



HEALTH ANNUAL STATEMENT

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

Humana Health Plan of Ohio, Inc.

NAIC Group Code01190119NAIC Company Code95348Employer's ID Number31-1154200
(Current)(Prior)

Organized under the Laws ofOhio, State of Domicile or Port of EntryOH

Country of DomicileUnited States of America

Licensed as business type:Health Maintenance Organization

Is HMO Federally Qualified? Yes [X] No []

Incorporated/Organized08/19/1985Commenced Business03/10/1979

Statutory Home Office640 Eden Park DriveCincinnati , OH, US 45202-6056
(Street and Number)(City or Town, State, Country and Zip Code)

Main Administrative Office640 Eden Park DriveCincinnati , OH, US 45202-6056513-784-5320
(Street and Number)(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Mail AddressP.O. Box 740036Louisville , KY, US 40201-7436
(Street and Number or P.O. Box)(City or Town, State, Country and Zip Code)

Primary Location of Books and Records640 Eden Park DriveCincinnati , OH, US 45202-6056513-784-5320
(Street and Number)(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Internet Website Addresswww.humana.com

Statutory Statement ContactAmanda Nethery502-580-3026
(Name)(Area Code) (Telephone Number)

DOIINQUIRIES@humana.com502-580-2099
(E-mail Address)(FAX Number)

OFFICERS

President & CEOBruce Dale BroussardSr. VP & CFOBrian Andrew Kane

VP & Corporate SecretaryJoan Olliges LenahanVP & Chief ActuaryKenny Waitem Kan

OTHER

| | | |
|---|--|--|
| Stephen Michael Arnhold, Vice President | Alan James Bailey, VP & Treasurer | Elizabeth Diane Bierbower, Pres. Group Segment |
| Renee Jacqueline Buckingham, VP & Division Leader- Eastern Division | Jonathan Albert Canine, VP & Appointed Actuary | John Gregory Catron, VP & Chief Compliance Officer |
| Douglas Edwards #, Vice President | Brian Phillip LeClaire, Ph.D., Sr VP & Chief Info Officer | Heidi Suzanne Margulis, Sr. Vice President |
| Mark Matthew Matzke, VP, Group Segment Leadership | Steven Edward McCulley, SVP, Medicare Operations | William Mark Preston, VP-Investment Management |
| Tamara Lynn Quiram, Seg. VP & Pres., Small Business & Large Group | Richard Donald Remmers, VP, Group Segment | George Renaudin II, Seg. VP, Medicare: East |
| Donald Hank Robinson, Vice President-Tax | Joseph Christopher Ventura, Vice President and Assistant Corporate Secretary | Timothy Alan Wheatley, President, Retail Segment |
| Ralph Martin Wilson, Vice President | Tod James Zacharias #, Vice President | Cynthia Hillebrand Zipperle, VP & Chief Accounting Officer |

DIRECTORS OR TRUSTEES

Bruce Dale Broussard

Brian Andrew Kane

James Elmer Murray

State ofKentucky

County ofJefferson

SS:

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.

Bruce Dale BroussardJoan Olliges LenahanAlan James Bailey
President & CEOPresident & CEOPresident & Treasurer

Subscribed and sworn to before me this24th day ofFebruary, 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.....

Michele Sizemore
Notary Public
January 3, 2019

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

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) | 127,548,941 | 0 | 127,548,941 | 95,835,117 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 | 0 |
| 2.2 Common stocks | 0 | 0 | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | 0 | 0 | 0 | 0 |
| 3.2 Other than first liens | 0 | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 4.2 Properties held for the production of income (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 4.3 Properties held for sale (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 5. Cash (\$(1,386,238) , Schedule E - Part 1), cash equivalents (\$11,995,917 , Schedule E - Part 2) and short-term investments (\$7,729,356 , Schedule DA) | 18,339,035 | 0 | 18,339,035 | 36,306,059 |
| 6. Contract loans, (including \$0 premium notes) | 0 | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB) | 0 | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 304,479 | 0 | 304,479 | 304,479 |
| 9. Receivables for securities | 250,000 | 0 | 250,000 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 146,442,455 | 0 | 146,442,455 | 132,445,655 |
| 13. Title plants less \$0 charged off (for Title insurers only) | 0 | 0 | 0 | 0 |
| 14. Investment income due and accrued | 1,070,589 | 0 | 1,070,589 | 701,362 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 1,749,542 | 400,370 | 1,349,172 | 3,363,591 |
| 15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums) | 0 | 0 | 0 | 0 |
| 15.3 Accrued retrospective premiums (\$0) and contracts subject to redetermination (\$9,381,504) | 9,381,504 | 0 | 9,381,504 | 5,400,853 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 1,683,489 | 0 | 1,683,489 | 5,195,858 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 127 | 0 | 127 | 0 |
| 17. Amounts receivable relating to uninsured plans | 2,844,123 | 0 | 2,844,123 | 7,842,803 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 2,983,321 | 0 | 2,983,321 | 4,068,371 |
| 18.2 Net deferred tax asset | 4,994,456 | 894,412 | 4,100,044 | 10,068,154 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 0 | 0 | 0 | 80,584 |
| 21. Furniture and equipment, including health care delivery assets (\$0) | 1,680,401 | 1,680,401 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 2,823,895 | 0 | 2,823,895 | 2,126,834 |
| 24. Health care (\$7,466,771) and other amounts receivable | 9,882,509 | 2,199,826 | 7,682,683 | 5,475,478 |
| 25. Aggregate write-ins for other than invested assets | 1,093,666 | 982,296 | 111,370 | 55,903 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 186,630,077 | 6,157,305 | 180,472,772 | 176,825,446 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 186,630,077 | 6,157,305 | 180,472,772 | 176,825,446 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Prepaid Expenses | 541,974 | 541,974 | 0 | 0 |
| 2502. Deposits | 278,764 | 278,764 | 0 | 0 |
| 2503. Prepaid Commissions | 161,558 | 161,558 | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 111,370 | 0 | 111,370 | 55,903 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 1,093,666 | 982,296 | 111,370 | 55,903 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Year | | | Prior Year |
|--|--------------|-----------|--------------|--------------|
| | 1 | 2 | 3 | 4 |
| | Covered | Uncovered | Total | Total |
| 1. Claims unpaid (less \$112,451 reinsurance ceded) | 56,211,503 | 3,522,131 | 59,733,634 | 56,026,475 |
| 2. Accrued medical incentive pool and bonus amounts | 526,428 | 0 | 526,428 | 0 |
| 3. Unpaid claims adjustment expenses | 541,497 | 0 | 541,497 | 431,133 |
| 4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act | 5,542,424 | 0 | 5,542,424 | 29,368,439 |
| 5. Aggregate life policy reserves | 0 | 0 | 0 | 0 |
| 6. Property/casualty unearned premium reserves | 0 | 0 | 0 | 0 |
| 7. Aggregate health claim reserves | 62,108 | 3,892 | 66,000 | 188,000 |
| 8. Premiums received in advance | 4,891,007 | 0 | 4,891,007 | 6,830,015 |
| 9. General expenses due or accrued | 5,172,416 | 0 | 5,172,416 | 6,247,445 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$0 on realized capital gains (losses)) | 0 | 0 | 0 | 0 |
| 10.2 Net deferred tax liability | 0 | 0 | 0 | 0 |
| 11. Ceded reinsurance premiums payable | 144,714 | 0 | 144,714 | 386,919 |
| 12. Amounts withheld or retained for the account of others | 57 | 0 | 57 | 28 |
| 13. Remittances and items not allocated | 222,933 | 0 | 222,933 | 54,452 |
| 14. Borrowed money (including \$0 current) and interest thereon \$0 (including \$0 current) | 0 | 0 | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 0 | 0 | 0 | 0 |
| 16. Derivatives | 0 | 0 | 0 | 0 |
| 17. Payable for securities | 0 | 0 | 0 | 0 |
| 18. Payable for securities lending | 0 | 0 | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$0 authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers) | 0 | 0 | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$0) companies | 0 | 0 | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | 1,107,418 | 0 | 1,107,418 | 22,774 |
| 23. Aggregate write-ins for other liabilities (including \$0 current) | 0 | 0 | 0 | 0 |
| 24. Total liabilities (Lines 1 to 23) | 74,422,505 | 3,526,023 | 77,948,528 | 99,555,680 |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 10,559,171 |
| 26. Common capital stock | XXX | XXX | 1,000 | 1,000 |
| 27. Preferred capital stock | XXX | XXX | 0 | 0 |
| 28. Gross paid in and contributed surplus | XXX | XXX | 137,601,893 | 137,601,893 |
| 29. Surplus notes | XXX | XXX | 0 | 0 |
| 30. Aggregate write-ins for other than special surplus funds | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus) | XXX | XXX | (35,078,649) | (70,892,298) |
| 32. Less treasury stock, at cost: 32.1 .....0 shares common (value included in Line 26 \$0) | XXX | XXX | 0 | 0 |
| 32.2 .....0 shares preferred (value included in Line 27 \$0) | XXX | XXX | 0 | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 102,524,244 | 77,269,766 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 180,472,772 | 176,825,446 |
| DETAILS OF WRITE-INS | | | | |
| 2301. | | | | |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) | 0 | 0 | 0 | 0 |
| 2501. Special Surplus – Projected HCRL Assessment for the Upcoming Year | XXX | XXX | 0 | 10,559,171 |
| 2502. | XXX | XXX | | |
| 2503. | XXX | XXX | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | XXX | XXX | 0 | 10,559,171 |
| 3001. | XXX | XXX | | |
| 3002. | XXX | XXX | | |
| 3003. | XXX | XXX | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above) | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year | | Prior Year |
|--|----------------|--------------|--------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 1,242,547 | 1,132,434 |
| 2. Net premium income (including \$0 non-health premium income) | XXX | 740,164,084 | 579,595,573 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | (11,341,191) | 11,417,447 |
| 4. Fee-for-service (net of \$0 medical expenses) | XXX | 0 | 0 |
| 5. Risk revenue | XXX | 0 | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 728,822,893 | 591,013,020 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | 33,049,055 | 509,461,318 | 439,798,908 |
| 10. Other professional services | 0 | 18,222,666 | 10,407,978 |
| 11. Outside referrals | 0 | 0 | 0 |
| 12. Emergency room and out-of-area | 3,029,813 | 27,694,228 | 23,710,720 |
| 13. Prescription drugs | 0 | 76,194,190 | 64,486,135 |
| 14. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts | 0 | 581,516 | 13,033 |
| 16. Subtotal (Lines 9 to 15) | 36,078,868 | 632,153,918 | 538,416,774 |
| Less: | | | |
| 17. Net reinsurance recoveries | 0 | 428,730 | 4,334,563 |
| 18. Total hospital and medical (Lines 16 minus 17) | 36,078,868 | 631,725,188 | 534,082,211 |
| 19. Non-health claims (net) | 0 | 0 | 0 |
| 20. Claims adjustment expenses, including \$23,892,486 cost containment expenses | 0 | 28,444,693 | 24,302,830 |
| 21. General administrative expenses | 0 | 82,244,541 | 67,006,803 |
| 22. Increase in reserves for life and accident and health contracts (including \$0 increase in reserves for life only) | 0 | (19,845,000) | 3,259,000 |
| 23. Total underwriting deductions (Lines 18 through 22)..... | 36,078,868 | 722,569,422 | 628,650,844 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | 6,253,471 | (37,637,824) |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17) | 0 | 2,364,247 | 2,849,453 |
| 26. Net realized capital gains (losses) less capital gains tax of \$350,152 | 0 | 650,282 | 639,908 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 3,014,529 | 3,489,361 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$0) (amount charged off \$0)] | 0 | 0 | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | (43,246) | (24) |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | 9,224,754 | (34,148,487) |
| 31. Federal and foreign income taxes incurred | XXX | 806,236 | (6,892,376) |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | 8,418,518 | (27,256,111) |
| DETAILS OF WRITE-INS | | | |
| 0601. | XXX | | |
| 0602. | XXX | | |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above) | XXX | 0 | 0 |
| 0701. | XXX | | |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above) | XXX | 0 | 0 |
| 1401. | | | |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above) | 0 | 0 | 0 |
| 2901. Miscellaneous Income | 0 | 7 | (24) |
| 2902. Loss on Disposal | 0 | (43,253) | 0 |
| 2903. | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) | 0 | (43,246) | (24) |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year | 2 Prior Year |
|---|-------------------|-----------------|
| CAPITAL AND SURPLUS ACCOUNT | | |
| 33. Capital and surplus prior reporting year..... | 77,269,766 | 63,529,217 |
| 34. Net income or (loss) from Line 32 | 8,418,518 | (27,256,111) |
| 35. Change in valuation basis of aggregate policy and claim reserves | 0 | 0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$0 | 0 | 0 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | 0 | 0 |
| 38. Change in net deferred income tax | (14,400,743) | 17,341,929 |
| 39. Change in nonadmitted assets | 26,069,703 | (26,178,269) |
| 40. Change in unauthorized and certified reinsurance | 0 | 0 |
| 41. Change in treasury stock | 0 | 0 |
| 42. Change in surplus notes | 0 | 0 |
| 43. Cumulative effect of changes in accounting principles..... | 0 | 0 |
| 44. Capital Changes: | | |
| 44.1 Paid in | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend)..... | 0 | 0 |
| 44.3 Transferred to surplus..... | 0 | 0 |
| 45. Surplus adjustments: | | |
| 45.1 Paid in | 0 | 55,000,000 |
| 45.2 Transferred to capital (Stock Dividend) | 0 | 0 |
| 45.3 Transferred from capital | 0 | 0 |
| 46. Dividends to stockholders | 0 | 0 |
| 47. Aggregate write-ins for gains or (losses) in surplus | 5,167,000 | (5,167,000) |
| 48. Net change in capital and surplus (Lines 34 to 47) | 25,254,478 | 13,740,549 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 102,524,244 | 77,269,766 |
| DETAILS OF WRITE-INS | | |
| 4701. 2016 Risk Corridor Impact on Premium Deficiency Reserve | 5,167,000 | (5,167,000) |
| 4702. | | |
| 4703. | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above) | 5,167,000 | (5,167,000) |

CASH FLOW

| | 1 | 2 |
|---|--------------|--------------|
| | Current Year | Prior Year |
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance | 737,094,244 | 583,778,957 |
| 2. Net investment income | 3,727,975 | 3,472,222 |
| 3. Miscellaneous income | 0 | 0 |
| 4. Total (Lines 1 through 3) | 740,822,219 | 587,251,179 |
| 5. Benefit and loss related payments | 621,760,375 | 527,988,708 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 104,853,365 | 92,127,068 |
| 8. Dividends paid to policyholders | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$403,615 tax on capital gains (losses) | 71,338 | (4,984,301) |
| 10. Total (Lines 5 through 9) | 726,685,078 | 615,131,475 |
| 11. Net cash from operations (Line 4 minus Line 10) | 14,137,141 | (27,880,296) |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 65,788,678 | 54,519,972 |
| 12.2 Stocks | 0 | 0 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 161,853 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 56,157 | 5,008 |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 65,844,835 | 54,686,833 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 98,291,180 | 69,430,561 |
| 13.2 Stocks | 0 | 0 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 250,000 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 98,541,180 | 69,430,561 |
| 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) | (32,696,345) | (14,743,728) |
| 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 | 55,000,000 |
| 16.3 Borrowed funds | 0 | 0 |
| 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) | 592,180 | (3,801,797) |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 592,180 | 51,198,203 |
| 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) | (17,967,024) | 8,574,179 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | 36,306,059 | 27,731,880 |
| 19.2 End of year (Line 18 plus Line 19.1) | 18,339,035 | 36,306,059 |

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

| | | |
|--|--|--|
| | | |
|--|--|--|

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|--------------|---------------------------------------|------------------------|----------------|----------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Net premium income | 740,164,084 | 226,047,271 | 0 | 0 | 0 | 5,664,933 | 508,451,880 | 0 | 0 | 0 |
| 2. Change in unearned premium reserves and reserve for rate credit | (11,341,191) | (11,341,191) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Fee-for-service (net of \$0 medical expenses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 4. Risk revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 5. Aggregate write-ins for other health care related revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 6. Aggregate write-ins for other non-health care related revenues | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 7. Total revenues (Lines 1 to 6) | 728,822,893 | 214,706,080 | 0 | 0 | 0 | 5,664,933 | 508,451,880 | 0 | 0 | 0 |
| 8. Hospital/medical benefits | 509,461,318 | 138,954,641 | 0 | 0 | 0 | 3,610,821 | 366,895,856 | 0 | 0 | XXX |
| 9. Other professional services | 18,222,666 | 71,472 | 0 | 0 | 0 | 6,105 | 18,145,089 | 0 | 0 | XXX |
| 10. Outside referrals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 11. Emergency room and out-of-area | 27,694,228 | 8,808,802 | 0 | 0 | 0 | 0 | 18,885,426 | 0 | 0 | XXX |
| 12. Prescription drugs | 76,194,190 | 35,965,801 | 0 | 0 | 0 | 1,057,596 | 39,170,793 | 0 | 0 | XXX |
| 13. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 14. Incentive pool, withhold adjustments and bonus amounts | 581,516 | 0 | 0 | 0 | 0 | 0 | 581,516 | 0 | 0 | XXX |
| 15. Subtotal (Lines 8 to 14) | 632,153,918 | 183,800,716 | 0 | 0 | 0 | 4,674,522 | 443,678,680 | 0 | 0 | XXX |
| 16. Net reinsurance recoveries | 428,730 | 428,730 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 17. Total medical and hospital (Lines 15 minus 16) | 631,725,188 | 183,371,986 | 0 | 0 | 0 | 4,674,522 | 443,678,680 | 0 | 0 | XXX |
| 18. Non-health claims (net) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 19. Claims adjustment expenses including \$23,892,486 cost containment expenses | 28,444,693 | 8,581,969 | 0 | 0 | 0 | 168,883 | 19,693,841 | 0 | 0 | 0 |
| 20. General administrative expenses | 82,244,541 | 30,438,303 | 0 | 0 | 0 | 647,849 | 51,158,389 | 0 | 0 | 0 |
| 21. Increase in reserves for accident and health contracts | (19,845,000) | (4,537,000) | 0 | 0 | 0 | 0 | (15,308,000) | 0 | 0 | XXX |
| 22. Increase in reserves for life contracts | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 23. Total underwriting deductions (Lines 17 to 22) | 722,569,422 | 217,855,258 | 0 | 0 | 0 | 5,491,254 | 499,222,910 | 0 | 0 | 0 |
| 24. Total underwriting gain or (loss) (Line 7 minus Line 23) | 6,253,471 | (3,149,178) | 0 | 0 | 0 | 173,679 | 9,228,970 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | XXX |
| 0501. | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1301. | | | | | | | | | | XXX |
| 1302. | | | | | | | | | | XXX |
| 1303. | | | | | | | | | | XXX |
| 1398. Summary of remaining write-ins for Line 13 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

| | 1 | 2 | 3 | 4 |
|---|--------------------|------------------------|----------------------|--|
| Line of Business | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Premium Income (Cols. 1 + 2 - 3) |
| 1. Comprehensive (hospital and medical) | 226,417,871 | 0 | 370,600 | 226,047,271 |
| 2. Medicare Supplement | 0 | 0 | 0 | 0 |
| 3. Dental only | 0 | 0 | 0 | 0 |
| 4. Vision only | 0 | 0 | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 5,664,933 | 0 | 0 | 5,664,933 |
| 6. Title XVIII - Medicare | 508,451,880 | 0 | 0 | 508,451,880 |
| 7. Title XIX - Medicaid | 0 | 0 | 0 | 0 |
| 8. Other health | 0 | 0 | 0 | 0 |
| 9. Health subtotal (Lines 1 through 8) | 740,534,684 | 0 | 370,600 | 740,164,084 |
| 10. Life | 0 | 0 | 0 | 0 |
| 11. Property/casualty | 0 | 0 | 0 | 0 |
| 12. Totals (Lines 9 to 11) | 740,534,684 | 0 | 370,600 | 740,164,084 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|-------------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Payments during the year: | | | | | | | | | | |
| 1.1 Direct | 626,373,689 | 185,095,116 | 0 | 0 | 0 | 5,346,567 | 435,932,006 | 0 | 0 | 0 |
| 1.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.3 Reinsurance ceded | 4,589,745 | 4,589,745 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.4 Net | 621,783,944 | 180,505,371 | 0 | 0 | 0 | 5,346,567 | 435,932,006 | 0 | 0 | 0 |
| 2. Paid medical incentive pools and bonuses | 55,088 | 0 | 0 | 0 | 0 | 0 | 55,088 | 0 | 0 | 0 |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | |
| 3.1 Direct | 59,846,085 | 18,331,558 | 0 | 0 | 0 | 284,322 | 41,230,205 | 0 | 0 | 0 |
| 3.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.3 Reinsurance ceded | 112,451 | 112,451 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.4 Net | 59,733,634 | 18,219,107 | 0 | 0 | 0 | 284,322 | 41,230,205 | 0 | 0 | 0 |
| 4. Claim reserve December 31, current year from Part 2D: | | | | | | | | | | |
| 4.1 Direct | 66,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.4 Net | 66,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Accrued medical incentive pools and bonuses, current year | 526,428 | 0 | 0 | 0 | 0 | 0 | 526,428 | 0 | 0 | 0 |
| 6. Net healthcare receivables (a) | (2,262,199) | 119,647 | 0 | 0 | 0 | 112,346 | (2,494,192) | 0 | 0 | 0 |
| 7. Amounts recoverable from reinsurers December 31, current year | 1,683,489 | 1,683,489 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | |
| 8.1 Direct | 56,787,571 | 19,384,311 | 0 | 0 | 0 | 844,021 | 36,559,239 | 0 | 0 | 0 |
| 8.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.3 Reinsurance ceded | 761,097 | 761,097 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.4 Net | 56,026,474 | 18,623,214 | 0 | 0 | 0 | 844,021 | 36,559,239 | 0 | 0 | 0 |
| 9. Claim reserve December 31, prior year from Part 2D: | | | | | | | | | | |
| 9.1 Direct | 188,000 | 188,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.4 Net | 188,000 | 188,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Accrued medical incentive pools and bonuses, prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Amounts recoverable from reinsurers December 31, prior year | 5,195,858 | 5,195,858 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Incurred Benefits: | | | | | | | | | | |
| 12.1 Direct | 631,572,402 | 183,800,716 | 0 | 0 | 0 | 4,674,522 | 443,097,164 | 0 | 0 | 0 |
| 12.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.3 Reinsurance ceded | 428,730 | 428,730 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.4 Net | 631,143,672 | 183,371,986 | 0 | 0 | 0 | 4,674,522 | 443,097,164 | 0 | 0 | 0 |
| 13. Incurred medical incentive pools and bonuses | 581,516 | 0 | 0 | 0 | 0 | 0 | 581,516 | 0 | 0 | 0 |

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|------------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Reported in Process of Adjustment: | | | | | | | | | | |
| 1.1 Direct | 15,658,175 | 5,170,086 | .0 | .0 | .0 | 79,217 | 10,408,872 | .0 | .0 | .0 |
| 1.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1.4 Net | 15,658,175 | 5,170,086 | .0 | .0 | .0 | 79,217 | 10,408,872 | .0 | .0 | .0 |
| 2. Incurred but Unreported: | | | | | | | | | | |
| 2.1 Direct | 42,875,618 | 12,738,111 | .0 | .0 | .0 | 205,105 | 29,932,402 | .0 | .0 | .0 |
| 2.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 2.3 Reinsurance ceded | 112,451 | 112,451 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 2.4 Net | 42,763,167 | 12,625,660 | .0 | .0 | .0 | 205,105 | 29,932,402 | .0 | .0 | .0 |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | |
| 3.1 Direct | 1,312,292 | 423,361 | .0 | .0 | .0 | .0 | 888,931 | .0 | .0 | .0 |
| 3.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.4 Net | 1,312,292 | 423,361 | .0 | .0 | .0 | .0 | 888,931 | .0 | .0 | .0 |
| 4. TOTALS: | | | | | | | | | | |
| 4.1 Direct | 59,846,085 | 18,331,558 | .0 | .0 | .0 | 284,322 | 41,230,205 | .0 | .0 | .0 |
| 4.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.3 Reinsurance ceded | 112,451 | 112,451 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.4 Net | 59,733,634 | 18,219,107 | 0 | 0 | 0 | 284,322 | 41,230,205 | 0 | 0 | 0 |

UNDERWRITING AND INVESTMENT EXHIBIT

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

| Line of Business | Claims Paid During the Year | | Claim Reserve and Claim Liability December 31 of Current Year | | 5 | 6 |
|---|---|---------------------------------------|--|---------------------------------------|--|---|
| | 1 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid December 31 of Prior Year | On Claims Incurred During the Year | Claims Incurred In Prior Years (Columns 1 + 3) | Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
| 1. Comprehensive (hospital and medical) | 15,372,388 | 168,645,353 | 206,155 | 18,078,952 | 15,578,543 | 18,811,214 |
| 2. Medicare Supplement | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Dental Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Vision Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 275,451 | 5,071,115 | 3,195 | 281,127 | 278,646 | 844,021 |
| 6. Title XVIII - Medicare | 23,894,752 | 412,037,255 | 301,845 | 40,928,360 | 24,196,597 | 36,559,239 |
| 7. Title XIX - Medicaid | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Other health | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Health subtotal (Lines 1 to 8) | 39,542,591 | 585,753,723 | 511,195 | 59,288,439 | 40,053,786 | 56,214,474 |
| 10. Healthcare receivables (a) | 0 | 9,666,597 | 0 | 0 | 0 | 11,928,795 |
| 11. Other non-health | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Medical incentive pools and bonus amounts | 0 | 55,088 | 0 | 526,428 | 0 | 0 |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 39,542,591 | 576,142,214 | 511,195 | 59,814,867 | 40,053,786 | 44,285,679 |

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 11,131 | 10,552 | 291,991 | 291,969 | 291,944 |
| 2. | 2012 | 128,236 | 141,345 | 141,102 | 141,126 | 141,041 |
| 3. | 2013 | XXX | 126,980 | 140,918 | 141,434 | 141,453 |
| 4. | 2014 | XXX | XXX | 159,553 | 176,621 | 177,167 |
| 5. | 2015 | XXX | XXX | XXX | 153,081 | 167,999 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 168,645 |

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 11,303 | 10,552 | 291,991 | 291,969 | 291,944 |
| 2. | 2012 | 141,885 | 141,565 | 141,111 | 141,126 | 141,041 |
| 3. | 2013 | XXX | 140,510 | 141,134 | 141,441 | 141,453 |
| 4. | 2014 | XXX | XXX | 178,107 | 177,152 | 177,195 |
| 5. | 2015 | XXX | XXX | XXX | 171,353 | 168,176 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 186,724 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2012 | 176,624 | 141,041 | 1,341 | 1.0 | 142,382 | 80.6 | 0 | 0 | 142,382 | 80.6 |
| 2. 2013 | 185,886 | 141,453 | 1,345 | 1.0 | 142,798 | 76.8 | 0 | 0 | 142,798 | 76.8 |
| 3. 2014 | 222,452 | 177,167 | 1,685 | 1.0 | 178,852 | 80.4 | 28 | 0 | 178,880 | 80.4 |
| 4. 2015 | 201,299 | 167,999 | 1,598 | 1.0 | 169,597 | 84.3 | 177 | 2 | 169,776 | 84.3 |
| 5. 2016 | 226,047 | 168,645 | 1,604 | 1.0 | 170,249 | 75.3 | 18,079 | 156 | 188,484 | 83.4 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Dental Only

| Year in Which Losses Were Incurred | | | | | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------|-------|-------|-------|-------|-----------------------------|-----------|-----------|-----------|-----------|
| | | | | | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | ..... | ..... | ..... | ..... | 2 | 2 | 2 | 2 | 2 |
| 2. | 2012 | ..... | ..... | ..... | ..... | 143 | 148 | 148 | 148 | 148 |
| 3. | 2013 | ..... | ..... | ..... | ..... | XXX | 154 | 163 | 162 | 162 |
| 4. | 2014 | ..... | ..... | ..... | ..... | XXX | XXX | 143 | 150 | 150 |
| 5. | 2015 | ..... | ..... | ..... | ..... | XXX | XXX | XXX | 0 | 0 |
| 6. | 2016 | ..... | ..... | ..... | ..... | XXX | XXX | XXX | XXX | 0 |

Section B - Incurred Health Claims - Dental Only

| Year in Which Losses Were Incurred | | | | | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------|-------|-------|-------|-------|--|-----------|-----------|-----------|-----------|
| | | | | | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | ..... | ..... | ..... | ..... | 2 | 2 | 2 | 2 | 2 |
| 2. | 2012 | ..... | ..... | ..... | ..... | 149 | 148 | 148 | 148 | 148 |
| 3. | 2013 | ..... | ..... | ..... | ..... | XXX | 169 | 163 | 162 | 162 |
| 4. | 2014 | ..... | ..... | ..... | ..... | XXX | XXX | 149 | 150 | 150 |
| 5. | 2015 | ..... | ..... | ..... | ..... | XXX | XXX | XXX | 0 | 0 |
| 6. | 2016 | ..... | ..... | ..... | ..... | XXX | XXX | XXX | XXX | 0 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

| Years in which Premiums were Earned and Claims were Incurred | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|------|-----------------|----------------|--------------------------------------|-----------------------|---|-----------------------|---------------|---|---|-----------------------|
| | | Premiums Earned | Claims Payment | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. | 2012 | ..... | 151 | 148 | 1 | 0.7 | 149 | 98.7 | 0 | 149 | 98.7 |
| 2. | 2013 | ..... | 324 | 162 | 2 | 1.2 | 164 | 50.6 | 0 | 164 | 50.6 |
| 3. | 2014 | ..... | 323 | 150 | 1 | 0.7 | 151 | 46.7 | 0 | 151 | 46.7 |
| 4. | 2015 | ..... | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 5. | 2016 | ..... | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Vision Only

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2012 | 24 | 24 | 24 | 24 | 24 |
| 3. | 2013 | XXX | 71 | 71 | 71 | 71 |
| 4. | 2014 | XXX | XXX | 114 | 125 | 125 |
| 5. | 2015 | XXX | XXX | XXX | 0 | 0 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 0 |

Section B - Incurred Health Claims - Vision Only

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2012 | 24 | 24 | 24 | 24 | 24 |
| 3. | 2013 | XXX | 71 | 71 | 71 | 71 |
| 4. | 2014 | XXX | XXX | 125 | 125 | 125 |
| 5. | 2015 | XXX | XXX | XXX | 0 | 0 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 0 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2012 | 46 | 24 | 0 | 0.0 | 24 | 52.2 | 0 | 0 | 24 | 52.2 |
| 2. 2013 | 93 | 71 | 1 | 1.4 | 72 | 77.4 | 0 | 0 | 72 | 77.4 |
| 3. 2014 | 181 | 125 | 1 | 0.8 | 126 | 69.6 | 0 | 0 | 126 | 69.6 |
| 4. 2015 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 5. 2016 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | (1) | (1) | (1) | 0 | 0 |
| 2. | 2012 | (33) | (33) | (33) | (33) | (33) |
| 3. | 2013 | XXX | 1,828 | 2,085 | 2,085 | 2,085 |
| 4. | 2014 | XXX | XXX | 3,640 | 4,301 | 4,301 |
| 5. | 2015 | XXX | XXX | XXX | 6,354 | 6,629 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 5,071 |

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | (1) | (1) | (1) | 0 | 0 |
| 2. | 2012 | (33) | (33) | (33) | (33) | (33) |
| 3. | 2013 | XXX | 1,953 | 2,106 | 2,085 | 2,085 |
| 4. | 2014 | XXX | XXX | 3,961 | 4,334 | 4,301 |
| 5. | 2015 | XXX | XXX | XXX | 7,165 | 6,632 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 5,352 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2012 | 0 | (33) | 0 | 0.0 | (33) | 0.0 | 0 | 0 | (33) | 0.0 |
| 2. 2013 | 2,026 | 2,085 | 20 | 1.0 | 2,105 | 103.9 | 0 | 0 | 2,105 | 103.9 |
| 3. 2014 | 4,055 | 4,301 | 41 | 1.0 | 4,342 | 107.1 | 0 | 0 | 4,342 | 107.1 |
| 4. 2015 | 5,364 | 6,629 | 63 | 1.0 | 6,692 | 124.8 | 3 | 0 | 6,695 | 124.8 |
| 5. 2016 | 5,665 | 5,071 | 48 | 0.9 | 5,119 | 90.4 | 281 | 0 | 5,400 | 95.3 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XVIII

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 6,085 | 5,811 | 5,775 | 5,777 | 5,777 |
| 2. | 2012 | 90,575 | 101,081 | 100,815 | 100,818 | 100,789 |
| 3. | 2013 | XXX | 146,929 | 163,973 | 163,894 | 163,818 |
| 4. | 2014 | XXX | XXX | 224,028 | 246,184 | 246,122 |
| 5. | 2015 | XXX | XXX | XXX | 331,186 | 359,282 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 408,003 |

Section B - Incurred Health Claims - Title XVIII

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 6,190 | 5,813 | 5,775 | 5,777 | 5,777 |
| 2. | 2012 | 102,204 | 101,207 | 100,818 | 100,818 | 100,789 |
| 3. | 2013 | XXX | 164,681 | 164,183 | 163,906 | 163,818 |
| 4. | 2014 | XXX | XXX | 248,863 | 246,465 | 246,147 |
| 5. | 2015 | XXX | XXX | XXX | 367,452 | 359,559 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 449,458 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2012 | 107,760 | 100,789 | 959 | 1.0 | 101,748 | 94.4 | 0 | 0 | 101,748 | 94.4 |
| 2. 2013 | 178,757 | 163,818 | 1,557 | 1.0 | 165,375 | 92.5 | 0 | 0 | 165,375 | 92.5 |
| 3. 2014 | 269,899 | 246,122 | 2,341 | 1.0 | 248,463 | 92.1 | 25 | 0 | 248,488 | 92.1 |
| 4. 2015 | 372,933 | 359,282 | 3,416 | 1.0 | 362,698 | 97.3 | 277 | 2 | 362,977 | 97.3 |
| 5. 2016 | 508,452 | 408,003 | 3,880 | 1.0 | 411,883 | 81.0 | 41,455 | 381 | 453,719 | 89.2 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 17,217 | 16,364 | 297,767 | 297,748 | 297,723 |
| 2. | 2012 | 218,945 | 242,565 | 242,056 | 242,083 | 241,969 |
| 3. | 2013 | XXX | 275,962 | 307,210 | 307,646 | 307,589 |
| 4. | 2014 | XXX | XXX | 387,478 | 427,381 | 427,865 |
| 5. | 2015 | XXX | XXX | XXX | 490,621 | 533,910 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 581,719 |

Section B - Incurred Health Claims - Grand Total

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2012 | 2 2013 | 3 2014 | 4 2015 | 5 2016 |
| 1. | Prior | 17,494 | 16,366 | 297,767 | 297,748 | 297,723 |
| 2. | 2012 | 244,229 | 242,911 | 242,068 | 242,083 | 241,969 |
| 3. | 2013 | XXX | 307,384 | 307,657 | 307,665 | 307,589 |
| 4. | 2014 | XXX | XXX | 431,205 | 428,226 | 427,918 |
| 5. | 2015 | XXX | XXX | XXX | 545,970 | 534,367 |
| 6. | 2016 | XXX | XXX | XXX | XXX | 641,534 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2012 | 284,581 | 241,969 | 2,301 | 1.0 | 244,270 | 85.8 | 0 | 0 | 244,270 | 85.8 |
| 2. 2013 | 367,086 | 307,589 | 2,925 | 1.0 | 310,514 | 84.6 | 0 | 0 | 310,514 | 84.6 |
| 3. 2014 | 496,910 | 427,865 | 4,069 | 1.0 | 431,934 | 86.9 | 53 | 0 | 431,987 | 86.9 |
| 4. 2015 | 579,596 | 533,910 | 5,077 | 1.0 | 538,987 | 93.0 | 457 | 4 | 539,448 | 93.1 |
| 5. 2016 | 740,164 | 581,719 | 5,532 | 1.0 | 587,251 | 79.3 | 59,815 | 537 | 647,603 | 87.5 |

UNDERWRITING AND INVESTMENT EXHIBIT

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--|-----------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|-------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other |
| 1. Unearned premium reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Additional policy reserves (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Reserve for future contingent benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Reserve for rate credits or experience rating refunds (including \$0) for investment income | 640,049 | 0 | 0 | 0 | 0 | 0 | 640,049 | 0 | 0 |
| 5. Aggregate write-ins for other policy reserves | 4,902,375 | 4,224,591 | 0 | 0 | 0 | 0 | 677,784 | 0 | 0 |
| 6. Totals (gross) | 5,542,424 | 4,224,591 | 0 | 0 | 0 | 0 | 1,317,833 | 0 | 0 |
| 7. Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Totals (Net)(Page 3, Line 4) | 5,542,424 | 4,224,591 | 0 | 0 | 0 | 0 | 1,317,833 | 0 | 0 |
| 9. Present value of amounts not yet due on claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Reserve for future contingent benefits | 66,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for other claim reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Totals (gross) | 66,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Totals (Net)(Page 3, Line 7) | 66,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 0501. Premium Risk Adjustment Payable | 4,902,375 | 4,224,591 | 0 | 0 | 0 | 0 | 677,784 | 0 | 0 |
| 0502. | | | | | | | | | |
| 0503. | | | | | | | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 4,902,375 | 4,224,591 | 0 | 0 | 0 | 0 | 677,784 | 0 | 0 |
| 1101. | | | | | | | | | |
| 1102. | | | | | | | | | |
| 1103. | | | | | | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Includes \$0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

| | Claim Adjustment Expenses | | 3 | 4 | 5 |
|--|---------------------------|---------------------------------|---------------------------------|---------------------|----------------------|
| | 1 | 2 | | | |
| | Cost Containment Expenses | Other Claim Adjustment Expenses | General Administrative Expenses | Investment Expenses | Total |
| 1. Rent (\$0 for occupancy of own building) | 268,476 | 80,381 | 804,170 | 2,535 | 1,155,562 |
| 2. Salary, wages and other benefits | 9,979,869 | 2,412,620 | 24,760,232 | 75,995 | 37,228,716 |
| 3. Commissions (less \$0 ceded plus \$0 assumed) | 0 | 0 | 17,499,322 | 1,692 | 17,501,014 |
| 4. Legal fees and expenses | 231,019 | 69,309 | 715,956 | 2,184 | 1,018,468 |
| 5. Certifications and accreditation fees | 611 | 393 | 3,931 | 12 | 4,947 |
| 6. Auditing, actuarial and other consulting services | 169,239 | 50,683 | 506,693 | 1,599 | 728,214 |
| 7. Traveling expenses | 234,080 | 65,875 | 634,332 | 1,968 | 936,255 |
| 8. Marketing and advertising | 824,597 | 240,552 | 2,381,830 | 7,497 | 3,454,476 |
| 9. Postage, express and telephone | 795,157 | 220,165 | 2,116,452 | 6,499 | 3,138,273 |
| 10. Printing and office supplies | 377,182 | 72,634 | 591,938 | 1,788 | 1,043,542 |
| 11. Occupancy, depreciation and amortization | 86,583 | 25,934 | 275,678 | 0 | 388,195 |
| 12. Equipment | 225,806 | 71,581 | 725,643 | 2,289 | 1,025,319 |
| 13. Cost or depreciation of EDP equipment and software | 822,155 | 232,004 | 2,290,704 | 0 | 3,344,863 |
| 14. Outsourced services including EDP, claims, and other services | 8,772,149 | 733,625 | 7,146,083 | 21,592 | 16,673,449 |
| 15. Boards, bureaus and association fees | 17,086 | 4,928 | 48,186 | 150 | 70,350 |
| 16. Insurance, except on real estate | 71,723 | 21,056 | 208,001 | 653 | 301,433 |
| 17. Collection and bank service charges | 178,808 | 53,555 | 535,444 | 1,689 | 769,496 |
| 18. Group service and administration fees | 339,080 | 47,499 | 148,144 | 15 | 534,738 |
| 19. Reimbursements by uninsured plans | 0 | 0 | 0 | 0 | 0 |
| 20. Reimbursements from fiscal intermediaries | 0 | 0 | 0 | 0 | 0 |
| 21. Real estate expenses | 195,980 | 58,690 | 586,778 | 1,850 | 843,298 |
| 22. Real estate taxes | 0 | 0 | 0 | 0 | 0 |
| 23. Taxes, licenses and fees: | | | | | |
| 23.1 State and local insurance taxes | 0 | 0 | 247,801 | 0 | 247,801 |
| 23.2 State premium taxes | 0 | 0 | 1,639,439 | 0 | 1,639,439 |
| 23.3 Regulatory authority licenses and fees | 0 | 0 | 475,568 | 1,200 | 476,768 |
| 23.4 Payroll taxes | 0 | 0 | 1,451,340 | 4,456 | 1,455,796 |
| 23.5 Other (excluding federal income and real estate taxes) | 0 | 0 | 15,360,198 | 390 | 15,360,588 |
| 24. Investment expenses not included elsewhere | 132,694 | 39,746 | 354,426 | 952 | 527,818 |
| 25. Aggregate write-ins for expenses | 170,192 | 50,977 | 736,252 | 1,387 | 958,808 |
| 26. Total expenses incurred (Lines 1 to 25) | 23,892,486 | 4,552,207 | 82,244,541 | 138,392 | (a) .....110,827,626 |
| 27. Less expenses unpaid December 31, current year .. | 0 | 541,497 | 5,172,416 | 0 | 5,713,913 |
| 28. Add expenses unpaid December 31, prior year | 0 | 431,133 | 6,247,445 | 0 | 6,678,578 |
| 29. Amounts receivable relating to uninsured plans, prior year | 0 | 0 | 7,842,803 | 0 | 7,842,803 |
| 30. Amounts receivable relating to uninsured plans, current year | 0 | 0 | 2,844,123 | 0 | 2,844,123 |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) | 23,892,486 | 4,441,843 | 78,320,890 | 138,392 | 106,793,611 |
| DETAILS OF WRITE-INS | | | | | |
| 2501. Miscellaneous Administrative Expenses | 170,192 | 50,977 | 736,252 | 1,387 | 958,808 |
| 2502. | | | | | |
| 2503. | | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 170,192 | 50,977 | 736,252 | 1,387 | 958,808 |

(a) Includes management fees of \$51,876,526 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

| | | 1 | 2 |
|----------------------|---|-----------------------|--------------------|
| | | Collected During Year | Earned During Year |
| 1. | U.S. government bonds | (a) .....133,170 |145,285 |
| 1.1 | Bonds exempt from U.S. tax | (a) .....0 |0 |
| 1.2 | Other bonds (unaffiliated) | (a) .....1,950,243 |2,277,188 |
| 1.3 | Bonds of affiliates | (a) .....0 |0 |
| 2.1 | Preferred stocks (unaffiliated) | (b) .....0 |0 |
| 2.11 | Preferred stocks of affiliates | (b) .....0 |0 |
| 2.2 | Common stocks (unaffiliated) |0 |0 |
| 2.21 | Common stocks of affiliates |0 |0 |
| 3. | Mortgage loans | (c) .....0 |0 |
| 4. | Real estate | (d) .....0 |0 |
| 5 | Contract Loans |0 |0 |
| 6 | Cash, cash equivalents and short-term investments | (e) .....49,825 |79,992 |
| 7 | Derivative instruments | (f) .....0 |0 |
| 8. | Other invested assets |0 |0 |
| 9. | Aggregate write-ins for investment income |174 |174 |
| 10. | Total gross investment income | 2,133,412 | 2,502,639 |
| 11. | Investment expenses | | (g) .....132,346 |
| 12. | Investment taxes, licenses and fees, excluding federal income taxes | | (g) .....6,046 |
| 13. | Interest expense | | (h) .....0 |
| 14. | Depreciation on real estate and other invested assets | | (i) .....0 |
| 15. | Aggregate write-ins for deductions from investment income | |0 |
| 16. | Total deductions (Lines 11 through 15) | |138,392 |
| 17. | Net investment income (Line 10 minus Line 16) | | 2,364,247 |
| DETAILS OF WRITE-INS | | | |
| 0901. | Miscellaneous Investment Income | 174 | 174 |
| 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) | 174 | 174 |
| 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 \$8,718 accrual of discount less \$1,741,673 amortization of premium and less \$160,478 paid for accrued interest on purchases.
- (b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
- (c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (d) Includes \$0 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
- (e) Includes \$14,383 accrual of discount less \$38,952 amortization of premium and less \$25,430 paid for accrued interest on purchases.
- (f) Includes \$0 accrual of discount less \$0 amortization of premium.
- (g) Includes \$.0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
- (i) Includes \$0 depreciation on real estate and \$0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | | 1 | 2 | 3 | 4 | 5 |
|----------------------|---|--|-------------------------------|--|--|---|
| | | Realized 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 | 45,280 | 0 | 45,280 | 0 | 0 |
| 1.1 | Bonds exempt from U.S. tax | 0 | 0 | 0 | 0 | 0 |
| 1.2 | Other bonds (unaffiliated) | 898,997 | 0 | 898,997 | 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) | 0 | 0 | 0 | 0 | 0 |
| 2.21 | Common stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 3. | Mortgage loans | 0 | 0 | 0 | 0 | 0 |
| 4. | Real estate | 0 | 0 | 0 | 0 | 0 |
| 5. | Contract loans | 0 | 0 | 0 | 0 | 0 |
| 6. | Cash, cash equivalents and short-term investments | 56,157 | 0 | 56,157 | 0 | 0 |
| 7. | Derivative instruments | 0 | 0 | 0 | 0 | 0 |
| 8. | Other invested assets | 0 | 0 | 0 | 0 | 0 |
| 9. | Aggregate write-ins for capital gains (losses) | 0 | 0 | 0 | 0 | 0 |
| 10. | Total capital gains (losses) | 1,000,434 | 0 | 1,000,434 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | |
| 0901. | ..... |  |  |  |  |  |
| 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) | 0 | 0 | 0 | 0 | 0 |

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 | 0 | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 |
| 2.2 Common stocks | 0 | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | 0 | 0 | 0 |
| 3.2 Other than first liens..... | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | 0 | 0 | 0 |
| 4.2 Properties held for the production of income..... | 0 | 0 | 0 |
| 4.3 Properties held for sale | 0 | 0 | 0 |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) | 0 | 0 | 0 |
| 6. Contract loans | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB) | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | 0 | 0 |
| 9. Receivables for securities | 0 | 0 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 0 | 0 | 0 |
| 13. Title plants (for Title insurers only) | 0 | 0 | 0 |
| 14. Investment income due and accrued | 0 | 0 | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 400,370 | 258,558 | (141,812) |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due | 0 | 0 | 0 |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination | 0 | 11,374,750 | 11,374,750 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers | 0 | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 0 | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 0 | 0 |
| 18.2 Net deferred tax asset | 894,412 | 9,327,045 | 8,432,633 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 0 | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets | 1,680,401 | 2,373,906 | 693,505 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 |
| 23. Receivable from parent, subsidiaries and affiliates | 0 | 0 | 0 |
| 24. Health care and other amounts receivable | 2,199,826 | 6,756,879 | 4,557,053 |
| 25. Aggregate write-ins for other than invested assets | 982,296 | 2,135,870 | 1,153,574 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 6,157,305 | 32,227,008 | 26,069,703 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 6,157,305 | 32,227,008 | 26,069,703 |
| DETAILS OF WRITE-INS | | | |
| 1101. | | | |
| 1102. | | | |
| 1103. | | | |
| 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 Commissions | 161,558 | 1,244,913 | 1,083,355 |
| 2502. Prepaid Expenses | 541,974 | 551,873 | 9,899 |
| 2503. Deposits | 278,764 | 339,084 | 60,320 |
| 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) | 982,296 | 2,135,870 | 1,153,574 |

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| Source of Enrollment | Total Members at End of | | | | | 6 Current Year Member Months |
|--|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
| | 1 Prior Year | 2 First Quarter | 3 Second Quarter | 4 Third Quarter | 5 Current Year | |
| 1. Health Maintenance Organizations | 54,025 | 56,531 | 56,400 | 56,822 | 56,441 | 678,501 |
| 2. Provider Service Organizations | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Preferred Provider Organizations | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Point of Service | 42,542 | 45,629 | 47,221 | 47,714 | 48,743 | 564,046 |
| 5. Indemnity Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Aggregate write-ins for other lines of business..... | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total | 96,567 | 102,160 | 103,621 | 104,536 | 105,184 | 1,242,547 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. | | | | | | |
| 0602. | | | | | | |
| 0603. | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | 0 | 0 | 0 | 0 | 0 |

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

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, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners’ (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 Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. No deviations from the Codification currently exist.

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:

| | SSAP # | F/S Page | F/S Line # | 2016 | 2015 |
|---|-----------|-------------|---------------|----------------|-----------------|
| Net Income/(Loss) | | | | | |
| 1. Humana Health Plan of Ohio, Inc. Ohio basis | XXX | XXX | XXX | \$ 8,418,518 | \$ (27,256,111) |
| 2. State Prescribed Practices that increase/(decrease) NAIC SAP | | | | - | - |
| 3. State Permitted Practices that increase/(decrease) NAIC SAP | | | | - | - |
| 4. NAIC SAP | XXX | XXX | XXX | \$ 8,418,518 | \$ (27,256,111) |
| Surplus | | | | | |
| 5. Humana Health Plan of Ohio, Inc. Ohio basis | XXX | XXX | XXX | \$ 102,524,244 | \$ 77,269,766 |
| 6. State Prescribed Practices that increase/(decrease) NAIC SAP | | | | - | - |
| 7. State Permitted Practices that increase/(decrease) NAIC SAP | | | | - | - |
| 8. NAIC SAP | XXX | XXX | XXX | \$ 102,524,244 | \$ 77,269,766 |

On July 2, 2015, Humana entered into an Agreement and Plan of Merger, which is referred to herein as the Merger Agreement, with Aetna Inc. and certain wholly owned subsidiaries of Aetna Inc., (Aetna), which sets forth the terms and conditions under which Humana agreed to merge with, and become a wholly owned subsidiary of Aetna.

The Merger was subject to customary closing conditions, including, among other things, the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the receipt of necessary approvals under state insurance and healthcare laws and regulations pursuant to certain licenses of certain Humana subsidiaries, and the absence of legal restraints and prohibitions on the consummation of the Merger.

On December 22, 2016, in order to extend the “End Date” (as defined in the Merger Agreement), Aetna and Humana each agreed to waive until 11:59 p.m. (Eastern time) on February 15, 2017 its right to terminate the Merger Agreement due to a failure of the Mergers to have been completed on or before December 31, 2016.

On July 21, 2016, the U.S. Department of Justice (DOJ) and the attorneys general of certain U.S. jurisdictions filed a civil antitrust complaint in the U.S. District Court for the District of Columbia against Humana and Aetna, alleging that the Merger would violate Section 7 of the Clayton Antitrust Act and seeking a permanent injunction to prevent the Merger from being completed. On January 23, 2017, the Court ruled in favor of the DOJ and granted a permanent injunction of the proposed transaction. On February 14, 2017, Humana and Aetna agreed to mutually terminate the Merger Agreement, as Humana’s Board determined that an appeal of the Court’s ruling would not be in the best interest of its stockholders. Under terms of the Merger Agreement, Humana is entitled to a breakup fee of \$1 billion.

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. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results could differ from those estimates.

C. Accounting Policy

Premiums are reported as earned in the period in which members are entitled to receive services, and are net of retroactive membership adjustments. Retroactive membership adjustments result from enrollment changes not yet processed, or not yet reported by an employer group or the government. Premiums received prior to such period are recorded as advance premiums.

Benefits incurred and loss adjustment expenses include claim payments, capitation payments, pharmacy costs net of rebates, allocations of certain centralized expenses, legal and administrative costs to settle claims, and various other costs incurred to provide health insurance coverage to members, as well as estimates of future payments to hospitals and others for medical care provided prior to the date of the statements of admitted assets, liabilities and surplus. Capitation payments represent monthly contractual fees disbursed to participating primary care physicians, and other providers who are responsible for providing medical care to members. Pharmacy costs represent payments for members’ prescription drug benefits, net of rebates from drug manufacturers.

In addition, the Company uses the following accounting policies:

NOTES TO THE FINANCIAL STATEMENTS

- (1) Short-term investments include investments mainly in U.S. Government obligations with a maturity of twelve months or less from the date of purchase. Short-term investments are recorded at amortized cost. The carrying value of short-term investments approximates fair value due to the short-term maturities of the investments.

- (2-4) Investments are valued and classified in accordance with methods prescribed by the NAIC. Bonds with an NAIC rating of 1 or 2 are carried at amortized cost, with all other bonds being recorded at the lower of amortized cost or fair value; redeemable preferred stocks are carried at amortized cost; and non-redeemable preferred stocks are carried at fair value. Common stocks are carried at fair value.

The Company regularly evaluates investment securities for impairment. For all securities other than loan-backed and structured securities, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value, the near term prospects for recovery to carrying value, and the Company's intent and ability to hold the investment until maturity or market recovery is realized. If and when a determination is made that a decline in fair value below the cost basis is other-than-temporary, the related investment is written down to its estimated fair value through earnings.

Amortization of bond premium or discount is computed using the scientific interest method.

Income from investments is recorded on an accrual basis. For the purpose of determining realized gains and losses, the cost of securities sold is based upon specific identification. Investment income due and accrued over 90 days past due is nonadmitted.

- (5) Not Applicable.
- (6) For loan backed and structured securities where the securities fair value is less than the amortized cost, the Company considers several factors to determine if the security's impairment is other-than-temporary. If the Company has the intent to sell the security or if the Company does not have the intent and ability to retain the security until recovery of its fair value, the related investment is written down to its estimated fair value through earnings. If, however, the Company has the intent and ability to retain the security until recovery of its fair value, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value and the near term prospects for recovery to carrying value. If the determination is made, based on these factors, that the Company does expect to recover the entire amortized cost of the security, then an other-than-temporary impairment has not occurred. If, however, the determination is made that the Company does not expect to recover the entire amortized cost of the security based on the factors noted above, the Company recognizes a realized loss in earnings for the non-interest related decline. No loss is recognized for the interest impairment.
- (7) Not Applicable.
- (8) Not Applicable.
- (9) Not Applicable.
- (10-11) The estimates of future medical benefit payments are developed using actuarial methods and assumptions based upon claim payment patterns, medical cost inflation, historical development such as claim inventory levels and claim receipt patterns, and other relevant factors. Corresponding administrative costs to process outstanding claims are estimated and accrued. Estimates of future payments relating to services incurred in the current and prior periods are continually reviewed by management and adjusted as necessary.

The Company assesses the profitability of its contracts for providing health insurance coverage to its members when current operating results or forecasts indicate probable future losses. The Company records a premium deficiency liability in current operations to the extent that the sum of expected future medical costs, claim adjustment expenses and maintenance costs exceed related future premiums. Investment income is not contemplated in the calculation of the premium deficiency liability.

Management believes the Company's benefits payable and loss adjustment expense are adequate to cover future claims and loss adjustment expense payments required, however, such estimates are based on knowledge of current events and anticipated future events and, therefore, the actual liability could differ from the amounts provided.

- (12) The Company has not modified its capitalization policy from the prior period.

Equipment is stated at cost less accumulated depreciation. Depreciation expense is computed using the straight-line method over estimated useful lives generally ranging from three to five years. Improvements to leased facilities are depreciated over the shorter of the remaining lease term or the anticipated life of the improvement.

The Company recognizes an asset or liability for the deferred tax consequences of temporary differences between the tax bases of assets or liabilities and their reported amounts in the financial statements. The temporary differences will result in taxable or deductible amounts in future years when the reported amounts of the assets or liabilities are recovered or settled.

- (13) The Company estimates anticipated Pharmacy Rebate Receivables using the analysis of historical recovery patterns.
- (14) Not Applicable.
- (15) Not Applicable.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

D. Going Concern

Effective December 31, 2016, the Company adopted revisions to SSAP No. 1, *Accounting Policies, Risks & Uncertainties, and Other Disclosures* (SSAP No. 1). The revisions require management of the Company to evaluate whether there is substantial doubt about the Company's ability to continue as a going concern and provide certain disclosures if substantial doubt exists. Management of the Company has completed its evaluation of the Company and determined that there is no substantial doubt about its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

Not Applicable.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not Applicable.

B. Statutory Merger

Not Applicable.

C. Assumption Reinsurance

Not Applicable.

D. Impairment Loss

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

Not Applicable.

B. Debt Restructuring

Not Applicable.

C. Reverse Mortgages

Not Applicable.

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from industry market sources.

(2) Not Applicable.

(3) Not Applicable.

(4) The Company does not have any investments in an other-than-temporary impairment position at December 31, 2016.

Gross unrealized losses and related fair value of temporarily impaired securities that have been in a continuous unrealized loss position were as follows at December 31, 2016:

| | | |
|--|----|------------|
| (a) The aggregate amount of unrealized losses: | | |
| 1. Less than Twelve Months | \$ | (519,351) |
| 2. Twelve Months or Longer | \$ | (7,160) |
| (b) The aggregate related fair value of securities with unrealized losses: | | |
| 1. Less than Twelve Months | \$ | 31,599,762 |
| 2. Twelve Months or Longer | \$ | 3,173,241 |

(5) Unrealized losses are primarily due to increases in market interest rates and tighter liquidity conditions in the current markets than when the securities were purchased. All issuers of securities trading at an unrealized loss remain current on all contractual payments and the Company believes it is probable that all amounts due according to the contractual terms of the debt securities are collectible. After taking into account these and other factors, including the severity of the decline and the Company's ability and intent to hold these securities until recovery or maturity, the Company determined the unrealized losses on these investment securities were temporary and, as such, no impairment was required.

E. Repurchase Agreements and/or Securities Lending Transactions

(1) The Company has no repurchase agreements or securities lending transactions.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

(2) The Company has not pledged any of its assets as collateral.

(3-7) Not Applicable.

F. Real Estate

Not Applicable.

G. Low-Income Housing Tax Credits (LIHTC)

Not Applicable.

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

| | 1 | 2 | | 4 | 5 | 6 | 7 |
|---|---|---|---|--|--|---|--|
| | Total Gross (Admitted & Nonadmitted) Restricted from Current Year | Total Gross (Admitted & Nonadmitted) Restricted from Prior Year | 3 Increase/ (Decrease) (1 minus 2) | Total Current Year Nonadmitted Restricted | Total Current Year Admitted Restricted (1 minus 4) | Percentage Gross (Admitted & Nonadmitted) Restricted to Total Assets | Percentage Admitted Restricted to Total Admitted Assets |
| Restricted Asset Category | | | | | | | |
| a. Subject to contractual obligation for which liability is not shown | \$ - | \$ - | \$ - | \$ - | \$ - | -% | -% |
| b. Collateral held under security lending agreements | - | - | - | - | - | - | - |
| c. Subject to repurchase agreements | - | - | - | - | - | - | - |
| d. Subject to reverse repurchase agreements | - | - | - | - | - | - | - |
| e. Subject to dollar repurchase agreements | - | - | - | - | - | - | - |
| f. Subject to dollar reverse repurchase agreements | - | - | - | - | - | - | - |
| g. Placed under option contracts | - | - | - | - | - | - | - |
| h. Letter stock or securities restricted to sale – excluding FHLB capital stock | - | - | - | - | - | - | - |
| i. FHLB capital stock | - | - | - | - | - | - | - |
| j. On deposit with states | 764,543 | 751,881 | 12,662 | - | 764,543 | 0.41% | 0.42% |
| k. On deposit with other regulatory bodies | - | - | - | - | - | - | - |
| l. Pledged collateral to FHLB (including assets backing funding agreements) | - | - | - | - | - | - | - |
| m. Pledged as collateral not captured in other categories | - | - | - | - | - | - | - |
| n. Other restricted assets | - | - | - | - | - | - | - |
| o. Total Restricted Assets | \$ 764,543 | \$ 751,881 | \$ 12,662 | - | \$ 764,543 | 0.41% | 0.42% |

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable.

(3) Detail of Other Restricted Assets Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements

Not Applicable.

I. Working Capital Finance Investments

Not Applicable.

J. Offsetting and Netting of Assets and Liabilities

Not Applicable.

K. Structured Notes

Not Applicable.

L. 5* Securities

Not Applicable.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10.0 percent of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

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

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

- B. The total amount excluded was \$0.

8. Derivative Instruments

Not Applicable.

9. Income Taxes

- A. Deferred Tax Assets/(Liabilities)

- (1) The components of the net admitted deferred tax asset/(liability) by tax character were as follows:

| | | December 31, 2016 | | |
|----|---|-------------------|-----------|--------------|
| | | Ordinary | Capital | Total |
| a. | Gross deferred tax assets | \$ 5,008,667 | \$ 75,868 | \$ 5,084,535 |
| b. | Statutory valuation allowance adjustments | - | (75,868) | (75,868) |
| c. | Adjusted gross deferred tax assets | 5,008,667 | - | 5,008,667 |
| d. | Deferred tax assets nonadmitted | (894,412) | - | (894,412) |
| e. | Net admitted deferred tax assets | 4,114,255 | - | 4,114,255 |
| f. | Deferred tax liabilities | (14,211) | - | (14,211) |
| g. | Net admitted deferred tax asset/(liability) | \$ 4,100,044 | \$ - | \$ 4,100,044 |

| | | December 31, 2015 | | |
|----|---|-------------------|------------|---------------|
| | | Ordinary | Capital | Total |
| a. | Gross deferred tax assets | \$ 19,405,261 | \$ 114,481 | \$ 19,519,742 |
| b. | Statutory valuation allowance adjustments | - | (114,481) | (114,481) |
| c. | Adjusted gross deferred tax assets | 19,405,261 | - | 19,405,261 |
| d. | Deferred tax assets nonadmitted | (9,327,045) | - | (9,327,045) |
| e. | Net admitted deferred tax assets | 10,078,216 | - | 10,078,216 |
| f. | Deferred tax liabilities | (10,062) | - | (10,062) |
| g. | Net admitted deferred tax asset/(liability) | \$ 10,068,154 | \$ - | \$ 10,068,154 |

| | | Change | | |
|----|---|-----------------|-------------|-----------------|
| | | Ordinary | Capital | Total |
| a. | Gross deferred tax assets | \$ (14,396,594) | \$ (38,613) | \$ (14,435,207) |
| b. | Statutory valuation allowance adjustments | - | 38,613 | 38,613 |
| c. | Adjusted gross deferred tax assets | (14,396,594) | - | (14,396,594) |
| d. | Deferred tax assets nonadmitted | 8,432,633 | - | 8,432,633 |
| e. | Net admitted deferred tax assets | (5,963,961) | - | (5,963,961) |
| f. | Deferred tax liabilities | (4,149) | - | (4,149) |
| g. | Net admitted deferred tax asset/(liability) | \$ (5,968,110) | \$ - | \$ (5,968,110) |

- (2) The amount of admitted adjusted gross deferred tax assets under SSAP No. 101 were as follows:

| | | December 31, 2016 | | |
|----|--|-------------------|---------|--------------|
| | | Ordinary | Capital | Total |
| a. | Federal income taxes paid in prior years recoverable through loss carrybacks | \$ 1,199,990 | \$ - | \$ 1,199,990 |
| b. | Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation | 2,900,054 | - | 2,900,054 |
| 1. | Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date | XXX | XXX | 2,900,054 |
| 2. | Adjusted gross deferred tax assets allowed per limitation threshold | XXX | XXX | 14,763,630 |
| c. | Adjusted gross deferred tax assets offset by gross deferred tax liabilities | 14,211 | - | 14,211 |
| d. | Deferred tax assets admitted as the result of application of SSAP No. 101. Total | \$ 4,114,255 | \$ - | \$ 4,114,255 |

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

| | | December 31, 2015 | | Total |
|----|--|-------------------|---------|---------------|
| | | Ordinary | Capital | |
| a. | Federal income taxes paid in prior years recoverable through loss carrybacks | \$ - | \$ - | \$ - |
| b. | Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation | 10,068,154 | - | 10,068,154 |
| 1. | Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date | XXX | XXX | 14,363,679 |
| 2. | Adjusted gross deferred tax assets allowed per limitation threshold | XXX | XXX | 10,068,154 |
| c. | Adjusted gross deferred tax assets offset by gross deferred tax liabilities | 10,062 | - | 10,062 |
| d. | Deferred tax assets admitted as the result of application of SSAP No. 101. Total | \$ 10,078,216 | \$ - | \$ 10,078,216 |

| | | Ordinary | Change Capital | Total |
|----|--|----------------|----------------|----------------|
| a. | Federal income taxes paid in prior years recoverable through loss carrybacks | \$ 1,199,990 | \$ - | \$ 1,199,990 |
| b. | Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation | (7,168,100) | - | (7,168,100) |
| 1. | Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date | XXX | XXX | (11,463,625) |
| 2. | Adjusted gross deferred tax assets allowed per limitation threshold | XXX | XXX | 4,695,476 |
| c. | Adjusted gross deferred tax assets offset by gross deferred tax liabilities | 4,149 | - | 4,149 |
| d. | Deferred tax assets admitted as the result of application of SSAP No. 101. Total | \$ (5,963,961) | \$ - | \$ (5,963,961) |

(3) The ratio percentage used to determine recovery period and threshold limitation amount was as follows:

| | December 31, 2016 | December 31, 2015 |
|---|-------------------|-------------------|
| a. Ratio percentage used to determine recovery period and threshold limitation amount | 442% | 348% |
| b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2 b.2 above | 98,424,200 | 67,121,028 |

(4) The impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs was as follows:

| | | December 31, 2016 | |
|----|--|-------------------|---------|
| | | Ordinary | Capital |
| a. | Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage | | |
| 1. | Adjusted gross DTAs amount from note 9A1(c) | \$ 5,008,667 | \$ - |
| 2. | Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | 0.00% | 0.00% |
| 3. | Net admitted adjusted gross DTAs amount from note 9A1(e) | \$ 4,114,255 | \$ - |
| 4. | Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | 0.00% | 0.00% |
| | | December 31, 2015 | |
| | | Ordinary | Capital |
| a. | Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage | | |
| 1. | Adjusted gross DTAs amount from note 9A1(c) | \$ 19,405,261 | \$ - |
| 2. | Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | 0.00% | 0.00% |
| 3. | Net admitted adjusted gross DTAs amount from note 9A1(e) | \$ 10,078,216 | \$ - |
| 4. | Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | 0.00% | 0.00% |

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

| | | Change | |
|-----|--|-----------------|---------|
| | | Ordinary | Capital |
| a. | Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage | | |
| 1. | Adjusted gross DTAs amount from note 9A1(c) | \$ (14,396,594) | \$ - |
| 2. | Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | 0.00% | 0.00% |
| 3. | Net admitted adjusted gross DTAs amount from note 9A1(e) | \$ (5,963,961) | \$ - |
| 4. | Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | 0.00% | 0.00% |
| b. | Does the Company's tax planning strategies include the use of reinsurance? Yes [] No [X] | | |
| B. | There are no temporary differences for which a DTL has not been established. | | |
| C. | Current and deferred income taxes | | |
| (1) | Current income taxes incurred consist of the following major components: | | |

| | | December 31, 2016 | December 31, 2015 | Change |
|----|---|----------------------|----------------------|--------------|
| a. | Federal | \$ 849,838 | \$ (6,889,112) | \$ 7,738,950 |
| b. | Foreign | - | - | - |
| c. | Subtotal | 849,838 | (6,889,112) | 7,738,950 |
| d. | Federal income tax on net capital gains | 350,152 | 344,566 | 5,586 |
| e. | Utilization of capital loss carryforwards | - | - | - |
| f. | Other | (43,602) | (3,264) | (40,338) |
| g. | Federal and foreign income taxes incurred | \$ 1,156,388 | \$ (6,547,810) | \$ 7,704,198 |

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

(2–3) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

DTAs resulting from Book/Tax Differences in:

| | December 31, 2016 | December 31, 2015 | Change |
|---|----------------------|----------------------|----------------|
| a. Ordinary | | | |
| 1. Discounting of unpaid losses | \$ 2,232,712 | \$ 10,878,053 | \$ (8,645,341) |
| 2. Unearned premium reserve | 342,370 | 478,101 | (135,731) |
| 3. Policyholder reserves | - | - | - |
| 4. Investments and other | - | - | - |
| 5. Deferred acquisition costs | 23,247 | 27,721 | (4,474) |
| 6. Policyholder dividends accrual | - | - | - |
| 7. Fixed assets | 1,155,909 | 1,038,455 | 117,454 |
| 8. Compensation and benefit accruals | - | - | - |
| 9. Pension accruals | - | - | - |
| 10. Receivables – nonadmitted | - | - | - |
| 11. Net operating loss carry-forward | - | - | - |
| 12. Tax credit carry-forward | - | - | - |
| 13. Other | - | - | - |
| 14. Bad debts | 774,747 | 2,366,006 | (1,591,259) |
| 15. Accrued litigation | - | - | - |
| 16. CMS Rx reserve | 46,698 | 838 | 45,860 |
| 17. CMS risk corridor -ACA | - | 3,981,163 | (3,981,163) |
| 18. Medicare risk adjustment data | - | - | - |
| 19. Miscellaneous reserves | 105,679 | 118,679 | (13,000) |
| 20. Accrued lease | 224,156 | 306,716 | (82,560) |
| 21. Section 197 intangible | - | - | - |
| 22. Reinsurance fee | 103,149 | 209,529 | (106,380) |
| 23. Provider contracts | - | - | - |
| 99. Subtotal | 5,008,667 | 19,405,261 | (14,396,594) |
| b. Statutory valuation allowance adjustment | - | - | - |
| c. Nonadmitted | (894,412) | (9,327,045) | 8,432,633 |
| d. Admitted Ordinary DTAs | 4,114,255 | 10,078,216 | (5,963,961) |
| e. Capital | | | |
| 1. Investments | 75,868 | 114,481 | (38,613) |
| 2. Net capital loss carry-forward | - | - | - |
| 3. Real estate | - | - | - |
| 4. Other | - | - | - |
| 99. Subtotal | 75,868 | 114,481 | (38,613) |
| f. Statutory valuation allowance adjustment | (75,868) | (114,481) | 38,613 |
| g. Nonadmitted | - | - | - |
| h. Admitted capital DTAs | - | - | - |
| i. Admitted DTAs | \$ 4,114,255 | \$ 10,078,216 | \$ (5,963,961) |

DTLs resulting from Book/Tax Differences in:

| | December 31, 2016 | December 31, 2015 | Change |
|--|----------------------|----------------------|------------|
| a. Ordinary | | | |
| 1. Investments | \$ - | \$ - | \$ - |
| 2. Fixed assets | - | - | - |
| 3. Deferred and uncollected premium | - | - | - |
| 4. Policyholder reserves/salvage & subrogation | - | - | - |
| 5. Other | - | - | - |
| 6. Premium acquisition reserve | (14,211) | (10,062) | (4,149) |
| 7. CMS Rx reserve | - | - | - |
| 8. Accrued leases | - | - | - |
| 99. Subtotal | (14,211) | (10,062) | (4,149) |
| b. Capital | | | |
| 1. Investments | - | - | - |
| 2. Real estate | - | - | - |
| 3. Other | - | - | - |
| 99. Subtotal | - | - | - |
| c. DTLs | \$ (14,211) | \$ (10,062) | \$ (4,149) |

| | | | |
|--|--------------|---------------|----------------|
| (4) Net deferred tax asset/(liability) | \$ 4,100,044 | \$ 10,068,154 | \$ (5,968,110) |
|--|--------------|---------------|----------------|

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference as of December 31, 2016 are as follows:

| | Amount | Tax Effect | Effective Tax Rate |
|--|---------------|---------------|--------------------|
| Income before taxes | \$ 9,574,906 | \$ 3,351,217 | 35.00% |
| Tax-exempt interest | (820,293) | (287,103) | (3.00%) |
| Dividends received deduction | - | - | 0.00% |
| Proration | 123,044 | 43,065 | 0.45% |
| Meals & entertainment, lobbying expenses, etc. | - | - | 0.00% |
| Statutory valuation allowance adjustment | (110,323) | (38,613) | (0.40%) |
| ACA fee | 12,876,942 | 4,506,930 | 47.07% |
| Change to nonadmits & deferred tax true-up | 22,694,351 | 7,943,023 | 82.96% |
| Other, including prior year true-up | 110,320 | 38,612 | 0.40% |
| Total | \$ 44,448,947 | \$ 15,557,131 | 162.48% |
| | | | |
| Federal income taxes incurred [expense/(benefit)] | | \$ 806,236 | 8.42% |
| Tax on capital gains/(losses) | | 350,152 | 3.66% |
| Change in net deferred income tax [charge/(benefit)] | | 14,400,743 | 150.40% |
| Total statutory income taxes | | \$ 15,557,131 | 162.48% |

E. Operating loss and tax credit carry-forwards and protective tax deposits

At December 31, 2016, the Company had no net operating loss carry-forwards.

At December 31, 2016, the Company had no capital loss carry-forwards.

At December 31, 2016, the Company had no AMT credit carry-forwards.

(2) The following table demonstrates the income tax expense for 2014, 2015 and 2016 that is available for the recoupment in the event of future net losses:

| | Ordinary | Capital | Total |
|-------|------------|------------|--------------|
| 2014 | \$ - | \$ - | \$ - |
| 2015 | - | - | - |
| 2016 | 849,838 | 350,152 | 1,199,990 |
| Total | \$ 849,838 | \$ 350,152 | \$ 1,199,990 |

(3) There are no deposits admitted under IRC § 6603.

F. The Company is included in a consolidated federal income tax return with its parent Company, Humana Inc. The Company has a written agreement, approved by the Company’s Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to be paid for any future net losses it may incur. The Company has no contingent income tax liabilities. The Company has not adjusted gross deferred tax assets due to changes in judgment about the realizability of the related deferred tax asset. The Company has no deposits under Section 6603 of the Internal Revenue Code.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

HUMANA INC. AND SUBSIDIARIES INCLUDED IN 2016 CONSOLIDATED FEDERAL INCOME TAX RETURN

**CALENDAR YEAR ENDED DECEMBER 31, 2016
AFFILIATIONS SCHEDULE**

**CORPORATE NAME AND EMPLOYER IDENTIFICATION NUMBER
THE ADDRESS OF EACH COMPANY IS: P. O. BOX 740026, LOUISVILLE, KY 40201**

| CORP. NO. | CORPORATION NAME | EMPLOYER IDENTIFICATION NUMBER |
|----------------------|---|---|
| 1 | HUMANA INC. | 61-0647538 |
| 2 | 154TH STREET MEDICAL PLAZA, INC. | 65-0851053 |
| 3 | 516-526 WEST MAIN STREET CONDOMINIUM COUNCIL OF CO-OWNERS, INC. | 20-5309363 |
| 4 | 54TH STREET MEDICAL PLAZA, INC. | 65-0293220 |
| 5 | AMERICAN ELDERCARE, INC. | 65-0380198 |
| 6 | ARCADIAN HEALTH PLAN, INC. | 20-1001348 |
| 7 | CAC MEDICAL CENTER HOLDINGS, INC. | 30-0117876 |
| 8 | CAC-FLORIDA MEDICAL CENTERS, LLC | 26-0010657 |
| 9 | CARENETWORK, INC. | 39-1514846 |
| 10 | CAREPLUS HEALTH PLANS, INC. | 59-2598550 |
| 11 | CARITEN HEALTH PLAN INC. | 62-1579044 |
| 12 | CHA HMO, INC. | 61-1279717 |
| 13 | CHA SERVICE COMPANY, INC. | 61-1279716 |
| 14 | COMPBENEFITS COMPANY | 59-2531815 |
| 15 | COMPBENEFITS CORPORATION | 04-3185995 |
| 16 | COMPBENEFITS DENTAL, INC. | 36-3686002 |
| 17 | COMPBENEFITS DIRECT, INC. | 58-2228851 |
| 18 | COMPBENEFITS INSURANCE COMPANY | 74-2552026 |
| 19 | COMPLEX CLINICAL MANAGEMENT, INC. | 45-3713941 |
| 20 | COMPREHENSIVE HEALTH INSIGHTS, INC. | 42-1575099 |
| 21 | CONTINUCARE CORPORATION | 59-2716023 |
| 22 | CONTINUCARE MANAGED CARE, INC. | 65-0796178 |
| 23 | CONTINUCARE MEDICAL MANAGEMENT, INC. | 65-0791417 |
| 24 | CONTINUCARE MSO, INC. | 65-0780986 |
| 25 | CORPHEALTH PROVIDER LINK, INC. | 20-8236655 |
| 26 | DATALINK SOLUTIONS, INC. | 47-4706668 |
| 27 | DEFENSEWEB TECHNOLOGIES, INC. | 33-0916248 |
| 28 | DENTAL CARE PLUS MANAGEMENT, CORP. | 36-3512545 |
| 29 | DENTICARE, INC. | 76-0039628 |
| 30 | EMPHESYS INSURANCE COMPANY | 31-0935772 |
| 31 | EMPHESYS, INC. | 61-1237697 |
| 32 | HARRIS, ROTHENBERG INTERNATIONAL, INC. | 27-1649291 |
| 33 | HEALTH VALUE MANAGEMENT, INC. | 61-1223418 |
| 34 | HRI HUMANA OF CALIFORNIA, INC. | 46-4912173 |
| 35 | HUMANA ACTIVE OUTLOOK, INC. | 20-4835394 |
| 36 | HUMANA AT HOME (DALLAS), INC. | 75-2739333 |
| 37 | HUMANA AT HOME (HOUSTON), INC. | 76-0537878 |
| 38 | HUMANA AT HOME (MA), INC. | 04-3580066 |
| 39 | HUMANA AT HOME (SAN ANTONIO), INC. (fka SeniorBridge Family Companies (TX), Inc.) | 01-0766084 |
| 40 | HUMANA AT HOME (TLC), INC. | 75-2600512 |
| 41 | HUMANA AT HOME 1, INC. | 65-0274594 |
| 42 | HUMANA AT HOME, INC. | 13-4036798 |
| 43 | HUMANA BEHAVIORAL HEALTH, INC. | 75-2043865 |
| 44 | HUMANA BENEFIT PLAN OF ILLINOIS, INC. | 37-1326199 |
| 45 | HUMANA DENTAL COMPANY | 59-1843760 |
| 46 | HUMANA DENTAL CONCERN, LTD. | 36-3654697 |
| 47 | HUMANA EMPLOYERS HEALTH PLAN OF GEORGIA, INC. | 58-2209549 |
| 48 | HUMANA GOVERNMENT BUSINESS, INC. | 61-1241225 |
| 49 | HUMANA HEALTH BENEFIT PLAN OF LOUISIANA, INC. | 72-1279235 |
| 50 | HUMANA HEALTH COMPANY OF NEW YORK, INC. | 26-2800286 |
| 51 | HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC. | 61-1041514 |
| 52 | HUMANA HEALTH PLAN OF CALIFORNIA, INC. | 26-3473328 |
| 53 | HUMANA HEALTH PLAN OF OHIO, INC. | 31-1154200 |

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

| | | |
|-----|---|------------|
| 54 | HUMANA HEALTH PLAN OF TEXAS, INC. | 61-0994632 |
| 55 | HUMANA HEALTH PLAN, INC. | 61-1013183 |
| 56 | HUMANA HOME ADVANTAGE (TX), P.A. | 81-0789608 |
| 57 | HUMANA INNOVATION ENTERPRISES, INC. | 61-1343791 |
| 58 | HUMANA INSURANCE COMPANY | 39-1263473 |
| 59 | HUMANA INSURANCE COMPANY OF KENTUCKY | 61-1311685 |
| 60 | HUMANA INSURANCE COMPANY OF NEW YORK | 20-2888723 |
| 61 | HUMANA MARKETPOINT, INC. | 61-1343508 |
| 62 | HUMANA MEDICAL PLAN OF MICHIGAN, INC. | 27-3991410 |
| 63 | HUMANA MEDICAL PLAN OF PENNSYLVANIA, INC. | 27-4460531 |
| 64 | HUMANA MEDICAL PLAN OF UTAH, INC. | 20-8411422 |
| 65 | HUMANA MEDICAL PLAN, INC. | 61-1103898 |
| 66 | HUMANA PHARMACY SOLUTIONS, INC. | 45-2254346 |
| 67 | HUMANA PHARMACY, INC. | 61-1316926 |
| 68 | HUMANA REGIONAL HEALTH PLAN, INC. | 20-2036444 |
| 69 | HUMANA VETERANS HEALTHCARE SERVICES, INC. HUMANA WISCONSIN HEALTH ORGANIZATION INSURANCE | 20-8418853 |
| 70 | CORPORATION | 39-1525003 |
| 71 | HUMANADENTAL INSURANCE COMPANY | 39-0714280 |
| 72 | HUMANADENTAL, INC. | 61-1364005 |
| 73 | HUMCO, INC. | 61-1239538 |
| 74 | HUM-e-FL, INC. | 61-1383567 |
| 75 | HUM-HOLDINGS INTERNATIONAL, INC. | 26-3583438 |
| 76 | KANAWHA INSURANCE COMPANY | 57-0380426 |
| 77 | KMG AMERICA CORPORATION | 20-1377270 |
| 78 | MANAGED CARE INDEMNITY, INC. | 61-1232669 |
| 79 | METCARE OF FLORIDA, INC. | 65-0879131 |
| 80 | METROPOLITAN HEALTH NETWORKS, INC. | 65-0635748 |
| 81 | PARTNERS IN INTEGRATED CARE, INC. | 47-2905609 |
| 82 | PARTNERS IN PRIMARY CARE OF ILLINOIS, P.C. | 45-4041098 |
| 83 | PARTNERS IN PRIMARY CARE, P.A. | 47-1161014 |
| 84 | PHP COMPANIES, INC. | 62-1552091 |
| 85 | PREFERRED HEALTH PARTNERSHIP, INC. | 62-1250945 |
| 86 | PRESERVATION ON MAIN, INC. | 20-1724127 |
| 87 | PRIMARY CARE HOLDINGS, INC. | 46-1225873 |
| 88 | ROHC, LLC | 75-2844854 |
| 89 | SENIORBRIDGE (NC), INC. | 56-2593719 |
| 90 | SENIORBRIDGE CARE MANAGEMENT, INC. | 80-0581269 |
| 91 | SENIORBRIDGE FAMILY COMPANIES (AZ), INC. | 46-0702349 |
| 92 | SENIORBRIDGE FAMILY COMPANIES (CA), INC. | 45-3039782 |
| 93 | SENIORBRIDGE FAMILY COMPANIES (CT), INC. | 27-0452360 |
| 94 | SENIORBRIDGE FAMILY COMPANIES (FL), INC. | 65-1096853 |
| 95 | SENIORBRIDGE FAMILY COMPANIES (IL), INC. | 02-0660212 |
| 96 | SENIORBRIDGE FAMILY COMPANIES (MD), INC. | 81-0557727 |
| 97 | SENIORBRIDGE FAMILY COMPANIES (MO), INC. | 46-0677759 |
| 98 | SENIORBRIDGE FAMILY COMPANIES (NJ), INC. | 36-4484449 |
| 99 | SENIORBRIDGE FAMILY COMPANIES (NY), INC. | 36-4484443 |
| 100 | SENIORBRIDGE FAMILY COMPANIES (OH), INC. | 20-0260501 |
| 101 | SENIORBRIDGE FAMILY COMPANIES (PA), INC. | 38-3643832 |
| 102 | SENIORBRIDGE FAMILY COMPANIES (VA), INC. | 46-0691871 |
| 103 | SEREDOR CORPORATION | 27-0338595 |
| 104 | SYMPHONY HEALTH PARTNERS, INC. | 45-5032192 |
| 105 | SYMPHONY HEALTH PARTNERS-MIDWEST, LLC | 32-0375132 |
| 106 | TEXAS DENTAL PLANS, INC. | 74-2352809 |
| 107 | THE DENTAL CONCERN, INC. | 52-1157181 |
| 108 | TRANSCEND COMMUNITY PHYSICIAN NETWORK (AR), P.A. | 47-2770181 |
| 109 | TRANSCEND COMMUNITY PHYSICIAN NETWORK (KS), P.A. | 47-2111323 |
| 110 | TRANSCEND COMMUNITY PHYSICIAN NETWORK, P.C. | 47-2750105 |
| 111 | TRANSCEND INSIGHTS, INC. | 80-0072760 |
| 112 | TRANSCEND POPULATION HEALTH MANAGEMENT, LLC | 46-5329373 |
| 113 | VIRGINIA COMMUNITY PHYSICIAN NETWORK, P.C. | 47-3950146 |

- G. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries and Affiliates

A.-F. The Company has several management contracts with Humana Inc. and other related parties whereby the Company is provided with medical and executive management, information systems, claims processing, billing and enrollment, and telemarketing and other services as required by the Company. Management fees charged to operations for the years ended December 31, 2016 and 2015 were \$52,741,585 and \$32,962,847, respectively. As a part of this agreement, Humana Inc. makes cash disbursements on behalf of the Company which includes, but is not limited to, medical related items, general and administrative expenses, commissions and payroll. Humana Inc. is reimbursed by the Company weekly, based upon historical pattern of amounts and timing. Each month, these estimates are adjusted to ultimately settle upon actual disbursements made on behalf of the Company. The Company continues to be primarily liable for any outstanding payments made on behalf of the Company, should Humana Inc. not be able to fulfill its obligations.

No dividends were paid by the Company as of December 31, 2016.

At December 31, 2016, the Company reported \$2,823,895 due from Humana Inc. Amounts due to or from parent are generally settled within 30 days.

G. All outstanding shares of the Company are owned by the Parent Company.

H. Not Applicable.

I. Not Applicable.

J. Not Applicable.

K. Not Applicable.

L. Not Applicable.

M. All SCA Investments

Not Applicable.

N. Not Applicable.

11. Debt

A. Debt Including Capital Notes

The Company has no debentures outstanding.

The Company has no capital notes outstanding.

The Company does not have any reverse repurchase agreements.

B. Federal Home Loan Bank (FHLB) Agreements

The Company does not have any FHLB agreements.

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

A.-D. Defined Benefit Plans

Not Applicable.

E. Defined Contribution Plans

Not Applicable.

F. Multiemployer Plans

Not Applicable.

G. Consolidated/Holding Company Plans

The Company employees are eligible to participate in the Humana Retirement and Savings Plan ("the Plan"), a defined contribution plan, sponsored by Humana Inc. The Plan maintains two accounts, the Savings Account and the Retirement Account.

Humana Inc.'s total contributions paid to the Savings and Retirement accounts of the Humana Retirement Savings Plan were \$193,755,632 and \$186,060,971 for the years ended December 31, 2016 and 2015, respectively. As of December 31, 2016 and 2015, the fair market value of the Humana Retirement Savings Plan's assets was \$3,900,036,594 and \$3,437,862,654, respectively.

H. Postemployment Benefits and Compensated Absences

Not Applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not Applicable.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has \$0 par value common stock with 1,000 shares authorized and 200 shares issued and 200 outstanding. All shares are common stock shares.
- (2) The Company has no preferred stock outstanding.
- (3-5) Dividends and returns of capital to shareholders are noncumulative and are paid as determined by the Board of Directors. In accordance with the Ohio Department of Insurance statutes, the maximum amount which can be paid by the Company to shareholders without prior approval by the Ohio Department of Insurance is the greater of 10% of total surplus or net income. Ordinary dividends are limited to available and accumulated surplus funds. Based on these restrictions, no dividend was available without prior approval.

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

No dividends were paid by the Company as of December 31, 2016.

- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) Not Applicable.
- (8) Not Applicable.
- (9) Changes in balances of special surplus funds from the prior year is due to the moratorium of the 2017 Health Insurer Fee.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0.
- (11) Not Applicable.
- (12) Not Applicable.
- (13) Not Applicable.

14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments
Not Applicable.
- B. Assessments
Not Applicable.
- C. Gain Contingencies
Not Applicable.
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits
Not Applicable.
- E. Joint and Several Liabilities
Not Applicable.
- F. All Other Contingencies

During the ordinary course of business, the Company is subject to pending and threatened legal actions. Management of the Company does not believe that any of these actions will have a material adverse effect on the Company's surplus, results of operations or cash flows. However, the likelihood or outcome of current or future legal proceedings cannot be accurately predicted, and they could adversely affect the Company's surplus, results of operations and cash flows.

The Company is not aware of any other material contingent liabilities as of December 31, 2016.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

15. Leases

A. Lessee Operating Lease

- (1) The Company has entered into operating leases for medical and administrative office space and equipment with lease terms ranging from one to six years. Operating lease rental payments charged to expenses for the years ended December 31, 2016 and 2015 was \$5,268,055 and \$5,435,815, respectively.

(2) Noncancelable Lease Terms:

- a) At January 1, 2017, the minimum aggregate rental commitments are as follows:

Year ending December 31,

| | | |
|------------------------------|----|-------------------|
| 2017 | \$ | 6,226,291 |
| 2018 | | 5,767,714 |
| 2019 | | 10,442 |
| 2020 | | 552 |
| 2021 | | 207 |
| Thereafter | | 16,458 |
| Total Minimum Lease Payments | \$ | <u>12,021,664</u> |

- b) Certain rental commitments have renewal options extending through the year 2022. Some of these renewals are subject to adjustments in future periods.

- (3) The Company is not involved in any sales-leaseback transactions.

B. Lessor Leases

Not Applicable.

16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no investment in Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not Applicable.

B. Transfer and Servicing of Financial Assets

Not Applicable.

C. Wash Sales

Not Applicable.

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

- (1) The Company records no revenue explicitly attributable to the cost share and reinsurance components of its Medicare or other similarly structured cost based reimbursement contracts.
- (2) As of December 31, 2016, the Company has recorded a receivable from CMS of \$2,844,123 related to the cost share and reinsurance components of administered Medicare products. The Company does not have any additional receivables greater than 10% of the Company's accounts receivable from uninsured accident and health plans or \$10,000.
- (3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare or other similarly structured cost based reimbursement contracts, the Company has recorded no allowances and reserves for adjustment of recorded revenues and receivables.
- (4) The Company has made no adjustment to revenue resulting from audit of receivables related to revenues recorded in the prior period.

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

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

20. Fair Value Measurements

- A. (1) The Company did not have any financial assets carried at fair value at December 31, 2016.

The Company reports transfers between Level 1 and Level 2 of the fair value hierarchy levels at the end of the reporting period. There were no transfers between Level 1 and Level 2 of the fair value hierarchy between December 31, 2015 and December 31, 2016.

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

Not Applicable.

- (3) The Company reports transfers into or out of Level 3 of the fair value hierarchy levels at the end of the reporting period. There were no transfers into or out of Level 3 of the fair value hierarchy levels between December 31, 2015 and December 31, 2016.

- (4) Fair value of actively traded debt securities are based on quoted market prices. Fair value of other debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates generally using a market valuation approach, or, less frequently, an income valuation approach and are generally classified as Level 2. The Company generally obtains one quoted price for each security from a third party pricing service. These prices are generally derived from recently reported trades for identical or similar securities, including adjustments through the reporting date based upon observable market information. When quoted prices are not available, the third party pricing service may use quoted market prices of comparable securities or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include benchmark yields, reported trades, credit spreads, broker quotes, default rates and prepayment speeds. The Company is responsible for the determination of fair value and as such, the Company performs analysis on the prices received from the third party pricing service to determine whether the prices are reasonable estimates of fair value. The Company's analysis includes a review of monthly price fluctuations as well as a quarterly comparison of the prices received from the pricing service to prices reported by the Company's third party investment advisor. Based on the Company's internal price verification procedures and review of fair value methodology documentation provided by the third party pricing service, there were no material adjustments to the prices obtained from the third party pricing service during the year ended December 31, 2016.

- (5) Derivative Fair Values

Not Applicable.

- B. Other Fair Value Disclosures

Not Applicable.

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

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | Level 1 | Level 2 | Level 3 | Not Practicable (Carrying Value) |
|--|----------------------|-----------------|---------------|----------------|---------|----------------------------------|
| Bonds, short-term investments and cash equivalents | \$ 144,751,278 | \$ 147,274,214 | \$ 16,205,092 | \$ 128,546,186 | \$ - | \$ - |
| Total | \$ 144,751,278 | \$ 147,274,214 | \$ 16,205,092 | \$ 128,546,186 | \$ - | \$ - |

- D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not Applicable.

21. Other Items

- A. Extraordinary Items

Not Applicable.

- B. Troubled Debt Restructuring: Debtors

Not Applicable.

- C. Other Disclosures and Unusual Items

Not Applicable.

- D. Business Interruption Insurance Recoveries

Not Applicable.

- E. State Transferable and Non-transferable Tax Credits

Not Applicable.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

F. Subprime Mortgage Related Risk Exposure

- (1) The Company consults with its external investment managers to assess its subprime mortgage related risk exposure. Certain characteristics are utilized to determine if a mortgage-backed security has subprime exposure. The main characteristics reviewed when determining this are the collateral and structure of the security, the loan purpose, loan documentation, occupancy, geographical location, loan size and type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans. Management's practices include reviewing quantitative and qualitative credit models that analyze loan-level collateral composition, historical underwriter performance trends, the impact of macroeconomic factors, and issuer risks; as well as reviewing the estimation of security cash flows and monthly model calibrations.

- (2) Direct exposure through investments in sub-prime mortgage loans.

The Company has no direct exposure through investment to sub-prime mortgage loans.

- (3) Direct exposure through other investments:

- a. Residential mortgage backed securities – No substantial exposure noted.
- b. Commercial mortgage backed securities – No substantial exposure noted.
- c. Collateralized debt obligations – No substantial exposure noted.
- d. Structured securities – No substantial exposure noted.
- e. Equity investment in SCAs – No substantial exposure noted.
- f. Other assets – No substantial exposure noted.
- g. Total – No substantial exposure noted.

- (4) Underwriting exposure to sub-prime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and Officers liability coverage, or Errors and Omissions liability coverage.

Not Applicable.

Classification of mortgage related securities is primarily based on information from outside data services, including rating agency actions. When considering our exposure, the Company evaluated the percentage of full documentation loans, percent of owner occupied properties, FICO scores, average margin for ARM loans, percent of loans with prepayment penalties, the existence of non-traditional underwriting standards, among other factors.

G. Retained Assets

Not Applicable.

H. Insurance Linked Securities

Not Applicable.

22. Events Subsequent

On January 1, 2017, the Company will not be subject to the annual fee under Section 9010 of the Federal Health Care Reform Law. The Consolidated Appropriations Act, 2016, which was signed into law on December 18, 2015 imposed a moratorium on the 2017 fee applied to all health insurance providers. Based on the moratorium no segregation was recorded within special surplus for the annual health insurance industry fee related to the 2016 data year. The impact of the annual health insurance industry fee on the Company's operations as of December 31, 2016 and 2015 were as follows:

| | 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)? | No | |
| B. ACA fee assessment payable for the upcoming year | \$ - | \$ 10,559,171 |
| C. ACA fee assessment paid | \$ 12,876,942 | \$ 9,925,048 |
| D. Premiums written subject to ACA 9010 assessment | \$ - | \$ 584,683,132 |
| E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14) | \$ 102,524,244 | 77,269,766 |
| F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above) | \$ 102,524,244 | 66,710,595 |
| G. Authorized Control Level (Five-Year Historical Line 15) | \$ 22,247,625 | 19,299,885 |
| H. Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO) | No | |

The Company is not aware of any events or transactions occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition. Subsequent events have been considered through February 21, 2017 for the Statutory Statement issued on February 21, 2017.

NOTES TO THE FINANCIAL STATEMENTS

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 10.0 percent or controlled, either directly or indirectly, by 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) that is owned in excess of 10.0 percent or controlled directly or indirectly by an 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 reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

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

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

Yes () No (X)

B. Uncollectible Reinsurance

Not Applicable.

C. Commutation of Ceded Reinsurance

Not Applicable.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments for its Medicare business through a mathematical approach using an algorithm based upon settlement procedures defined by contracts with CMS.

The Company estimates accrued retrospective premium adjustments for its Commercial business based on experience to date, knowledge of the marketplace, and the terms of the risk corridors program with HHS.

- B. The Company records accrued retrospective premium as an adjustment to earned premiums.

- C. The amount of net premiums written by the Company at December 31, 2016 that are subject to retrospective rating features was \$728,822,893, or 100.00% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

D. Medical loss ratio rebates required pursuant to the Public Health Service Act

| | Individual | Small Group Employer | Large Group Employer | Other Categories with rebates | Total |
|-------------------------------------|------------|-------------------------|-------------------------|-------------------------------------|------------|
| Prior Reporting Year: | | | | | |
| Medical loss ratio rebates incurred | \$ - | \$ 840,817 | \$ - | \$ - | \$ 840,817 |
| Medical loss ratio rebates paid | - | 883,515 | - | - | 883,515 |
| Medical loss rebates unpaid | - | 33,559 | - | - | 33,559 |
| Plus reinsurance assumed amounts | XXX | XXX | XXX | XXX | - |
| Less reinsurance ceded amounts | XXX | XXX | XXX | XXX | - |
| Rebates unpaid net of reinsurance | XXX | XXX | XXX | XXX | \$ 33,559 |
| Current Reporting Year-to-date: | | | | | |
| Medical loss ratio rebates incurred | \$ - | \$ 205,498 | \$ - | \$ - | \$ 205,498 |
| Medical loss ratio rebates paid | - | 239,056 | - | - | 239,056 |
| Medical loss rebates unpaid | - | - | - | - | - |
| Plus reinsurance assumed amounts | XXX | XXX | XXX | XXX | - |
| Less reinsurance ceded amounts | XXX | XXX | XXX | XXX | - |
| Rebates unpaid net of reinsurance | XXX | XXX | XXX | XXX | \$ - |

E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO) Yes (X) No ()

- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities, and Revenue for the Current Year

a. Permanent ACA Risk Adjustment Program

Assets

1. Premium adjustments receivable due to ACA Risk Adjustment \$ 1,067,688

Liabilities

2. Risk adjustment user fees payable for ACA Risk Adjustment \$ 30,221
3. Premium adjustments payable due to ACA Risk Adjustment \$ 4,224,591

Operations (Revenue & Expenses)

4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment \$ (3,543,202)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid) \$ 31,367

b. Transitional ACA Reinsurance Program

Assets

1. Amounts recoverable for claims paid due to ACA Reinsurance \$ 1,683,489
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) \$ 112,451
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance \$ -

Liabilities

4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium \$ 1,328,835
5. Ceded reinsurance premiums payable due to ACA Reinsurance \$ 144,714
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance \$ -

Operations (Revenues & Expenses)

7. Ceded reinsurance premiums due to ACA Reinsurance \$ 144,714
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments \$ 428,730
9. ACA Reinsurance contributions – not reported as ceded premiums \$ 1,328,550

c. Temporary ACA Risk Corridors Program

Assets

1. Accrued retrospective premium due to ACA Risk Corridors \$ -

Liabilities

2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$ -

Operations (Revenues & Expenses)

3. Effect of ACA Risk Corridors on net premium income \$ 375,060
4. Effect of ACA Risk Corridors on change in reserves for rate credits \$ (11,374,750)

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

(1) Roll-forward of Prior Year ACA Risk-sharing Provisions for the Following Asset (Gross of Any Nonadmission) and Liability Balances, Along with the Reasons for Adjustments to Prior Year Balance.

| Accrued During the Prior Year on Business Written Before December 31 of the Prior Year | | Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year | | Differences | | Adjustments | | | Unsettled Balances as of the Reporting Date | |
|--|-------------|--|-------------|--|--|------------------------|------------------------|-----------|---|---|
| | | | | Prior Year Accrued Less Payments (Col 1-3) | Prior Year Accrued Less Payments (Col 2-4) | To Prior Year Balances | To Prior Year Balances | | Cumulative Balance from Prior Years (Col 1-3+7) | Cumulative Balance from Prior Years (Col 2-4+8) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 |
| Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Ref | Receivable | (Payable) |
| a. Permanent ACA Risk Adjustment Program | | | | | | | | | | |
| 1. Premium adjustments receivable | 48,060 | 65,139 | | (17,079) | | 17,079 | | A. | - | |
| 2. Premium adjustments (payables) | (4,013,095) | | (4,411,549) | | 398,454 | | (398,454) | B. | | - |
| 3. Subtotal ACA Permanent Risk Adjustment Program | 48,060 | (4,013,095) | 65,139 | (4,411,549) | (17,079) | 398,454 | 17,079 | (398,454) | - | - |
| b. Transitional ACA Reinsurance Program | | | | | | | | | | |
| 1. Amounts recoverable for claims paid | 5,195,858 | 4,589,745 | | 606,113 | | (43,045) | | C. | 563,068 | |
| 2. Amounts recoverable for claims unpaid (contra liability) | 761,097 | - | | 761,097 | | (761,097) | | D. | - | |
| 3. Amounts receivable relating to uninsured plans | - | - | | - | | - | | | - | |
| 4. Liabilities for contributions payable due to ACA Reinsurance- not reported as ceded premium | (2,012,144) | | (2,012,144) | | - | | - | | | - |
| 5. Ceded reinsurance premiums payable | (313,974) | | (313,974) | | - | | - | | | - |
| 6. Liability for amounts held under uninsured plans | - | - | | - | | - | | - | | - |
| 7. Subtotal ACA Transitional Reinsurance Program | 5,956,955 | (2,326,118) | 4,589,745 | (2,326,118) | 1,367,210 | - | (804,142) | - | 563,068 | - |
| c. Temporary ACA Risk Corridors Program | | | | | | | | | | |
| 1. Accrued retrospective premium | 11,374,750 | 375,060 | | 10,999,690 | | (10,999,690) | | E. | - | |
| 2. Reserve for rate credits or policy experience rating refunds | - | - | | - | | - | | - | | - |
| 3. Subtotal ACA Risk Corridors Program | 11,374,750 | - | 375,060 | - | 10,999,690 | - | (10,999,690) | - | - | - |
| d. Total for ACA Risk Sharing Provisions | 17,379,765 | (6,339,213) | 5,029,944 | (6,737,667) | 12,349,821 | 398,454 | (11,786,753) | (398,454) | 563,068 | - |

- Explanations of adjustments
- A. Adjustment reported to the CRA Receivable in order to reflect the sequestered amount CMS is withholding for appeals.
- B. Adjustment reported to write-off the remaining balance as no more payments are due to CMS for prior years.
- C. Adjustment reported to the Reinsurance Recoverable in order to reflect the sequestered amount CMS is withholding for appeals.
- D. IBNR reduced to zero as the Company does not expect significant paid claims with Reinsurance after Q1 2016.
- E. Risk Corridor Receivables were written off in 2016 per SSAP No. 107, paragraph 56.e., as the expected HHS payments have been deemed uncollectible.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

(2) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

| Risk Corridors Program Year | Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year | | Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year | | Differences | | Adjustments | | | Unsettled Balances as of the Reporting Date | |
|---|--|-----------|--|-----------|---|---|------------------------------|------------------------------|-----|---|---|
| | | | | | Prior Year Accrued Less Payments (Col 1 -3) | Prior Year Accrued Less Payments (Col 2 -4) | To Prior Year Balances | To Prior Year Balances | | Cumulative Balance from Prior Years (Col 1-3+7) | Cumulative Balance from Prior Years (Col 2-4+8) |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 |
| | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Ref | Receivable | (Payable) |
| a. 2014 | | | | | | | | | | | |
| 1. Accrued retrospective premium | 8,264,522 | | 375,060 | | 7,889,462 | | (7,889,462) | | A | - | |
| 2. Reserve for rate credits or policy experience rating refunds | | - | | - | | - | | - | | | - |
| b. 2015 | | | | | | | | | | | |
| 1. Accrued retrospective premium | 3,110,228 | | - | | 3,110,228 | | (3,110,228) | | A | - | |
| 2. Reserve for rate credits or policy experience rating refunds | | - | | - | | - | | - | | | - |
| c. 2016 | | | | | | | | | | | |
| 1. Accrued retrospective premium | - | | - | | - | | - | | | - | |
| 2. Reserve for rate credits or policy experience rating refunds | | - | | - | | - | | - | | | - |
| d. Total for Risk Corridors | 11,374,750 | - | 375,060 | - | 10,999,690 | - | (10,999,690) | - | | - | - |

Explanations of adjustments
A. Risk Corridor Receivables were written off in 2016 per SSAP No. 107, paragraph 56.e., as the expected HHS payments have been deemed uncollectible.

(5) ACA Risk Corridors Receivable as of Reporting Date

| Risk Corridors Program Year | 1 | 2 | 3 | 4 | 5 | 6 |
|-----------------------------|---|---|---------------------------|--|---------------------|--------------------------|
| | Estimated Amount to be Filed or Final Amount Filed with CMS | Non-Accrued Amounts for Impairment or Other Reasons | Amounts received from CMS | Assets Balance (Gross of Non-admissions) (1-2-3) | Non-admitted Amount | Net Admitted Asset (4-5) |
| a. 2014 | \$ 9,268,399 | \$ 7,889,462 | \$ 1,378,937 | \$ - | \$ - | \$ - |
| b. 2015 | 959,816 | 959,816 | - | - | - | - |
| c. 2016 | 724,522 | 724,522 | - | - | - | - |
| d. Total (a+b+c) | \$ 10,952,737 | \$ 9,573,800 | \$ 1,378,937 | \$ - | \$ - | \$ - |

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2015 were \$56,749,075. As of December 31, 2016, \$49,392,564 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$516,057 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$6,840,454 favorable prior-year development since December 31, 2015. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The amounts presented in this footnote exclude any impact related to Pharmacy Rebates and other Healthcare Receivable activity. Impact of such receivables can be seen in Footnote 28. The Company did not experience any material prior year claim development on retrospectively rated policies.

26. Intercompany Pooling Arrangements

Not Applicable.

27. Structured Settlements

The Company has no structured settlements.

STATEMENT AS OF December 31, 2016 OF Humana Health Plan of Ohio, Inc.

NOTES TO THE FINANCIAL STATEMENTS

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

| Quarter | Estimate Pharmacy Rebates as Reported on Financial Statements | Pharmacy Rebates as Billed or Otherwise Confirmed | Actual Rebates Received Within 90 Days of Billing | Actual Rebates Received Within 91 to 180 Days of Billing | Actual Rebates Received More than 181 Days after Billing |
|------------|--|--|---|---|---|
| 12/31/2016 | \$ 7,469,825 | \$ 7,469,825 | \$ - | \$ - | \$ - |
| 9/30/2016 | 6,814,330 | 6,814,330 | 6,813,091 | - | - |
| 6/30/2016 | 6,456,006 | 6,456,006 | 6,450,215 | - | - |
| 3/31/2016 | 6,129,260 | 6,129,260 | 6,125,030 | - | 4,230 |
| 12/31/2015 | 5,279,891 | 5,279,891 | 5,279,891 | 59,846 | 10,544 |
| 9/30/2015 | 5,980,791 | 5,980,791 | 5,885,302 | 60,602 | 34,887 |
| 6/30/2015 | 5,347,204 | 5,347,204 | 5,337,539 | - | 9,664 |
| 3/31/2015 | 4,549,880 | 4,549,880 | 4,548,438 | - | 1,442 |
| 12/31/2014 | 2,965,565 | 2,965,565 | 2,901,843 | 58,869 | 4,853 |
| 9/30/2014 | 2,735,582 | 2,735,582 | 2,721,833 | - | 13,749 |
| 6/30/2014 | 2,869,234 | 2,869,234 | 2,822,085 | 1,081 | 46,068 |
| 3/31/2014 | 2,195,560 | 2,195,560 | 1,996,280 | 85,223 | 114,057 |

B. Risk Sharing Receivables

| Calendar Year | Evaluation Period Year Ending | Risk Sharing Receivable as Estimated in the Prior Year | Risk Sharing Receivable as Estimated in the Current Year | Risk Sharing Receivable Billed | Risk Sharing Receivable Not Yet Billed | Actual Risk Sharing Amounts Received in Year Billed | Actual Risk Sharing Amounts Received First Year Subsequent | Actual Risk Sharing Amounts Received Second Year Subsequent | Actual Risk Sharing Amounts Received – All Others |
|---------------|-------------------------------|--|--|--------------------------------|--|---|--|---|---|
| 2016 | 2016 | 6,643,338 | 2,192,796 | 1,000,000 | 1,192,796 | - | 3,854,370 | 180,024 | - |
| | 2017 | XXX | - | XXX | XXX | XXX | XXX | XXX | XXX |
| 2015 | 2015 | - | 6,643,338 | - | 6,643,338 | 227,266 | - | - | - |
| | 2016 | XXX | - | XXX | XXX | XXX | XXX | XXX | XXX |
| 2014 | 2014 | - | - | - | - | - | - | - | - |
| | 2015 | XXX | - | XXX | XXX | XXX | XXX | XXX | XXX |

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

Not Applicable.

31. Anticipated Salvage and Subrogation

Not Applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

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

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

1.3

State Regulating?

Ohio

2.1

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

Yes [] No [X]

2.2

If yes, date of change:

3.1

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

12/31/2015

3.2

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

12/31/2010

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).

04/16/2012

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 [X] No [] N/A []

3.6

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

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

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
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 | 2 | 3 |
| Name of Entity | NAIC Company Code | 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).

0.0 %

| | |
|-------------|----------------|
| 1 | 2 |
| Nationality | 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?
PricewaterhouseCoopers LLC, 500 West Main Street, Suite 1800, Louisville, Kentucky 40202-4264

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?
Jonathan Albert Canine, Vice President and Appointed Actuary, 500 West Main Street, Louisville, KY 40202

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

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value \$ 0

12.2 If, yes provide explanation:

13. FOR UNITED STATES 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?
Not Applicable.

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] 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 [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$0

20.12 To stockholders not officers\$0

20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$0

20.22 To stockholders not officers\$0

20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$0

21.22 Borrowed from others\$0

21.23 Leased from others\$0

21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$0

22.22 Amount paid as expenses\$0

22.23 Other amounts paid\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$2,823,895

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 [X] No []
- 24.02 If no, give full and complete information relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.\$0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.\$0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

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 | \$ | 0 |
| | | 25.22 Subject to reverse repurchase agreements | \$ | 0 |
| | | 25.23 Subject to dollar repurchase agreements | \$ | 0 |
| | | 25.24 Subject to reverse dollar repurchase agreements | \$ | 0 |
| | | 25.25 Placed under option agreements | \$ | 0 |
| | | 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock | \$ | 0 |
| | | 25.27 FHLB Capital Stock | \$ | 0 |
| | | 25.28 On deposit with states | \$ | 764,543 |
| | | 25.29 On deposit with other regulatory bodies | \$ | 0 |
| | | 25.30 Pledged as collateral - excluding collateral pledged to an FHLB | \$ | 0 |
| | | 25.31 Pledged as collateral to FHLB - including assets backing funding agreements | \$ | 0 |
| | | 25.32 Other | \$ | 0 |

25.3 For category (25.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? 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. \$ 0

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ☒ 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 |
|---------------------------|---|
| JP Morgan Chase | 4 Metro Tech Center, 16th Floor Mail Code: NY1-C512, Brooklyn, NY 11245, Attn: Barbara J. Walsh |

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 |
|--------------------|--------------------|---------------------|-------------|
| | | | |

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

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 |
|---|------------------|
| BLACKROCK FINANCIAL MANAGEMENT, INC | U..... |
| W. Mark Preston | I..... |
| | |

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 [X] No []

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

| 1 Central Registration Depository Number | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment Management Agreement (IMA) Filed |
|--|---|------------------------------------|----------------------|---|
| 107105 | BLACKROCK FINANCIAL MANAGEMENT, INC | 549300LVXY1VJKE13M84 | the SEC | DS..... |
| | | | | |

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 | 147,274,214 | 144,751,278 | (2,522,936) |
| 30.2 Preferred stocks | 0 | 0 | 0 |
| 30.3 Totals | 147,274,214 | 144,751,278 | (2,522,936) |

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

Fair value of actively traded debt and equity securities are based on quoted market prices.Fair value of inactively traded debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates using either a market or income valuation.

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

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

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

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

32.2 If no, list exceptions:
.....

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?\$24,505

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 |
|------------------------------|------------------|
| SQUIRE SANDERS (US)LLP | 24,505 |
| | |

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

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

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

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

Yes [] No [X]

1.2

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

\$ 0

1.3

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

\$ 0

1.31

Reason for excluding

1.4

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

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

740,164,084

579,595,573

2.2

Premium Denominator

740,164,084

579,595,573

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

65,868,486

85,582,914

2.5

Reserve Denominator

65,868,486

85,582,914

2.6

Reserve Ratio (2.4/2.5)

1.000

1.000

3.1

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

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No [X]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 3,000,000

5.32

Medical Only

\$ 0

5.33

Medicare Supplement

\$ 0

5.34

Dental & Vision

\$ 0

5.35

Other Limited Benefit Plan

\$ 0

5.36

Other

\$ 0

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
Provider contracts include hold harmless and continuation of benefits provisions. HMO (Prepaid HCDP in IN) has an indemnity agreement with the parent company.

7.1

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

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

112,141

8.2

Number of providers at end of reporting year

92,220

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months.

\$ 0

9.22

Business with rate guarantees over 36 months

\$ 0

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []
- 10.2 If yes:

10.21 Maximum amount payable bonuses.....\$526,428

10.22 Amount actually paid for year bonuses.....\$55,088

10.23 Maximum amount payable withholds.....\$0

10.24 Amount actually paid for year withholds.....\$0
- 11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, . Yes [] No [X]

11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. Ohio 3929.011 & 3929.01; 3903.83
- 11.4 If yes, show the amount required.\$66,742,875
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation
See RBC calculation or state regulation.
12. List service areas in which reporting entity is licensed to operate:

| 1 Name of Service Area |
|--|
| IN – Dearborn, Franklin, Ohio, Ripley, Union |
| KY – Boone, Campbell, Gallatin, Grant, Kenton, Pendleton |
| OH – Adams, Brown, Butler, Carroll, Champaign, Clark, Clermont, Clinton, Columbiana, Cuyahoga, Darke, Delaware, Fairfield, Franklin, Greene, Hamilton, Highland, Lake, Licking, Lorain, Lucas, Mahoning, Medina, Miami, Montgomery, Portage, Preble, Seneca, Stark, Summit, Trumbull, Warren, Wood, Allen, Erie, Geauga, Muskingum, Ottawa, Sandusky, Union, Wayne |
| |

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

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

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

15.1 Direct Premium Written\$0

15.2 Total Incurred Claims\$0

15.3 Number of Covered Lives0

| *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

| | 1 2016 | 2 2015 | 3 2014 | 4 2013 | 5 2012 |
|--|-------------|--------------|--------------|-------------|-------------|
| Balance Sheet (Pages 2 and 3) | | | | | |
| 1. Total admitted assets (Page 2, Line 28) | 180,472,772 | 176,825,446 | 140,932,817 | 90,734,513 | 77,381,010 |
| 2. Total liabilities (Page 3, Line 24) | 77,948,528 | 99,555,680 | 77,403,600 | 42,134,664 | 36,141,823 |
| 3. Statutory minimum capital and surplus requirement | 66,742,875 | 57,899,655 | 33,382,342 | 24,239,440 | 19,421,226 |
| 4. Total capital and surplus (Page 3, Line 33) | 102,524,244 | 77,269,766 | 63,529,217 | 48,599,849 | 41,239,187 |
| Income Statement (Page 4) | | | | | |
| 5. Total revenues (Line 8) | 728,822,893 | 591,013,020 | 496,965,085 | 366,974,517 | 284,663,635 |
| 6. Total medical and hospital expenses (Line 18) | 631,725,188 | 534,082,211 | 429,354,045 | 302,993,005 | 239,206,721 |
| 7. Claims adjustment expenses (Line 20) | 28,444,693 | 24,302,830 | 19,450,262 | 20,721,824 | 16,041,464 |
| 8. Total administrative expenses (Line 21) | 82,244,541 | 67,006,803 | 60,893,700 | 39,735,445 | 33,670,032 |
| 9. Net underwriting gain (loss) (Line 24) | 6,253,471 | (37,637,824) | (28,388,922) | 4,668,243 | 2,275,418 |
| 10. Net investment gain (loss) (Line 27) | 3,014,529 | 3,489,361 | 2,787,520 | 2,764,649 | 2,491,104 |
| 11. Total other income (Lines 28 plus 29) | (43,246) | (24) | (196,224) | 36,478 | 2 |
| 12. Net income or (loss) (Line 32) | 8,418,518 | (27,256,111) | (25,532,774) | 5,575,809 | 5,428,786 |
| Cash Flow (Page 6) | | | | | |
| 13. Net cash from operations (Line 11) | 14,137,141 | (27,880,296) | (10,903,987) | 5,870,610 | 1,611,361 |
| Risk-Based Capital Analysis | | | | | |
| 14. Total adjusted capital | 102,524,244 | 77,269,766 | 63,529,217 | 48,599,849 | 41,239,187 |
| 15. Authorized control level risk-based capital | 22,247,625 | 19,299,885 | 16,691,171 | 11,913,904 | 9,756,660 |
| Enrollment (Exhibit 1) | | | | | |
| 16. Total members at end of period (Column 5, Line 7) | 105,184 | 96,567 | 90,884 | 75,337 | 62,857 |
| 17. Total members months (Column 6, Line 7) | 1,242,547 | 1,132,434 | 1,072,064 | 869,161 | 762,421 |
| Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0 | | | | | |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) | 86.7 | 90.4 | 86.4 | 82.6 | 84.0 |
| 20. Cost containment expenses | 3.3 | 3.3 | 3.3 | 5.0 | 4.8 |
| 21. Other claims adjustment expenses | 0.6 | 0.8 | 0.6 | 0.7 | 0.8 |
| 22. Total underwriting deductions (Line 23) | 99.1 | 106.4 | 105.7 | 98.7 | 99.2 |
| 23. Total underwriting gain (loss) (Line 24) | 0.9 | (6.4) | (5.7) | 1.3 | 0.8 |
| Unpaid Claims Analysis (U&I Exhibit, Part 2B) | | | | | |
| 24. Total claims incurred for prior years (Line 13, Col. 5) | 40,053,786 | 41,203,644 | 30,976,820 | 23,113,897 | 17,492,229 |
| 25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)] | 44,285,679 | 41,183,159 | 29,826,133 | 25,562,120 | 21,229,159 |
| Investments In Parent, Subsidiaries and Affiliates | | | | | |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) | 0 | 0 | 0 | 0 | 0 |
| 30. Affiliated mortgage loans on real estate | 0 | 0 | 0 | 0 | 0 |
| 31. All other affiliated | 0 | 0 | 0 | 0 | 0 |
| 32. Total of above Lines 26 to 31 | 0 | 0 | 0 | 0 | 0 |
| 33. Total investment in parent included in Lines 26 to 31 above. | 0 | 0 | 0 | 0 | 0 |

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

Yes [] No []

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

| Allocated by States and Territories | | | | | | | | | | |
|--|---------------|----------------------------|----------------------|--------------------|---|--|-----------------------------|---------------------------|------------------------|---|
| States, etc. | 1 | Direct Business Only | | | | | | | | |
| | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| | Active Status | Accident & Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Plan Premiums | Life & Annuity Premiums & Other Considerations | Property/ Casualty Premiums | Total Columns 2 Through 7 | Deposit-Type Contracts | |
| 1. Alabama | AL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Alaska | AK | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Arizona | AZ | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Arkansas | AR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. California | CA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Colorado | CO | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Connecticut | CT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Delaware | DE | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. District of Columbia | DC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Florida | FL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Georgia | GA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Hawaii | HI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Idaho | ID | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Illinois | IL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Indiana | IN | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. Iowa | IA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. Kansas | KS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. Kentucky | KY | L | 0 | 100,892,007 | 0 | 0 | 0 | 100,892,007 | 0 | 0 |
| 19. Louisiana | LA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. Maine | ME | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. Maryland | MD | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. Massachusetts | MA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23. Michigan | MI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Minnesota | MN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. Mississippi | MS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. Missouri | MO | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27. Montana | MT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28. Nebraska | NE | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. Nevada | NV | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30. New Hampshire | NH | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. New Jersey | NJ | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. New Mexico | NM | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. New York | NY | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. North Carolina | NC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. North Dakota | ND | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. Ohio | OH | L | 226,417,871 | 407,559,873 | 0 | 5,664,933 | 0 | 639,642,677 | 0 | 0 |
| 37. Oklahoma | OK | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38. Oregon | OR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39. Pennsylvania | PA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40. Rhode Island | RI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41. South Carolina | SC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42. South Dakota | SD | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43. Tennessee | TN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44. Texas | TX | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45. Utah | UT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46. Vermont | VT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47. Virginia | VA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48. Washington | WA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49. West Virginia | WV | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50. Wisconsin | WI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51. Wyoming | WY | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 52. American Samoa | AS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53. Guam | GU | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54. Puerto Rico | PR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 55. U.S. Virgin Islands | VI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56. Northern Mariana Islands | MP | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57. Canada | CAN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58. Aggregate other alien | OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | XXX | 226,417,871 | 508,451,880 | 0 | 5,664,933 | 0 | 0 | 740,534,684 | 0 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 61. Total (Direct Business) | (a) 3 | 226,417,871 | 508,451,880 | 0 | 5,664,933 | 0 | 0 | 740,534,684 | 0 | 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 | 0 | 0 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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

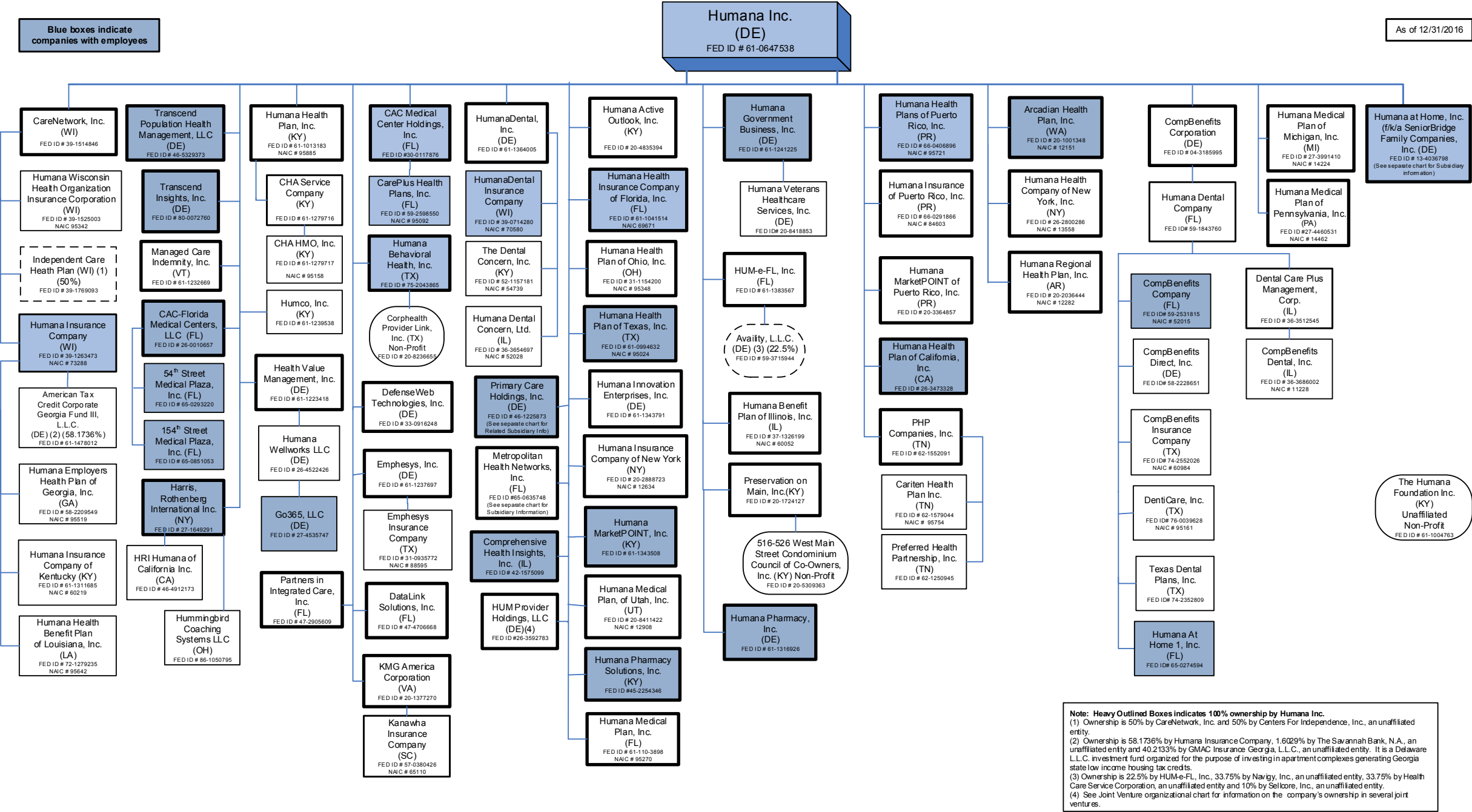
Explanation of basis of allocation by states, premiums by state, etc.

The Company allocates group premiums to the situs of the contract and individual premiums on residence.

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

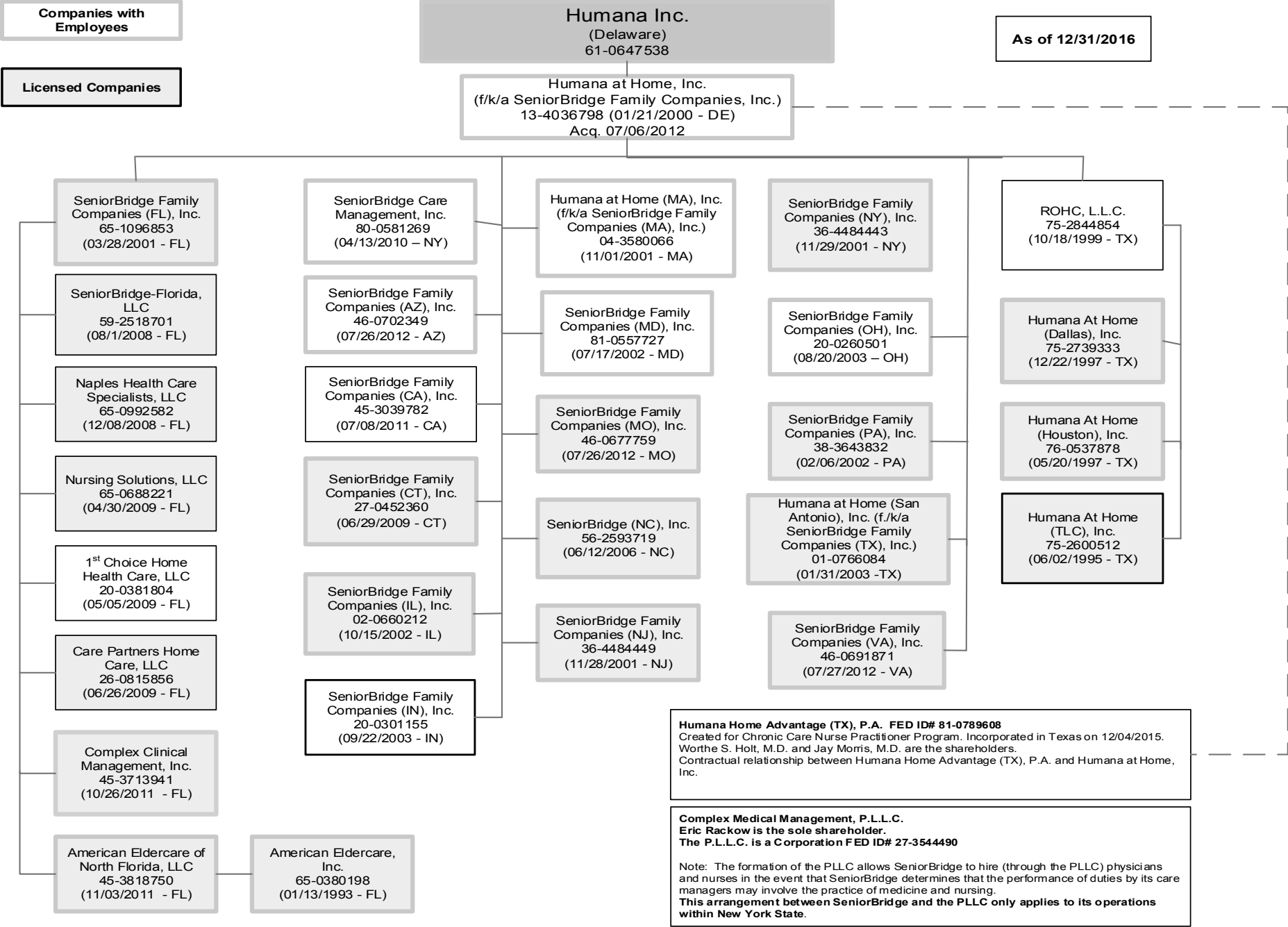
ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

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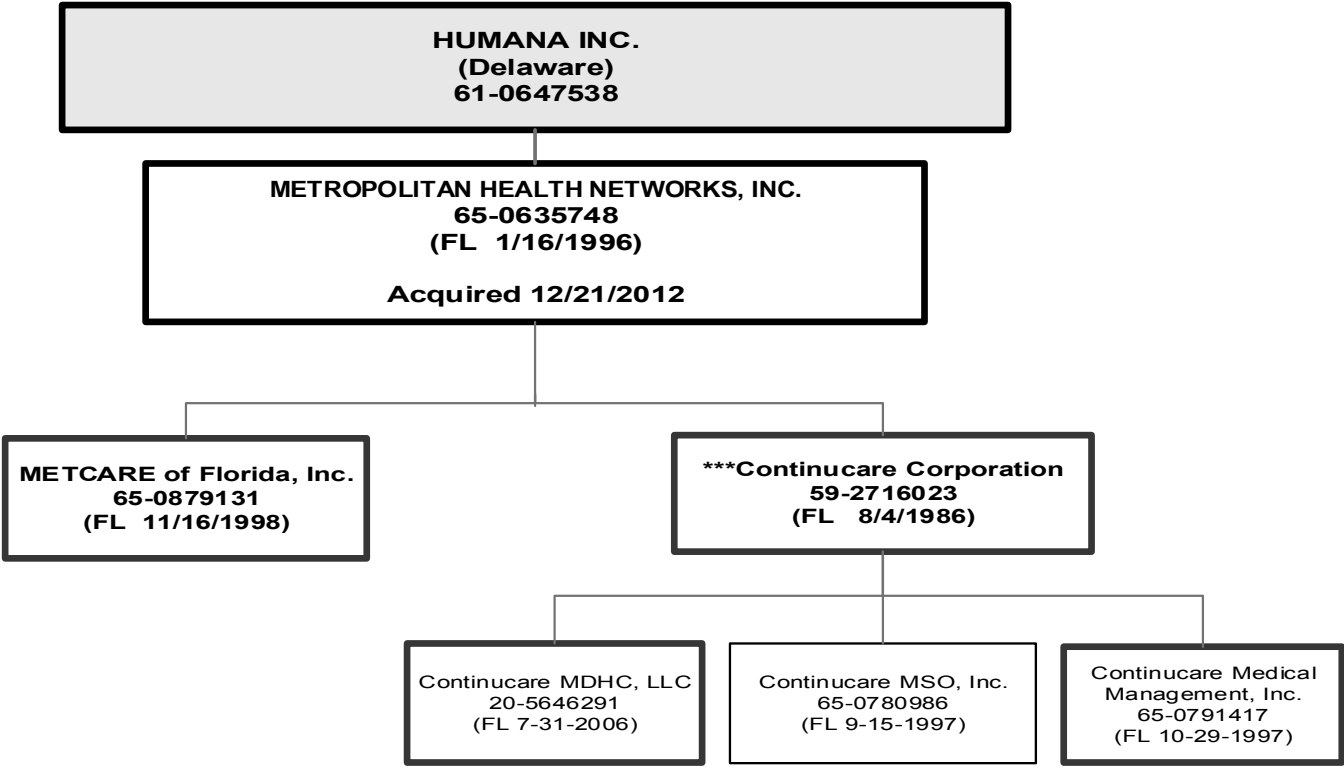


ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Humana Health Plan of Ohio Inc.

40.1



As of 12-31-2016



Employees

Premier Sleep Services, LLC (a North Carolina entity) has been merged into its parent Seredor Corporation (a Florida entity) effective 08.31.2016.

*** Continucare Managed Care, Inc., CNU Blue 2, LLC and Seredor Corporation (all Florida entities) have been merged into their parent Continucare Corporation (a Florida entity) effective 09.30.2016.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

| | | Current Year | | | Prior Year |
|-------|---|--------------|--------------------|--------------------------------------|------------------------|
| | | 1 | 2 | 3 | 4 |
| | | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | Net Admitted Assets |
| 2504. | Federal Contingency Reserves | 111,370 | 0 | 111,370 | 55,903 |
| 2597. | Summary of remaining write-ins for Line 25 from overflow page | 111,370 | 0 | 111,370 | 55,903 |

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business 7

Assets 2

Cash Flow 6

Exhibit 1 - Enrollment By Product Type for Health Business Only 17

Exhibit 2 - Accident and Health Premiums Due and Unpaid 18

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