .....						
Equipment & Repair .....	89,499		800,717			890,216
09.302. Misc Depreciation .....	0		0			0
09.303. ....						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page .....	0	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above) .....	89,499	0	800,717	0	0	890,216

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

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

		Insurance			4	5
		1	2	3		
		Life	Accident and Health	All Other Lines of Business	Investment	Total
1.	Real estate taxes .....				43,778	43,778
2.	State insurance department licenses and fees .....	6,362	22,170			28,532
3.	State taxes on premiums .....	1,292	11,592			12,884
4.	Other state taxes, including \$ ..... for employee benefits .....	0	0			0
5.	U.S. Social Security taxes .....	10,606	95,176			105,782
6.	All other taxes .....	10	90			100
7.	Taxes, licenses and fees incurred .....	18,270	129,028	0	43,778	191,076
8.	Taxes, licenses and fees unpaid December 31, prior year .....	109	2,099		44,817	47,025
9.	Taxes, licenses and fees unpaid December 31, current year.....	50	452		43,778	44,280
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9) .....	18,329	130,675	0	44,817	193,821

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums .....		0
2. Applied to shorten the endowment or premium-paying period .....		
3. Applied to provide paid-up additions .....		
4. Applied to provide paid-up annuities .....		
5. Total Lines 1 through 4 .....	0	0
6. Paid in cash .....		
7. Left on deposit .....		
8. Aggregate write-ins for dividend or refund options .....	0	0
9. Total Lines 5 through 8 .....	0	0
10. Amount due and unpaid .....		
11. Provision for dividends or refunds payable in the following calendar year .....		
12. Terminal dividends .....		
13. Provision for deferred dividend contracts .....		
14. Amount provisionally held for deferred dividend contracts not included in Line 13 .....		
15. Total Lines 10 through 14 .....	0	0
16. Total from prior year .....		
17. Total dividends or refunds (Lines 9 + 15 - 16) .....	0	0
<b>DETAILS OF WRITE-INS</b>		
0801. ....		
0802. ....		
0803. ....		
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....	0	0



EXHIBIT 5 - INTERROGATORIES

1.1

Has the reporting entity ever issued both participating and non-participating contracts?

Yes [ ] No [ X ]

1.2

If not, state which kind is issued.

2.1

Does the reporting entity at present issue both participating and non-participating contracts?

Yes [ ] No [ X ]

2.2

If not, state which kind is issued.

3.

Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?

Yes [ ] No [ X ]

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4.

Has the reporting entity any assessment or stipulated premium contracts in force?

Yes [ ] No [ X ]

If so, state:

4.1

Amount of insurance?

\$

4.2

Amount of reserve?

\$

4.3

Basis of reserve:

4.4

Basis of regular assessments:

4.5

Basis of special assessments:

4.6

Assessments collected during the year

\$

5.

If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

6.

Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?

Yes [ ] No [ X ]

6.1

If so, state the amount of reserve on such contracts on the basis actually held:

\$

6.2

That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:

\$

Attach statement of methods employed in their valuation.

7.

Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [ ] No [ X ]

7.1

If yes, state the total dollar amount of assets covered by these contracts or agreements

\$

7.2

Specify the basis (fair value, amortized cost, etc.) for determining the amount:

7.3

State the amount of reserves established for this business:

\$

7.4

Identify where the reserves are reported in the blank:

8.

Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year?

Yes [ ] No [ X ]

8.1

If yes, state the total dollar amount of account value covered by these contracts or agreements:

\$

8.2

State the amount of reserves established for this business:

\$

8.3

Identify where the reserves are reported in the blank:

9.

Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year?

Yes [ ] No [ X ]

9.1

If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders:

\$

9.2

State the amount of reserves established for this business:

\$

9.3

Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1	Valuation Basis		4
	2	3	
Description of Valuation Class	Changed From	Changed To	Increase in Actuarial Reserve Due to Change
9999999 - Total (Column 4, only)			

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

**N O N E**

Exhibit 7 - Deposit-Type Contracts

**N O N E**

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year											
	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct .....	0										
1.2 Reinsurance assumed .....	0										
1.3 Reinsurance ceded .....	0										
1.4 Net .....	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted .....											
2.11 Direct .....	0										
2.12 Reinsurance assumed .....	0										
2.13 Reinsurance ceded .....	0										
2.14 Net .....	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	0	0	0
2.2 Other .....											
2.21 Direct .....	0										
2.22 Reinsurance assumed .....	0										
2.23 Reinsurance ceded .....	0										
2.24 Net .....	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 0
3. Incurred but unreported:											
3.1 Direct .....	157,763						60,000		97,763		
3.2 Reinsurance assumed .....	0										
3.3 Reinsurance ceded .....	0										
3.4 Net .....	157,763	0	(b) 0	(b) 0	0	(b) 0	(b) 60,000	0	(b) 97,763	(b) 0	(b) 0
4. TOTALS .....											
4.1 Direct .....	157,763	0	0	0	0	0	60,000	0	97,763	0	0
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0
4.4 Net .....	157,763	(a) 0	(a) 0	0	0	0	(a) 60,000	0	97,763	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ ..... in Column 2, \$ ..... in Column 3 and \$ ..... in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ ..... Individual Annuities \$ ..... , Credit Life (Group and Individual) \$ ..... , and Group Life \$ ..... , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ ..... Credit (Group and Individual) Accident and Health \$ ..... , and Other Accident and Health \$ ..... are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	PART 2 - Incurred During the Year										
	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements During the Year:											
1.1 Direct	1,582,391						65,000		1,517,391		
1.2 Reinsurance assumed	0										
1.3 Reinsurance ceded	50,700						0		50,700		
1.4 Net	(d) 1,531,691	0	0	0	0	0	65,000	0	1,466,691	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct	157,763	0	0	0	0	0	60,000	0	97,763	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0
2.4 Net	157,763	0	0	0	0	0	60,000	0	97,763	0	0
3. Amounts recoverable from reinsurers December 31, current year	0										
4. Liability December 31, prior year:											
4.1 Direct	905,779	0	0	0	0	0	60,000	0	845,779	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	905,779	0	0	0	0	0	60,000	0	845,779	0	0
5. Amounts recoverable from reinsurers December 31, prior year	0										
6. Incurred Benefits											
6.1 Direct	834,375	0	0	0	0	0	65,000	0	769,375	0	0
6.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded	50,700	0	0	0	0	0	0	0	50,700	0	0
6.4 Net	783,675	0	0	0	0	0	65,000	0	718,675	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.

(d) Includes \$ ..... premiums waived under total and permanent disability benefits.



EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	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 .....	2,355	2,535	180
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) .....	2,355	2,535	180
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 .....	19,723	17,798	(1,925)
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	(5,000)	(5,000)
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0
18.2 Net deferred tax asset .....	1,047,000	1,095,000	48,000
19. Guaranty funds receivable or on deposit .....			0
20. Electronic data processing equipment and software .....	117,828	142,142	24,314
21. Furniture and equipment, including health care delivery assets .....	13,449	20,603	7,154
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 .....	313,417	415,431	102,014
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,513,772	1,688,509	174,737
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27) .....	1,513,772	1,688,509	174,737
DETAILS OF WRITE-INS			
1101. ....		0	0
1102. ....		0	0
1103. ....		0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0
2501. Prepaid Expenses .....	313,417	415,431	102,014
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	313,417	415,431	102,014

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

Medical Benefits Mutual Life Insurance Co. is owned by its policyholders and provides health, life, dental, vision, and other insurance products for its policyholders and customers throughout Ohio, Indiana, Kentucky, Michigan, Pennsylvania, West Virginia, and several other states.

Medical Benefits Mutual Life Insurance Co., the parent organization, provides health, life, and other insurance products to its policyholders. Medical Benefits Administrators, Inc. (MBA), a wholly owned subsidiary of the Company, is a third party administrator for health and health related employee benefit plans. VisionPlus of America, Inc. (VPA), a wholly owned subsidiary of the Company, is a third party administrator for vision benefit claims. MedBen Marketing Services, Inc. (MMS), a wholly owned subsidiary of the Company, is an insurance agency that markets various life, medical, and other insurance products. MedBen Analytics, LLC, a majority owned subsidiary of Medical Benefits Administrators, Inc., is an administrator of bundled payments for existing health systems participating in the Centers for Medicare and Medicaid Services Bundled Payments for Care Improvement Initiative.

A summary of the major accounting policies followed by the Company in the preparation of the statutory financial statement is set forth below:

A. Accounting Practices

The financial statements of Medical Benefits Mutual Life Insurance Co. are presented on the basis Statutory Accounting Principles method as prescribed by the National Association of Insurance Commissioners (NAIC).

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The NAIC Accounting Practices and Procedures Manual (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The State has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. However, the Company has elected not to adopt any of these permitted practices.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	State of Domicile	2016	2015
<b>Net Income - Ohio Basis</b>	OH	\$ (626,945)	\$ 50,036
State Prescribed Practices - None	OH		
State Permitted Practices - None	OH		
<b>Net Income - NAIC SAP</b>	OH	<u>\$ (626,945)</u>	<u>\$ 50,036</u>
<b>Statutory Surplus - Ohio Basis</b>	OH	\$ 10,698,509	\$ 11,004,957
State Prescribed Practices - None	OH		
State Permitted Practices - None	OH		
<b>Statutory Surplus - NAIC SAP</b>	OH	<u>\$ 10,698,509</u>	<u>\$ 11,004,957</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions could change in the near future as more information becomes known and could have a material impact on the amounts reported.

C. Accounting Policy

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the period and judgment as to the appropriate level of statutory surplus to be retained by the Company. There were no policyholder dividends for 2016 or 2015.

Real estate investments are classified in the balance sheet as properties occupied by the company, properties held for the production of income, and properties held for sale. Properties occupied by the company are carried at depreciated cost less encumbrances. The Company currently does not hold any properties for the production of income or for sale. Fair values of the properties occupied by the company will be measured only if circumstances indicate that the financial condition of the Company is in question.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at amortized cost using the interest method.
3. Common stocks are stated at market value. Common stock of three wholly owned non-insurance subsidiaries are valued under Statutory Accounting Principles, with adjustments for statutory valuation rules as prescribed by these principles.
4. Preferred stocks are stated at cost.
5. The Company does not have any mortgage loans on real estate to report in 2016 or 2015.
6. Mortgage-backed securities are stated at amortized cost.
7. The Company reports its three wholly owned subsidiaries, MBA, VPA, and MMS at statutory surplus. One of these companies, VPA, a non-insurance company, is reported at audited GAAP (Generally Accepted Accounting Principles) equity and is adjusted, where applicable, in accordance with statutory invested asset valuation rules. The two other companies, MMS and MBA, are reported at GAAP equity, with no adjustments for statutory investment valuation rules.
8. The Company has no interest in joint ventures.
9. The Company does not have any derivatives in 2016 or 2015.
10. The Company does not calculate for premium deficiency reserves.
11. Liabilities for losses and loss claim adjustment expenses for life, accident and health contracts are estimated by the Company's valuation actuary using statistical claim development models to develop best estimates for liabilities for medical expense businesses and using tabular reserves employing mortality/morbidity tables and discount rates specified by regulatory authorities for life and disability income business.
12. The Company has not modified its capitalization policy from the prior period.
13. Pharmaceutical Rebates Receivable – Not applicable.

D. Going Concern - None

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not applicable

### NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

Not applicable

### NOTE 4 – DISCONTINUED OPERATIONS

Not applicable

### NOTE 5 – INVESTMENTS

#### A. Mortgage Loans

The Company does not have any mortgage loans.

#### B. Debt Restructuring

The Company has no invested assets that are restructured debt.

#### C. Reverse Mortgages

The Company has no investment in reverse mortgages.

#### D. Loan Backed Securities

1. Prepayment assumptions for single class and multi-class mortgages-backed/asset-backed securities were obtained from broker dealer statement values.

2. Recognized OTTI, intent to sell or inability to hold.

None

3. Recognized OTTI securities, present value of cash flows less than amortized cost.

None

4. Impaired securities for which an OTTI has not been recognized.

None

5. Management evaluates securities for other-than-temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Company to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. Based on the Company's evaluation and the intent and ability to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired at December 31, 2016 and December 31, 2015.

#### E. Repurchase Agreements and/or Securities Lending Transactions

1. Repurchase agreements are included in cash and short-term investments. The open period-end balances are \$590,466 and \$1,038,193 as of December 31, 2016 and December 31, 2015, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS (continued)

- 2. The Company’s repurchase agreements are fully collateralized by their underlying securities.
- 3. There was no collateral received at quarter end.
- 4. The Company has no securities lending agreements at period end; therefore, it has not reported any assets on Page 2, Line 10 – Securities Lending Reinvested Collateral Assets.
- 5. The underlying securities of the repurchase agreements are \$590,466 and \$1,038,193 as of December 31, 2016 and December 31, 2015, respectively. The Company does not have any Securities Lending Agreements.

F. Real Estate

- 1. No impairment losses were recorded on real estate investments during the period presented.
- 2. No real estate was held for sale or sold in the years 2016 and 2015.
- 3. There were no changes during the period in the Company’s plans to sell investment real estate.
- 4. The Company does not engage in retail land sales operations.
- 5. The Company holds no real estate investments with participating loan features.

G. Low-Income Housing

The Company has no investment in Low-Income Housing.

H. Restricted Assets

		General Account	Total Separate Account	Total	Total Prior Year	Inc/(Dec)	Total Current Year Admitted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a	Subject to contractual obligation			-		-	-	0.00%	0.00%
b	Collateral held under security lending			-		-	-	0.00%	0.00%
c	Subject to repurchase agreements			-		-	-	0.00%	0.00%
d	Subject to reverse repurchase agreements			-		-	-	0.00%	0.00%
e	Subject to dollar repurchase agreements			-		-	-	0.00%	0.00%
f	Subject to dollar reverse repurchase agreements			-		-	-	0.00%	0.00%
g	Placed under option contracts			-		-	-	0.00%	0.00%
h	Securities restricted as to sale - excluding FHLB			-		-	-	0.00%	0.00%
i	FHLB capital stock			-		-	-	0.00%	0.00%
j	On deposit with states	12,747,107	2,612,800	15,359,907	16,467,283	(1,107,376)	2,612,800	89.69%	17.01%
k	On deposit with other regulatory bodies			-		-	-	0.00%	0.00%
l	Pledged collateral to FHLB			-		-	-	0.00%	0.00%
m	Pledged as collateral not captured in other			-		-	-	0.00%	0.00%
n	Other restricted assets			-		-	-	0.00%	0.00%
	Total Restricted Assets	12,747,107	2,612,800	15,359,907	16,467,283	(1,107,376)	2,612,800		

I. Working Capital Finance Investments

The Company has no investment in Working Capital Finance Investments.

J. Offsetting and Netting of Assets and Liabilities

The Company has no offsetting and netting of assets and liabilities.

K. Structured Notes

The Company has no investment in structured notes.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Company has no investments in joint ventures, partnerships, or limited liability companies.

NOTE 7 - INVESTMENT INCOME

A. Due and accrued income was excluded from surplus on the following bases:

Investment income is recognized on an as earned basis. Amounts earned but not yet received are recorded as a receivable on the balance sheet. Investment income earned and uncollected that is more than 90 days old is classified as non-admitted. As of December 31, 2016 and December 31, 2015, investment income earned and not yet collected was \$0 and \$16,217, respectively. There were no amounts older than 90 days for both periods.

B. The total amount excluded was \$0.

NOTE 8 – DERIVATIVE INSTRUMENTS

Not applicable

NOTE 9 – INCOME TAXES

A. The components of the net deferred tax asset/ (liability) at December 31, 2016 are as follows:

1.

	12/31/2016			12/31/2015			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
09A01									
a. Gross Deferred Tax Assets	2,584,000	-	2,584,000	2,327,000	-	2,327,000	257,000	-	257,000
b. Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a-1b)	2,584,000	-	2,584,000	2,327,000	-	2,327,000	257,000	-	257,000
d. Deferred Tax Assets Nonadmitted	1,047,000	-	1,047,000	1,095,000	-	1,095,000	(48,000)	-	(48,000)
e. Subtotal net Admitted Deferred Tax Assets (1c-1d)	1,537,000	-	1,537,000	1,232,000	-	1,232,000	305,000	-	305,000
f. Deferred Tax Liabilities	947,000	-	947,000	785,000	-	785,000	162,000	-	162,000
g. Net Admitted Deferred Tax Assets/(Net Deferred Liability) (1e-1f)	590,000	-	590,000	447,000	-	447,000	143,000	-	143,000

2.

	12/31/2016			12/31/2015			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
09A02									
a. Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks		-	-	-	-	-	-	-	-
b. Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b) 1 and 2(b) 2 Below)	590,000	-	590,000	447,000	-	447,000	143,000	-	143,000
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	590,000	-	590,000	447,000	-	447,000	143,000	-	143,000
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	947,000	-	947,000	785,000	-	785,000	162,000	-	162,000
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2a+2b+2c)	1,537,000	-	1,537,000	1,232,000	-	1,232,000	305,000	-	305,000

3.

	2016	2015
a. Ratio Percentage used to determine Recovery Period and Threshold Limitation Amount	1142%	1188%
b. Amount of Adjusted Capital and Surplus used to determine Recovery period and Threshold Limitation in 2(b) 2 above	11,713,242	12,014,744

4.

	12/31/2016			12/31/2015			Change		
	1 Ordinary percent	2 Capital Percent	3 (Col 1+2) Total Percent	1 Ordinary percent	2 Capital Percent	3 (Col 1+2) Total Percent	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
Impact of Tax Planning Strategies									
a. Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
b. Net Admitted Adjusted Gross DTAs (% of Total net Admitted Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%

c. Does the Company's tax planning strategies include the use of reinsurance?

Yes

No

X

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – INCOME TAXES (continued)

B. Regarding deferred tax liabilities that are not recognized - NONE

C. Current and deferred income taxes consist of the following major components:

Note 9C - 1

	1	2	3
	12/31/2016	12/31/2015	(Col 1-2) Change
CURRENT INCOME TAX			
a. Federal	(233,279)	65,998	(299,277)
b. Foreign		-	-
c. Subtotal	(233,279)	65,998	(299,277)
d. Federal income tax on net capital gains	18,957	(23,534)	42,491
e. Utilization of capital loss carry-forwards		-	-
f. Other		-	-
g. Federal and foreign income taxes incurred	(214,322)	42,464	(256,786)

Note 9C - 2

	1	1	3
	12/31/2016	12/31/2015	(Col 1-2) Change
DEFERRED TAX ASSETS			
a. Ordinary:			
1. Discounting of unpaid losses	3,000	2,000	1,000
2. Unearned premium reserve	13,000	22,000	(9,000)
3. Policyholder reserves		-	-
4. Investments	317,000	154,000	163,000
5. Deferred acquisition costs	4,000	4,000	-
6. Policyholder dividends accrual			-
7. Fixed assets		-	-
8. Compensation and benefits accrual	844,000	827,000	17,000
9. Pension accrual			-
10. Receivables - non admitted	7,000	6,000	1,000
11. Net operating loss carry-forward	1,320,000	1,219,000	101,000
12. Tax credit carry-forward			-
13. Other (including items <5% of total ordinary tax assets)	223,000	203,000	20,000
14. Other assets - nonadmitted			-
99. Subtotal	2,731,000	2,437,000	294,000
b. Statutory valuation allowance adjustment		-	-
c. Nonadmitted	1,194,000	1,205,000	(11,000)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	1,537,000	1,232,000	305,000
e. Capital:			
1. Investments	-	-	-
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (including items <5% of total cpaital tax assets)	-	-	-
99. Subtotal	-	-	-
f. Statutory valuation allowance adjustment	-	-	-
g. Non admitted	-	-	-
h. Admitted capital deferred tax assets (2e99-2f-2g)	-	-	-
i. Admitted deferred tax assets (2d+2h)	1,537,000	1,232,000	305,000

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – INCOME TAXES (continued)

Note 9C - 3

	1	2	3
	12/31/2016	12/31/2015	(Col 1-2) Change
DEFERRED TAX LIABILITIES			
a. Ordinary:			
1. Investments	859,000	812,000	47,000
2. Fixed assets	85,000	108,000	(23,000)
3. Deferred and uncollected premium			-
4. Policyholder reserves		-	-
5. Other (including items <5% of total ordinary tax assets)	3,000	-	3,000
99. Subtotal	947,000	920,000	27,000
b. Capital			
1. Investments	-	-	-
2. Real estate	-	-	-
3. Other (including items <5% of total capital tax assets)	-	-	-
99. Subtotal	-	-	-
c. Deferred tax liabilities (3a99+3b99)	947,000	920,000	27,000

Note 9C - 4

Net Deferred Tax Assets/Liabilities (2i-3c)

590,000	312,000	
---------	---------	--

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate  
Among the more significant book to tax adjustments were the following:

	12/31/2016	
	Amounts	Effective Tax Rate (%)
Provisions computed at statutory rate	(292,477)	34.0
Tax exempt interest deduction	(12,930)	(10.9)
Dividends received deduction	(19,318)	(15.7)
Disallowed travel and entertainment	1,116	1.1
Other tax differences	(28,768)	28.9
Realized capital gains (losses) tax	18,957	7.2
Officer Life Insurance-net	(12,902)	(8.0)
Change in net deferred income taxes	132,000	11.5
Total statutory income taxes	(214,322)	48.1
	2016	2015
Standard Federal income tax rate	34.0%	34.0%
Various Differences	1.6%	-1.2%
	35.6%	37.5%



**NOTES TO FINANCIAL STATEMENTS**

NOTE 9 – INCOME TAXES (continued)

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

1. Net operating loss carryovers that are available for offsetting future net taxable income, amount to:

Year	Amount
2016	297,000
2015	-
2014	-
2013	3,586,000
2012	-

2. The Company does not have any tax credit carryforwards available for use.
3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

1. The Company’s federal income tax return is consolidated with the following entities:

Medical Benefits Administrators, Inc.  
VisionPlus of America, Inc.  
MedBen Marketing Services, Inc.  
MedBen Analytics LLC

1. A written tax sharing consolidation agreement is approved by management. Allocation is based upon separate return calculations and the consolidated tax return calculation.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A. B. and C. The Company is the parent corporation of three wholly owned non-insurance subsidiaries which shares the same management. MBA and VPA are third party administrators (TPA’s) that administer claims in the medical and vision fields. MMS is an insurance agency that markets various life, medical, and other insurance products. No dividend income was reported in 2016 or 2015. MedBen Analytics, LLC, a majority owned subsidiary of Medical Benefits Administrators, Inc., is an administrator of bundled payments for existing health systems participating in the Centers for Medicare and Medicaid Services Bundled Payments for Care Improvement Initiative.
- D. At December 31, 2016, the Company reported \$369,147 as accounts and notes receivable from affiliates. The Company reported \$300,350 as accounts and notes payable to affiliates.
- E. On April 1, 2015, the Company entered into a management agreement between the Parent Corporation and subsidiaries. The management agreement remains in affect.
- F. There are no material management or service contracts and cost-sharing arrangements involving the Company and any related party.
- G. The Company is privately held and has no issued or outstanding shares. MBA, VPA, and MMS issued and outstanding shares are owned by the company. The valuation of these affiliates was determined under GAAP, with adjustments for statutory valuation rules, as prescribed by Statutory Accounting Principles.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES (continued)

- H. Not applicable.
- I. The Company's investment in its three subsidiaries is less than 10% of its admitted assets.
- J. The Company did not recognize any impairment write-down for its investments in subsidiary companies during this statement period.
- K. The Company has no investments in foreign insurance subsidiaries.
- L. The Company has no investments in downstream noninsurance holding companies.

### NOTE 11 – DEBT

- A. The Company has no debentures outstanding.

The Company has a line-of-credit with a maximum amount of \$1,000,000 and an interest rate equal to prime (currently 4%). This line-of-credit is collateralized by a first mortgage on real estate owned by the Company. There was an outstanding balance of \$895,646 and \$300,000 at December 31, 2016 and December 31, 2015, respectively.

The Company has a \$1,000,000 unsecured revolving credit line with a bank that was unused at December 31, 2016 and December 31, 2015. The agreement provides for interest at a rate equal to prime (currently 4.0%).

The Company, through one of its subsidiaries (VPA), also has a line of credit with a maximum amount of \$200,000 with an interest rate equal to prime (currently 4.0%). This line is unsecured, but is guaranteed by the parent. There was no outstanding balance at December 31, 2016 and December 31, 2015.

The Company does not have any reverse repurchase agreements.

- B. The Company does not have any FHLB agreements.

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

- A. Defined Benefit Plan - NONE

- B. Defined Contribution Plans

The Company currently has deferred compensation plans for specified key employees and for Board members. Effective January 1, 2013, the Board of Directors made a determination to indefinitely suspend the grant of further units and appreciation in the equity of the Company.

The Equity Participation Plan for key employees is a discretionary plan that rewards key employees with long term service to the Company. The plan shares the appreciation of equity of the Company, through December 31, 2012, with certain employees. The employee's share of the compensation vests over a ten year period, and is payable upon normal retirement, which is usually age 65. In the event that an employee terminates employment, either voluntarily or non-voluntarily, before age 65, the employee shall not be entitled to any payments at the time of termination, and forfeits his/her right to any future benefits under the plan.

The Company has estimated the present value of this liability to be \$1,879,230 at December 31, 2016 and December 31, 2015, respectively.

The Equity Participation Plan for the Directors is similar to the one for key employees, in terms of vesting, normal retirement age, and termination of directorship. The Company has estimated the

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT PLANS (continued)

present value of this liability to be \$269,198 and 623,330 at December 31, 2016 and December 31, 2015, respectively.

The liabilities for the deferred compensation plans have been included in accrued liabilities, “salaries and wages,” on the consolidated balance sheets.

The Company has a profit-sharing plan with a 401(k) feature. The plan covers all employees meeting minimum eligibility requirements. Profit-sharing contributions are determined by the Board of Directors and were 4.0% of eligible compensation for 2015 and 2.5% for 2014. The Company may match up to 50% of the first 6% salary deferral elected by each employee. The Company’s discretionary and matching contributions charged to operations for the periods ended December 31, 2016 and December 31, 2015, \$38,544 and \$75,687, respectively.

C. The Company does not participate in a multi employee plan.

D. Consolidated/Holding Company Plans

The Company has no legal obligation for benefits under these plans. Employees of subsidiary companies participate in the plans sponsored by the Company.

E. The Company has an arrangement whereby it provides deferred compensation and post-retirement health coverage to retired board members. Benefits are payable over a period not to exceed five years. The Company estimates the present value of the liability to be \$333,009 and \$393,391 at December 31, 2016 and December 31, 2015, respectively.

F. The Medicare Modernization Act has no impact on the Company’s post-retirement benefits.

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

1. The Company does not have any common stock issued or outstanding.
2. The Company does not have any preferred stock issued or outstanding.
3. The amount of dividends to be paid to policyholders is determined annually by the Company’s Board of Directors. The aggregate amount of policyholders’ dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.
4. No dividends were paid in 2016.
5. Within the limitations of dividends as stated above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
6. Total unassigned surplus as of December 31, 2016, is \$10,698,509 . This amount is held for the benefit of participating policyholders.
7. There were no advances to surplus in 2016 or 2015.
8. There was no stock held by the company, including stock of affiliated companies, held for special purposes.
9. There was no change in the balance of special surplus funds from the prior year.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 – CAPITAL AND SURPLUS, SHAREHOLDERS’ DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS (continued)

- 10. The portion of unassigned funds surplus represented or (reduced) by each item below is as follows:  
Unrealized gains and losses \$207,028
- 11. The Company has not issued any surplus notes or debentures or similar obligations.
- 12. and 13. There has been no restatement of surplus due to quasi-reorganizations.

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

Not applicable

B. Assessments

- 1. The Company has estimated that it will be assessed by various state assessment funds for their share of insurance company insolvencies in states in which the Company conducts business.
- 2. The reserve is \$50,000 for both periods ending December 31, 2016 and December 31, 2015, respectfully.

C. Gain Contingencies

Not applicable

D. The Company is partially self-insured with regards to employee health insurance. The Company is liable for a maximum of \$100,000 per covered employee per year. The Company’s aggregate annual loss limitation is based on a formula that considers, among other things, the total number of employees and their family status. For the periods ended December 31, 2016 and December 31, 2015, the Company paid \$1,468,612 and \$1,400,916, respectively under this arrangement.

E. Joint and Several Liabilities.

As of December 31, 2016, the Company had the following outstanding accounts receivable and accounts payable balances with its wholly-owned subsidiaries:

Accounts Receivable:		
Medical Benefits Administrators, Inc.	\$341,316	100% wholly-owned Subsidiary
VisionPlus of America, Inc	\$ 4,002	100% wholly-owned Subsidiary
MedBen Marketing Services, Inc.	\$ 0	100% wholly-owned Subsidiary
Accounts Payable:		
Medical Benefits Administrators, Inc.	\$ 0	100% wholly-owned Subsidiary
VisionPlus of America, Inc	\$ 0	100% wholly-owned Subsidiary
MedBen Marketing Services, Inc.	\$300,000	100% wholly-owned Subsidiary

F. The Company is involved in various lawsuits and subject to certain contingencies in the normal course of business. Management believes that the outcome of these matters will not have a material impact on the Company’s financial position.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 15 – LEASES

#### A. Lessee Leasing Arrangements

The Company leases computer equipment and vehicles under operating lease agreements expiring by 2019. Future minimum lease rentals are as follows at December 31, 2016:

	<u>Amount</u>
2017	2,988
2018	2,988
2019	<u>2,437</u>
	<u>\$ 7,413</u>

The Company has no sublease or sale-leaseback transactions.

There are no lease agreements that have been terminated early or for which the Company is no longer using the leased property.

Rental expense was \$20,981 and \$56,862 for the periods ended December 31, 2016 and December 31, 2015, respectively.

#### B. Lessor Leases – NONE

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

Not applicable

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

Not applicable

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

#### A. ASO Plans

Not applicable

#### B. ASC Plans

Not applicable

#### C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – Not applicable

No amounts related to these plans have been written-off as of December 31, 2016.

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

Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 20 – FAIR VALUE MEASUREMENTS

A.

1. Fair Value Measurements at Reporting Date

1	2	3	4	5
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds				
Industrial and Misc	-	-	-	-
Total Bonds	-	-	-	-
Common stock				
Industrial and Misc	2,461,624	-	-	2,461,624
Mutual Funds	841,162	-	-	841,162
Total Common Stocks	3,302,786			3,302,786
Total assets at fair value	3,302,786	-	-	3,302,786
b. Liabilities at fair value				
None	-	-	-	-
Total liabilities at fair value	-	-	-	-

The Company has categorized its assets and liabilities into the three-level fair value hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets and liabilities included within the three-level fair value hierarchy presented in the table above.

Level 1 – This category currently only includes common stock and mutual funds that can be readily sold. As of December 31, 2016, no bonds were moved into the classification of short-term so they were not classified in this hierarchy. The Company does not have any Call or Put Options placed on their securities.

Level 2 – The Company has no Level 2 assets or liabilities.

Level 3 – The Company has no Level 3 assets or liabilities.

The asset or liability’s fair value measurement level within fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

3. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – NONE

1	2	3	4	5	6	7	8	9	10	11
	Balance at 12/31/2015	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in surplus	Purchases	Issuances	Sales	Settlements	Balance at 12/31/16
RMBS										
CMBS										
.....										
.....										
.....										
Total										

NOTES TO FINANCIAL STATEMENTS

NOTE 20 – FAIR VALUE MEASUREMENTS (continued)

3. Policy on Transfers into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into our out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company has no assets or liabilities measured at fair value in the Level 2 or the Level 3 category.

5. Derivative Fair Values – NONE

B. Other Fair Value Disclosures

Not applicable

C. Fair Values for All Financial Instruments by Levels 1, 2, and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries). The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

1	2	3	4	5	6	7
Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practical (Carrying Value)
Financial instruments - assets						
Bonds	4,995,966	5,003,115	5,003,115	-	-	-
Preferred stocks	500	500	500	-	-	-
Common stocks	6,175,118	6,172,763	6,172,763	-	-	-
Short-term investments	1,111,519	1,111,519	1,111,519	-	-	-
Total assets	12,283,103	12,287,897	12,287,897	-	-	-
Financial instruments - liabilities						
None	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

D. Reasons Not Practical to Estimate Fair Value – NONE

NOTE 21 – OTHER ITEMS

A. Extraordinary Items – Not applicable.

B. Troubled Debt Restructuring – Not applicable.

C. Other Disclosures and Unusual Items

Assets in the amount of \$2,612,800 and \$2,605,898 on December 31, 2016 and December 31, 2015, respectively were on deposit with government authorities or trustees as required by law.

At December 31, 2016 and December 31, 2015, the Company had admitted assets of \$1,849 and \$79,059, respectively, in accounts receivable for uninsured plans. The Company does not have any amounts due from agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become

NOTES TO FINANCIAL STATEMENTS

NOTE 21 – OTHER ITEMS (continued)

uncollectible, and the potential loss is not material to the Company’s financial condition. No amounts have been written off in 2016 or 2015.

- D. The Company had no business interruption insurance recoveries.
- E. The Company has no investments in State Transferable Tax Credits.
- F. The Company has no exposure to subprime mortgage risk.
- G. The Company has no Retained Asset accounts.

NOTE 22 – EVENTS SUBSEQUENT

Type I – Recognized Subsequent Events – As of December 31, 2016, the Company has no subsequent events.

Type II – Non-recognized Subsequent Events – As of December 31, 2016, the Company has no subsequent events.

On January 1, 2016, the Company was subject to the annual Health Insurance Providers Fee under the Affordable Care Act Provision 9010. Up to September 30, 2016, the Company wrote health insurance subject to the ACA assessment and estimates \$0 will be due August 1, 2017. The Company stopped writing health insurance October 1, 2016, and will conduct no health insurance business in 2017.

		Current Year	Prior Year
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	
B	ACA fee assessment payable for the upcoming year	\$0	\$0
C	ACA fee assessment paid	\$0	\$0
D	Premium written subject to ACA 9010 assessment	2,072,232	\$5,464,144
E	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 30)	\$11,713,242	
F	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	\$11,713,242	
G	Authorized Control Level (Five-Year Historical Line 31)	\$1,025,534	
H	Would reporting the ACA assessment as of December 31, 2015, have triggered an RBC action level (YES/NO)?	No	

NOTE 23 – REINSURANCE

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- 1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, but the company or by any representative, officer, trustee, or director of the company? Yes ( ) No (X)
- 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) which is owned in excess of 10% or controlled directly or indirectly by an



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 23 – REINSURANCE (continued)

insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (X)

#### Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)

2. Does the company 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 which, 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? Yes ( ) No (X)

#### B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the period.

#### C. Commutation of Reinsurance Reflected in Income and Expenses

The Company has not commuted any ceded reinsurance during the period.

#### D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

The reinsurer used by the Company has not been downgraded or subject to revocation.

### NOTE 24 – RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

A. The Company does not have any retrospective premium adjustments.

B. Not applicable.

C. The amount of premium written by the Company subject to the medical loss ratio rebate was \$1,023,066.

D. The Company has no paid or payable medical loss ratio rebates.

#### E. Risk Sharing Provisions of the Affordable Care Act

1) The company wrote accident and health insurance premium subject to the ACA risk sharing provisions.

##### 2) Impact of Risk Sharing Provisions

- Permanent ACA Risk Adjustment Program – As of December 31, 2016, the company paid \$676,904 in ACA risk adjustment user fees for 2015. The company booked a \$150,000 payable due for anticipated ACA risk adjustment fees for 2016. The company has not booked a receivable or expects to receive any recovery for federal funding to offset this risk sharing program.
- Transitional ACA Reinsurance Program – As of December 31, 2016, the company booked \$745 in liabilities for contributions payable due to ACA Reinsurance. The company has not booked a receivable or expects to receive any recovery for federal funding to offset this risk sharing program.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 24 – RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION (continued)

- Temporary ACA Risk Corridors Program – the company has no obligations under this program as the company does not write any individual policies and thus will not be eligible for reimbursements.

### NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years occurred as anticipated during 2016. See Schedule H – Part 3 and the Five Year Historical Data in the annual statement.

Original estimates are increased or decreased as additional information becomes known regarding individual claims. However, the change in incurred losses from December 31, 2015, to December 31, 2016, coincided with the change in the Company's block of business. No other significant trends or unanticipated events have been noted in 2016. None of the Company's accident and health contracts are subject to retrospective rating or experience refunds.

### NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

### NOTE 27 – STRUCTURED SETTLEMENTS

The Company has not purchased any structured settlements to fulfill obligations of claimants.

### NOTE 28 – HEALTH CARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables – NONE
- B. Risk Sharing Receivables - NONE

### NOTE 29 – PARTICIPATING POLICIES

Not applicable

### NOTE 30 – PREMIUM DEFICIENCY RESERVES

- |   |               |
|---|---------------|
| 1. Liability carried for premium deficiency reserves              | \$0           |
| 2. Date of the most recent evaluation of this liability           | March 1, 2015 |
| 3. Was anticipated investment income utilized in the calculation? | No            |

### NOTE 31 – RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

1. The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
2. The Company had no substandard policies; therefore no methods for valuation were employed.
3. As of December 31, 2016, the Company had \$0 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. No reserves to cover the above insurance were necessary.
4. The Company does not compute The Tabular Interest, the Tabular Less Actual Reserve Released, and the Tabular Cost.

NOTES TO FINANCIAL STATEMENTS

NOTE 31 – RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS (continued)

- 5. The Company does not compute Tabular Interest on funds not involving life contingencies.
- 6. The Company does not have any products that would qualify as “deposit type” contracts, therefore there are no reserve changes for life or annuity contracts under a Deposit Type Contract.

NOTE 32 – ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

Not applicable

NOTE 33 – PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

The Company has no deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2016.

NOTE 34 – SEPARATE ACCOUNTS

Not applicable

NOTE 35 – LOSS/CLAIM ADJUSTMENT EXPENSES

	Period Ended		
	December 31, 2016		December 31, 2015
Balance at beginning of period	\$ 30,000		\$ 30,000
Amount incurred:			
Current year	(20,000)		-
Prior years	-		-
	(20,000)		-
Less amount paid:			
Current year	-		-
Prior years	-		-
	-		-
Balance at end of period	\$ 10,000		\$ 30,000

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 [ X ]

1.2

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

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

1.3

State Regulating? .....

2.1

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

Yes [ ] No [ X ]

2.2

If yes, date of change: .....

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2013

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. ....

04/07/2015

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). ....

04/07/2015

3.4

By what department or departments?  
Ohio Department of Insurance .....

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

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

3.6

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

Yes [ ] No [ X ] 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? .....  
4.12 renewals? .....

Yes [ ] No [ X ]  
Yes [ ] No [ X ]

4.2

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

Yes [ ] No [ X ]  
Yes [ ] No [ X ]

5.1

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

Yes [ ] No [ X ]

5.2

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

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

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....

Yes [ ] No [ X ]

6.2

If yes, give full information: .....

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? .....

Yes [ ] No [ X ]

7.2

If yes,  
7.21 State the percentage of foreign control; ..... %  
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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ ] No [ X ]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Wilson, Shannon & Snow  
10 W. Locust St  
Newark, OH 43055
- 10.1

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

Yes [ ] No [ X ]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

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

Yes [ ] No [ X ]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [ X ] No [ ] N/A [ ]
- 10.6

If the response to 10.5 is no or n/a, please explain
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?  
United Health Actuarial Services  
11611 North Meridian St.  
Carmel, IN 46032
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ] No [ X ]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value

\$
- 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 [ X ] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11

If the response to 14.1 is No, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [ ] No [ X ]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [ ] No [ X ]
- 14.31

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

GENERAL INTERROGATORIES

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate 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 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\$

20.12 To stockholders not officers\$

20.13 Trustees, supreme or grand (Fraternal Only)\$
- 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\$

20.22 To stockholders not officers\$

20.23 Trustees, supreme or grand (Fraternal Only)\$
- 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 reported 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:\$369,147

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes ☒ 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 ☒

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as 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 currently 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	\$	
		25.22 Subject to reverse repurchase agreements	\$	
		25.23 Subject to dollar repurchase agreements	\$	
		25.24 Subject to reverse dollar repurchase agreements	\$	
		25.25 Placed under option agreements	\$	
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	
		25.27 FHLB Capital Stock	\$	
		25.28 On deposit with states	\$	2,612,800
		25.29 On deposit with other regulatory bodies	\$	
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	
		25.32 Other	\$	

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? Yes ☐ No ☐ N/A ☒  
If no, attach a description with this statement.

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

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 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
Park National Bank	550 North Third St, Newark, OH 43055
Merrill Lynch	461 Sawmill Rd, Columbus, OH 43220

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

GENERAL INTERROGATORIES

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
Park National Bank .....	U.....
Merril Lynch .....	U.....
.....	.....

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 [ X ] 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 [ X ]

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

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

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? ..... Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....	.....	.....
29.2999 - Total		0

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 .....	5,003,115	4,995,966	(7,149)
30.2 Preferred stocks .....	500	500	0
30.3 Totals	5,003,615	4,996,466	(7,149)

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 [ X ] No [ ]

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

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

.....

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

32.2 If no, list exceptions:

.....



GENERAL INTERROGATORIES

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? .....\$ .....39,748

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
Katz .....	18,191
Vorys, Sater, Seymour and Peas .....	12,027
.....	.....

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

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 - LIFE INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force? .....

Yes [ ] No [ X ]

1.2

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

\$

1.3

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

\$

1.31

Reason for excluding: .....

1.4

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

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance. ....

\$

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 .....

2,021,218

5,258,305

2.2

Premium Denominator .....

2,218,560

5,495,811

2.3

Premium Ratio (2.1/2.2) .....

0.911

0.957

2.4

Reserve Numerator .....

97,763

845,779

2.5

Reserve Denominator .....

157,763

905,779

2.6

Reserve Ratio (2.4/2.5) .....

0.620

0.934

3.1

Does this reporting entity have Separate Accounts? .....

Yes [ ] No [ X ]

3.2

If yes, has a Separate Accounts Statement been filed with this Department? .....

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

3.3

What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? .....

\$

3.4

State the authority under which Separate Accounts are maintained: .....

3.5

Was any of the reporting entity's Separate Accounts business reinsured as of December 31? .....

Yes [ ] No [ X ]

3.6

Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? .....

Yes [ ] No [ X ]

3.7

If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? .....

4.1

Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? .....

Yes [ ] No [ X ]

4.2

Net reimbursement of such expenses between reporting entities:

4.21

Paid .....

\$

4.22

Received .....

\$

5.1

Does the reporting entity write any guaranteed interest contracts? .....

Yes [ ] No [ X ]

5.2

If yes, what amount pertaining to these lines is included in:

5.21

Page 3, Line 1 .....

\$

5.22

Page 4, Line 1 .....

\$

6.

FOR STOCK REPORTING ENTITIES ONLY:

6.1

Total amount paid in by stockholders as surplus funds since organization of the reporting entity: .....

\$

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11

Cash .....

\$

7.12

Stock .....

\$

GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: ..... Yes [ ] No [ X ]  
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death  
benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business  
originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? ..... Yes [ ] No [ ]

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium .....			0
8.32 Paid claims .....			0
8.33 Claim liability and reserve (beginning of year) .....			0
8.34 Claim liability and reserve (end of year) .....			0
8.35 Incurred claims .....	0	0	0

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000		
8.42	\$25,000 - 99,999		
8.43	\$100,000 - 249,999		
8.44	\$250,000 - 999,999		
8.45	\$1,000,000 or more		

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? .....\$ .....

9.1 Does the company have variable annuities with guaranteed benefits? ..... Yes [ ] No [ X ]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1	2	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Guaranteed Death Benefit	Guaranteed Living Benefit							
.....	.....	.....	.....	.....	.....	.....	.....	.....

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:  
10.1 Amount of loss reserves established by these annuities during the current year: .....\$ .....  
10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2
P&C Insurance Company And Location	Statement Value on Purchase Date of Annuities (i.e., Present Value)
.....	.....
.....	.....

11.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

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

11.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

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

GENERAL INTERROGATORIES

12.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? ..... Yes [ ] No [ ] N/A [ X ]  
12.2 If the answer to 12.1 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
.....	.....	.....	.....	.....	.....	.....

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

13.1 Direct Premium Written .....\$ .....  
13.2 Total Incurred Claims .....\$ .....  
13.3 Number of Covered Lives .....

*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 gurantee)
Universal Life (with or without secondary gurantee)
Variable Universal Life (with or without secondary gurantee)

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.  
Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Life Insurance in Force</b> (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....					
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	0	0	0	0	0
3. Credit life (Line 21, Col. 6) .....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....	60,355	21,775	49,304	50,748	69,280
5. Industrial (Line 21, Col. 2) .....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....	0	0	0	0	0
7. Total (Line 21, Col. 10) .....	60,355	21,775	49,304	50,748	69,280
<b>New Business Issued</b> (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....					
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....	0	0	0	0	0
10. Credit life (Line 2, Col. 6) .....	0	0	0	0	0
11. Group (Line 2, Col. 9) .....	45,367	1,477	16,421	(9,531)	10,626
12. Industrial (Line 2, Col. 2) .....	0	0	0	0	0
13. Total (Line 2, Col. 10) .....	45,367	1,477	16,421	(9,531)	10,626
<b>Premium Income - Lines of Business</b> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....	0	0		0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	0	0		0	0
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....	0	0		0	0
16. Credit life (group and individual) (Line 20.4, Col. 5) .....	0	0		0	0
17.1 Group life insurance (Line 20.4, Col. 6) .....	197,341	237,506	247,752	350,524	378,182
17.2 Group annuities (Line 20.4, Col. 7) .....	0	0		0	0
18.1 A & H-group (Line 20.4, Col. 8) .....	2,021,219	5,258,305	7,301,382	19,370,861	19,310,149
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....	0	0		0	0
18.3 A & H-other (Line 20.4, Col. 10) .....	0	0		0	0
19. Aggregate of all other lines of business (Line 20.4,Col. 11) .....	0	0		0	0
20. Total .....	2,218,560	5,495,811	7,549,134	19,721,384	19,688,331
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	15,359,907	16,467,281	19,380,645	21,373,386	24,584,865
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	4,661,340	5,462,325	8,177,035	10,284,084	10,005,585
23. Aggregate life reserves (Page 3, Line 1) .....	0	0	0	0	0
24. Aggregate A & H reserves (Page 3, Line 2) .....	0	0	0	0	0
25. Deposit-type contract funds (Page 3, Line 3) .....					0
26. Asset valuation reserve (Page 3, Line 24.01) .....	1,014,733	1,009,787	894,287	922,535	846,638
27. Capital (Page 3, Lines 29 and 30) .....	0	0	0	0	0
28. Surplus (Page 3, Line 37) .....	10,698,567	11,004,957	11,203,610	11,089,301	14,579,280
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	(1,351,360)	(1,552,223)	(1,340,595)	(4,718,823)	1,463,056
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	11,713,300	12,014,744	12,097,897	12,011,836	15,425,920
31. Authorized control level risk - based capital .....	1,025,549	1,011,700	1,024,173	1,674,333	1,374,358
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	36.9	38.3	37.0	45.4	30.2
33. Stocks (Lines 2.1 and 2.2) .....	45.5	39.9	31.5	30.6	22.3
34. Mortgage loans on real estate(Lines 3.1 and 3.2 ) .....	0.0	0.0	0.0	0.0	0.0
35. Real estate (Lines 4.1, 4.2 and 4.3) .....	8.8	12.8	13.3	13.7	11.5
36. Cash, cash equivalents and short-term investments (Line 5) .....	8.8	8.9	18.2	10.3	36.0
37. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
38. Derivatives (Page 2, Line 7) .....	0.0	0.0	0.0	0.0	0.0
39. Other invested assets (Line 8) .....	0.0	0.0	0.0	0.0	0.0
40. Receivables for securities (Line 9) .....	0.0	0.0	0.0	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	0.0
42. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....					0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....	500	500	500	500	500
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....	2,365,824	2,319,533	2,084,300	1,447,650	1,537,489
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
48. Affiliated mortgage loans on real estate .....					
49. All other affiliated .....					
50. Total of above Lines 44 to 49 .....	2,366,324	2,320,033	2,084,800	1,448,150	1,537,989
51. Total Investment in Parent included in Lines 44 to 49 above .....					
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) ..	1,513,773	1,688,509	1,634,571	1,655,534	662,224
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	15,359,907	16,467,281	19,380,645	21,373,386	24,584,865
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	(54,299)	(196,962)	63,346	316,373	198,420
55. Realized capital gains (losses) (Page 4, Line 34, Column 1 ) .....	36,799	49,184	65,873	45,070	3,871
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....	207,028	108,443	(63,600)	412,181	269,707
57. Total of above Lines 54, 55 and 56 .....	189,528	(39,335)	65,619	773,623	471,999
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11,12, 13, 14 and 15 Cols. 9, 10 and 11) .....	65,000	47,500	72,508	71,872	66,070
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11) .....	718,675	3,293,951	4,996,240	19,830,601	15,983,749
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3 ) .....	0	0	0	0	0
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11) .....	0	0	0	0	0
62. Dividends to policyholders (Line 30, Col. 1) .....	0	0	0	0	0
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	200.4	88.9	53.2	33.5	29.1
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0 .....	0.0	0.0	0.0	0.0	0.0
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....	42.0	69.2	80.6	105.2	88.8
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....	6.9	8.5	11.3	6.7	4.6
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....	195.8	76.5	45.7	28.0	27.5
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....	845,781	1,342,815	3,891,822	3,210,003	3,287,474
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....	845,779	1,340,000	3,891,819	3,210,000	3,284,804
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	0	0	0	0	0
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	0	0	0	0	0
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Col. 2) .....	0	0	0	0	0
73. Ordinary - life (Col. 3) .....	0	0	0	0	0
74. Ordinary - individual annuities (Col. 4) .....	0	0	0	0	0
75. Ordinary-supplementary contracts (Col. 5) .....	0	0	0	0	0
76. Credit life (Col. 6) .....	0	0	0	0	0
77. Group life (Col. 7) .....	(58,372)	(157,485)	126,087	249,427	270,754
78. Group annuities (Col. 8) .....	0	0	0	0	0
79. A & H-group (Col. 9) .....	(605,372)	158,336	(92,261)	(3,113,799)	(149,468)
80. A & H-credit (Col. 10) .....	0	0	0	0	0
81. A & H-other (Col. 11) .....	0	0	0	0	0
82. Aggregate of all other lines of business (Col. 12) ....	0	0	0	0	0
83. Total (Col. 1) .....	(663,744)	851	33,826	(2,864,372)	121,286

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: .....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Medical Benefits Mutual Life Insurance Co.

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year .....	0	0	0	0	0	0	81	1,128	21,775	21,775
2. Issued during year .....		0		0		0	22	2,852	45,367	45,367
3. Reinsurance assumed .....										0
4. Revived during year .....										0
5. Increased during year (net) .....										0
6. Subtotals, Lines 2 to 5 .....	0	0	0	0	0	0	22	2,852	45,367	45,367
7. Additions by dividends during year .....	XXX		XXX		XXX		XXX	XXX		0
8. Aggregate write-ins for increases .....	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8) .....	0	0	0	0	0	0	103	3,980	67,142	67,142
Deductions during year:										
10. Death .....							XXX			0
11. Maturity .....							XXX			0
12. Disability .....							XXX			0
13. Expiry .....										0
14. Surrender .....										0
15. Lapse .....										0
16. Conversion .....							XXX	XXX	XXX	0
17. Decreased (net) .....							29	1,305	6,787	6,787
18. Reinsurance .....										0
19. Aggregate write-ins for decreases .....	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19) .....	0	0	0	0	0	0	29	1,305	6,787	6,787
21. In force end of year (Line 9 minus Line 20) .....	0	0	0	0	0	0	74	2,675	60,355	60,355
22. Reinsurance ceded end of year .....	XXX		XXX		XXX		XXX	XXX	11,078	11,078
23. Line 21 minus Line 22 .....	XXX	0	XXX	0	XXX	(b)	XXX	XXX	49,277	49,277
DETAILS OF WRITE-INS										
0801. ....										
0802. ....										
0803. ....										
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....	0	0	0	0	0	0	0	0	0	0
1901. ....										
1902. ....										
1903. ....										
1998. Summary of remaining write-ins for Line 19 from overflow page .....	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above) .....	0	0	0	0	0	0	0	0	0	0

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$ ..... ; Individual \$ .....

EXHIBIT OF LIFE INSURANCE (Continued)  
ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1	2	3	4
	Number of Policies	Amount of Insurance	Number of Policies	Amount of Insurance (a)
24. Additions by dividends .....	XXX	XXX	XXX	
25. Other paid-up insurance .....	XXX	XXX		
26. Debit ordinary insurance .....	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
Term Insurance Excluding Extended Term Insurance	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)
27. Term policies - decreasing .....				
28. Term policies - other .....				
29. Other term insurance - decreasing .....	XXX		XXX	
30. Other term insurance .....	XXX		XXX	
31. Totals (Lines 27 to 30) .....				
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX	XXX	XXX	
33. Totals, extended term insurance .....	XXX	XXX		
34. Totals, whole life and endowment .....				
35. Totals (Lines 31 to 34) .....				

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial .....				
37. Ordinary .....				
38. Credit Life (Group and Individual) .....				
39. Group .....	45,367		60,356	
40. Totals (Lines 36 to 39) .....	45,367	0	60,356	0

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1	2	3	4
	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to reinsurers .....	XXX	XXX	XXX	
42. Number in force end of year if the number under (41) is counted on a pro-rata basis .....		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21 .....				
44. Servicemen's Group Life Insurance included in Line 21 .....				
45. Group Permanent Insurance included in Line 21 .....				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a) .....	
---	--

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contracts on Family Income, Mortgage Endowment, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Child, etc., policies and riders included above .....	
47.1 .....	
47.2 .....	

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
	1	2	3	4	5	6	7	8
Disability Provisions	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
48. Waiver of Premium .....								
49. Disability Income .....								
50. Extended Benefits .....			XXX					
51. Other .....								
52. Total .....		(b)		(b)		(b)		(b)

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit "000").  
(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions



Exhibit of Number of Policies, Contracts, ...Supplementary Contracts

**N O N E**

Exhibit of Number of Policies, Contracts, ...Annuities

**N O N E**

Exhibit of Number of Policies, Contracts, ...Accident and Health Insurance

**N O N E**

Exhibit of Number of Policies, Contracts, ...Deposit Funds

**N O N E**

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.			1	Direct Business Only					
				Life Contracts		4	5	6	7
				2	3				
Active Status			Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts	
1.	Alabama	AL	N					.0	
2.	Alaska	AK	N					.0	
3.	Arizona	AZ	N					.0	
4.	Arkansas	AR	L					.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	L					.0	
15.	Indiana	IN	L	140,196	0	757,362	.0	897,558	0
16.	Iowa	IA	N					.0	
17.	Kansas	KS	L					.0	
18.	Kentucky	KY	L					.0	
19.	Louisiana	LA	N					.0	
20.	Maine	ME	N					.0	
21.	Maryland	MD	N					.0	
22.	Massachusetts	MA	N					.0	
23.	Michigan	MI	L					.0	
24.	Minnesota	MN	N					.0	
25.	Mississippi	MS	N					.0	
26.	Missouri	MO	L					.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	L					.0	
35.	North Dakota	ND	N					.0	
36.	Ohio	OH	L	83,263	0	1,304,844	.0	1,388,107	0
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	L					.0	
42.	South Dakota	SD	N					.0	
43.	Tennessee	TN	L					.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	L	7,467	0	10,025	.0	17,492	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
59.	Subtotal	(a)	12	230,926	0	2,072,231	.0	2,303,157	0
90.	Reporting entity contributions for employee benefits plans	XXX						.0	
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX						.0	
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX						.0	
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX						.0	
94.	Aggregate or other amounts not allocable by State	XXX		0	0	0	.0	.0	0
95.	Totals (Direct Business)	XXX		230,926	0	2,072,231	.0	2,303,157	0
96.	Plus reinsurance assumed	XXX						.0	
97.	Totals (All Business)	XXX		230,926	0	2,072,231	.0	2,303,157	0
98.	Less reinsurance ceded	XXX		33,585		51,013		84,598	
99.	Totals (All Business) less Reinsurance Ceded	XXX		197,341	0	(b) 2,021,218	0	2,218,559	0
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	.0	.0	0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0
9401.		XXX							
9402.		XXX							
9403.		XXX							
9498.	Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	.0	.0	0
9499.	Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		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.

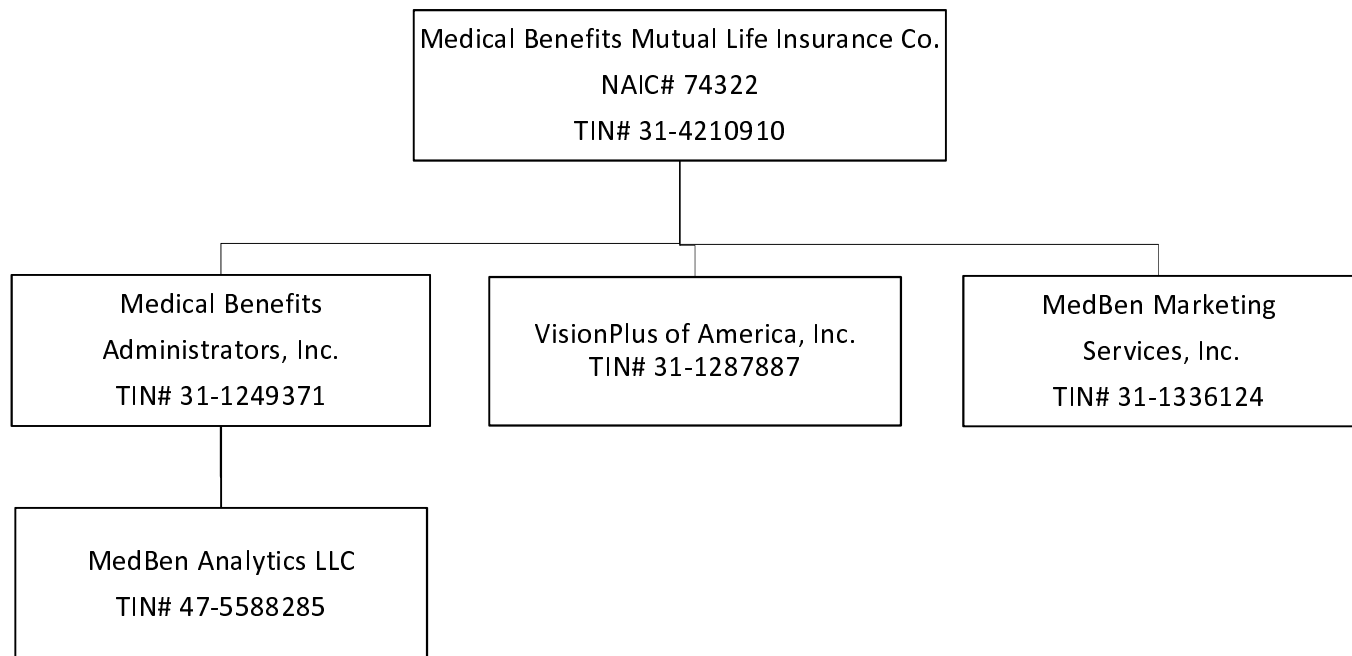
Explanation of basis of allocation by states, etc., of premiums and annuity considerations

Direct by state

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

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Schedule H, Part 1, Line 1.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Medical Benefits Mutual Life Insurance Co.



Medical Benefits Administrators, Inc.	TPA for single employer benefit plans; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
VisionPlus of America, Inc.	TPA for group vision employer benefits plans; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
MedBen Marketing Services, Inc.	Agency; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
MedBen Analytics LLC	Medicare shared savings; majority-owned subsidiary of Medical Benefits Administrators, Inc.

**OVERFLOW PAGE FOR WRITE-INS**

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