

Amending the filings to include audit adjustments posted for the audited financial statements.



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

**HealthSpan Inc**

NAIC Group Code	04831 (Current Period)	04831 (Prior Period)	NAIC Company Code	15284	Employer's ID Number	31-1431434
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [ X ]		Property/Casualty [ ]	Hospital, Medical & Dental Service or Indemnity [ ]		
	Dental Service Corporation [ ]		Vision Service Corporation [ ]	Health Maintenance Organization [ ]		
	Other [ ]		Is HMO, Federally Qualified? Yes [ ] No [ ]			
Incorporated/Organized	07/30/2013		Commenced Business	07/30/2013		
Statutory Home Office	1701 Mercy Health Place (Street and Number)		Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1701 Mercy Health Place (Street and Number)		Cincinnati, OH, US 45237 (Area Code) (Telephone Number)			
Mail Address	1701 Mercy Health Place (Street and Number or P.O. Box)		Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1701 Mercy Health Place (Street and Number)		1701 Mercy Health Place (Area Code) (Telephone Number) (Extension)			
Internet Web Site Address	N/A					
Statutory Statement Contact	Felicia C Browning (Name)		216-319-1618 (Area Code) (Telephone Number) (Extension)			
	Felicia.browning@mercy.com (E-Mail Address)		216-623-8793 (Fax Number)			

**OFFICERS**

Name	Title	Name	Title
Jeffrey Copeland #	President & CEO	David Nowiski	Treasurer

**OTHER OFFICERS**

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**DIRECTORS OR TRUSTEES**

Jeffrey Copeland	Walid Sidani MD	Bob Campbell	Allan Calonge
William Franks			

State of .....

ss

County of .....

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

Jeffrey Copeland President & CEO	David Nowiski Treasurer	
Subscribed and sworn to before me this day of _____	a. Is this an original filing? Yes [ ] No [ X ]	
	b. If no: 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____	1

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 Total individuals .....	88,997	21,800	128,313			239,110
Group subscribers:						
0299997 Group subscriber subtotal .....	0	.0	0	.0	0	.0
0299998 Premiums due and unpaid not individually listed .....						
0299999 Total group .....	0	.0	0	.0	0	.0
0399999 Premiums due and unpaid from Medicare entities .....						
0499999 Premiums due and unpaid from Medicaid entities .....						
0599999 Accident and health premiums due and unpaid (Page 2, Line 15)	88,997	21,800	128,313	0	0	239,110

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## **EXHIBIT 3 - HEALTH CARE RECEIVABLES**

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## EXHIBIT 3A – ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivables	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Claims Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year		
1. Pharmaceutical rebate receivables .....				125,500	0	.0
2. Claim overpayment receivables .....					0	
3. Loans and advances to providers .....					0	
4. Capitation arrangement receivables .....					0	
5. Risk sharing receivables .....					0	
6. Other health care receivables .....					0	
7. Totals (Lines 1 through 6)	0	0	0	125,500	0	0

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

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

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

## Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0199999 Individually listed claims unpaid.....	0	.0	0	.0	0	0
0299999 Aggregate accounts not individually listed-uncovered.....						0
0399999 Aggregate accounts not individually listed-covered						0
0499999 Subtotals	0	0	0	0	0	0
0599999 Unreported claims and other claim reserves						2,989,108
0699999 Total amounts withheld						
0799999 Total claims unpaid						2,989,108
0899999 Accrued medical incentive pool and bonus amounts						0

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
0199999 Individually listed receivables .....	0	0	0	0	0	0	0
0299999 Receivables not individually listed							
0399999 Total gross amounts receivable	0	0	0	0	0	0	0

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Healthspan Partners.....		..(604,590)	..(604,590)	
Healthspan Physicians.....		0	0	
Healthspan Integrated Care.....		(70,137)	(70,137)	
Mercy Health.....		8,772,792	8,772,792	
.....				
.....				
.....				
.....				
.....				
.....				
.....				
0199999 Individually listed payables.....		8,098,065	8,098,065	0
0299999 Payables not individually listed				
0399999 Total gross payables		8,098,065	8,098,065	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## **EXHIBIT 7 - PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS**

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups .....	0	0.0		0.0		
2. Intermediaries .....	0	0.0		0.0		
3. All other providers .....	0	0.0		0.0		
4. Total capitation payments .....	0	0.0	0	0.0	0	0
Other Payments:						
5. Fee-for-service .....	1,529,398	5.0	XXX	XXX		1,529,398
6. Contractual fee payments .....	28,863,093	95.0	XXX	XXX		28,863,093
7. Bonus/withhold arrangements - fee-for-service .....	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments .....	0	0.0	XXX	XXX		
9. Non-contingent salaries .....	0	0.0	XXX	XXX		
10. Aggregate cost arrangements .....	0	0.0	XXX	XXX		
11. All other payments .....	0	0.0	XXX	XXX		
12. Total other payments .....	30,392,491	100.0	XXX	XXX	0	30,392,491
13. Total (Line 4 plus Line 12)	30,392,491	100 %	XXX	XXX	0	30,392,491

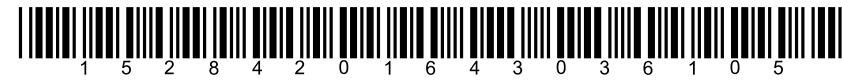
## **EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES**

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

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

**NONE**



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

HealthSpan Inc

2. \_\_\_\_\_

(LOCATION)

NAIC Group Code	04831	BUSINESS IN THE STATE OF Ohio	DURING THE YEAR 2016								NAIC Company Code	15284
			Comprehensive (Hospital & Medical)		4	5	6	7	8	9		
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other	
Total Members at end of:												
1. Prior Year .....		12,330	8,726	3,604								
2. First Quarter .....		6,456	3,073	3,383								
3. Second Quarter .....		4,806	2,537	2,269								
4. Third Quarter .....		2,343	2,343									
5. Current Year .....		1,918	1,918									
6. Current Year Member Months		55,620	33,145	22,475								
Total Member Ambulatory Encounters for Year:												
7. Physician .....		25,035	15,502	9,533								
8. Non-Physician .....		3,187	1,915	1,272								
9. Total .....		28,222	17,417	10,805	0	0	0	0	0	0	0	
10. Hospital Patient Days Incurred		1,419	945	474								
11. Number of Inpatient Admissions		320	210	110								
12. Health Premiums Written (b)		27,324,682	18,302,845	9,021,837								
13. Life Premiums Direct .....		0										
14. Property/Casualty Premiums Written .....		0										
15. Health Premiums Earned .....		27,324,682	18,302,845	9,021,837								
16. Property/Casualty Premiums Earned .....		0										
17. Amount Paid for Provision of Health Care Services .....		30,392,491	18,705,682	11,686,809								
18. Amount Incurred for Provision of Health Care Services .....		22,438,013	14,838,321	7,599,692								

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

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



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

HealthSpan Inc

2. \_\_\_\_\_

(LOCATION)

NAIC Group Code	00000	BUSINESS IN THE STATE OF Consolidated			DURING THE YEAR 2016					NAIC Company Code	15284
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
			2	3							
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:											
1. Prior Year .....		12,330	8,726	3,604	0	0	0	0	0	0	0
2. First Quarter .....		6,456	3,073	3,383	0	0	0	0	0	0	0
3. Second Quarter .....		4,806	2,537	2,269	0	0	0	0	0	0	0
4. Third Quarter .....		2,343	2,343	0	0	0	0	0	0	0	0
5. Current Year .....		1,918	1,918	0	0	0	0	0	0	0	0
6. Current Year Member Months .....		55,620	33,145	22,475	0	0	0	0	0	0	0
Total Member Ambulatory Encounters for Year:											
7. Physician .....		25,035	15,502	9,533	0	0	0	0	0	0	0
8. Non-Physician .....		3,187	1,915	1,272	0	0	0	0	0	0	0
9. Total .....		28,222	17,417	10,805	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred .....		1,419	945	474	0	0	0	0	0	0	0
11. Number of Inpatient Admissions .....		320	210	110	0	0	0	0	0	0	0
12. Health Premiums Written (b) .....		27,324,682	18,302,845	9,021,837	0	0	0	0	0	0	0
13. Life Premiums Direct .....		0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written .....		0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned .....		27,324,682	18,302,845	9,021,837	0	0	0	0	0	0	0
16. Property/Casualty Premiums Earned .....		0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services .....		30,392,491	18,705,682	11,686,809	0	0	0	0	0	0	0
18. Amount Incurred for Provision of Health Care Services .....		22,438,013	14,838,321	7,599,692	0	0	0	0	0	0	0

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

**SCHEDULE S - PART 1 - SECTION 2**

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

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## **SCHEDULE S - PART 2**

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

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**

**SCHEDULE S - PART 3 - SECTION 2**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
36234.....47-0580977.....01/01/2016.....PREFERRED PROFESSIONAL INS CO.....				NE.....DC.....				630,998					
00000.....AA-9990032.....01/01/2016.....US Dept of Hlth & Human Serv.....								67,289					
0899999 - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates								698,287	0	0	0	0	0
1099999 - General Account - Authorized - Non-Affiliates - Total Authorized Non-Affiliates								698,287	0	0	0	0	0
1199999 - General Account - Authorized - Total General Account Authorized								698,287	0	0	0	0	0
3499999 - General Account - Total General Account Authorized, Unauthorized and Certified								698,287	0	0	0	0	0
6999999 - Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)								698,287	0	0	0	0	0
9999999 Totals								698,287	0	0	0	0	0

Schedule S - Part 4  
**NONE**

Schedule S - Part 5  
**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**

**SCHEDULE S – PART 6**

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

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>A. OPERATIONS ITEMS</b>					
1. Premiums.....	698	1,662	836	0	0
2. Title XVIII-Medicare.....	0	0	0	0	0
3. Title XIX-Medicaid.....	0	0	0	0	0
4. Commissions and reinsurance expense allowance.....	0	0	0	0	0
5. Total hospital and medical expenses.....	0	0	0	0	0
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....	0	0	0	0	0
7. Claims payable.....	0	.669	0	0	0
8. Reinsurance recoverable on paid losses.....	2,089	4,506	2,951	0	0
9. Experience rating refunds due or unpaid.....	0	0	0	0	0
10. Commissions and reinsurance expense allowances due.....	0	0	0	0	0
11. Unauthorized reinsurance offset.....	0	0	0	0	0
12. Offset for reinsurance with Certified Reinsurers.....	0	0	0	0	0
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F).....	0	0	0	0	0
14. Letters of credit (L).....	0	0	0	0	0
15. Trust agreements (T).....	0	0	0	0	0
16. Other (O).....	0	0	0	0	0
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
17. Multiple Beneficiary Trust.....	0	0	0	0	0
18. Funds deposited by and withheld from (F)	0	0	0	0	0
19. Letters of credit (L)	0	0	0	0	0
20. Trust agreements (T)	0	0	0	0	0
21. Other (O)	0	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**

**SCHEDULE S - PART 7**

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	21,419,276		21,419,276
2. Accident and health premiums due and unpaid (Line 15).....	239,110		239,110
3. Amounts recoverable from reinsurers (Line 16.1).....	2,089,366		2,089,366
4. Net credit for ceded reinsurance.....	XXX	2,089,366	2,089,366
5. All other admitted assets (Balance).....	1,815,177		1,815,177
6. Total assets (Line 28)	25,562,929	2,089,366	27,652,295
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1).....	2,989,108	0	2,989,108
8. Accrued medical incentive pool and bonus payments (Line 2).....	0		0
9. Premiums received in advance (Line 8).....	0		0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount).....	0		0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount).....	0		0
12. Reinsurance with Certified Reinsurers (Line 20 inset amount).....	0		0
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount).....	0		0
14. All other liabilities (Balance).....	12,780,878		12,780,878
15. Total liabilities (Line 24).....	15,769,986	0	15,769,986
16. Total capital and surplus (Line 33).....	9,792,944	XXX	9,792,944
17. Total liabilities, capital and surplus (Line 34)	25,562,930	0	25,562,930
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid.....	0		
19. Accrued medical incentive pool.....	0		
20. Premiums received in advance .....	0		
21. Reinsurance recoverable on paid losses .....	2,089,366		
22. Other ceded reinsurance recoverables .....	0		
23. Total ceded reinsurance recoverables .....	2,089,366		
24. Premiums receivable .....	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....	0		
26. Unauthorized reinsurance .....	0		
27. Reinsurance with Certified Reinsurers.....	0		
28. Funds held under reinsurance treaties with Certified Reinsurers.....	0		
29. Other ceded reinsurance payables/offsets .....	0		
30. Total ceded reinsurance payables/offsets .....	0		
31. Total net credit for ceded reinsurance	2,089,366		

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**

**SCHEDULE T – PART 2**  
**INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN**

Allocated By States and Territories

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

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

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Asterisk	Explanation
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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## SCHEDULE Y

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

# ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

### MARCH FILING

	Responses
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	.....YES.....
2. Will an actuarial opinion be filed by March 1?	.....YES.....
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	.....YES.....
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1?	.....YES.....

### APRIL FILING

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

### JUNE FILING

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

### AUGUST FILING

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

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

### MARCH FILING

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

### APRIL FILING

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

### AUGUST FILING

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

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## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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22.

23.

**Bar code:**

11.   
1 5 2 8 4 2 0 1 6 3 6 0 5 9 0 0 0 0

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23.   
1 5 2 8 4 2 0 1 6 2 1 3 0 0 0 0 0

## OVERFLOW PAGE FOR WRITE-INS

M003 Additional Aggregate Lines for Page 03 Line 23.

\*LIAB - Liabilities

	1 Covered	2 Uncovered	3 Total	4 Total
2304. Other Long Term Liabilities.....	0		0	116,440
2305. Affordable Care Act Payable.....	746,006		746,006	8,891,344
2397. Summary of remaining write-ins for Line 23 from Page 03	746,006	0	746,006	9,007,784

M004 Additional Aggregate Lines for Page 04 Line 6.

\*REVEX1 - Statement of Revenue and Expenses

	1 Uncovered	2 Total	3 Total
0604. Related Party Consulting and Health Benefit Plan.....	XXX	4,611,864	4,890,379
0605. Payment Innovations Claims Expense.....	XXX	(75,020)	0
0606.....	XXX		0
0697. Summary of remaining write-ins for Line 6 from Page 04	XXX	4,536,844	4,890,379

M004 Additional Aggregate Lines for Page 04 Line 29.

\*REVEX1 - Statement of Revenue and Expenses

	1 Uncovered	2 Total	3 Total
2904. Mercy Settlement.....		(8,513,384)	
2905. Other Income.....		3,703	
2997. Summary of remaining write-ins for Line 29 from Page 04	0	(8,509,681)	0

M014 Additional Aggregate Lines for Page 14 Line 25.

\*EXEXP - Underwriting and Investment Exhibit - Part 3

	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
2504. Severance.....			(347,241)		(347,241)
2505. Miscellaneous.....		35,557	(26,030)		9,527
2597. Summary of remaining write-ins for Line 25 from Page 14	0	35,557	(373,271)	0	(337,714)

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**

**OVERFLOW PAGE FOR WRITE-INS**

M007 Additional Aggregate Lines for Page 07 Line 05.

\*ANAOPS – Analysis of Operations by Lines of Business

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
Related Party Consulting and Health										
0504. Benefit Plan.....	4,611,864								4,611,864	
0505. Payment Innovations Claims Expense.....	(75,020)								(75,020)	
0597. Summary of remaining write-ins for Line 5 from page 7	4,536,844	0	0	0	0	0	0	0	0	4,536,844

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**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE HealthSpan Inc**