



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

## CareSource

NAIC Group Code	3683 (Current Period)	3683 (Prior Period)	NAIC Company Code	95201	Employer's ID Number	31-1143265
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 [ ]	Property/Casualty [ ]	Hospital, Medical & Dental Service or Indemnity [ ]			
	Dental Service Corporation [ ]	Vision Service Corporation [ ]	Health Maintenance Organization [ X ]			
	Other [ ]	Is HMO, Federally Qualified? Yes [ ] No [ X ]				
Incorporated/Organized	06/12/1985		Commenced Business	10/01/1988		
Statutory Home Office	230 North Main Street (Street and Number)			Dayton, OH, US 45402 (City or Town, State, Country and Zip Code)		
Main Administrative Office	230 North Main Street (Street and Number)			Dayton, OH, US 45402 (City or Town, State, Country and Zip Code)		
Mail Address	PO Box 8738 (Street and Number or P.O. Box)			Dayton, OH, US 45401-8738 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	230 North Main Street (Street and Number)			Dayton, OH, US 45402 (City or Town, State, Country and Zip Code)		
Internet Web Site Address	www.caresource.com					
Statutory Statement Contact	Daniel Gudz (Name)			937-531-2330 (Area Code) (Telephone Number) (Extension)		
	Daniel.Gudz@caresource.com (E-Mail Address)			(Fax Number)		

## OFFICERS

Name	Title	Name	Title
Pamela B. Morris	President & Chief Executive Officer	L. Tarlton Thomas III	EV, Operations and Chief Financial Officer
Stephen L. Ringel	President, Ohio Market	Craig S. Thiele M.D.	Chief Medical Officer

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## OTHER OFFICERS

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## **DIRECTORS OR TRUSTEES**

<hr/> <p>Pamela B. Morris Craig Brown David Kaelber M.D.</p>	<hr/> <p>Michael E. Ervin M.D. Ellen S. Leffak</p>	<hr/> <p>William F. Marsteller D.C. Douglas A. Fecher</p>	<hr/> <p>Gary L. LeRoy M.D. David T. Miller</p>
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State of Ohio.....  
County of Montgomery.....

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.

Craig Thiele M.D.  
Chief Medical Officer

L. Tarlton Thomas III  
EVP, Operations and Chief Financial Officer

Stephen L. Ringel  
President, Ohio Market

Subscribed and sworn to before me this  
day of

a. Is this an original filing? Yes [  ] No [  ]  
b. If no:  
1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## 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 .....	1,288,059	2,217,119	22,160,611	(15,446,506)	2,432,818	7,786,465
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 .....	47,770,106	19,695,632	16,706,151	57,191,977		141,363,867
0599999 Accident and health premiums due and unpaid (Page 2, Line 15) .....	49,058,165	21,912,752	38,866,763	41,745,471	2,432,818	149,150,332

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

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

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## 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 .....	68,145,363	74,026,933	6,487,091	73,635,993	74,632,454	65,033,813
2. Claim overpayment receivables .....	13,737,624	(9,900,796)	6,381,374	25,451,039	20,118,998	14,427,495
3. Loans and advances to providers .....				35,000	0	0
4. Capitation arrangement receivables .....	31,110,182	153,896,778	(3,294)	30,399,698	31,106,888	31,106,888
5. Risk sharing receivables .....					0	0
6. Other health care receivables .....					0	0
7. Totals (Lines 1 through 6)	112,993,169	218,022,915	12,865,171	129,521,730	125,858,340	110,568,196

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 CareSource

## 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)						
CVS.....	75,529,150					75,529,150
.....						
.....						
.....						
.....						
.....						
.....						
0199999 Individually listed claims unpaid.....	75,529,150	.0	.0	.0	.0	75,529,150
0299999 Aggregate accounts not individually listed-uncovered.....						0
0399999 Aggregate accounts not individually listed-covered.....	15,251,313	4,275,808	2,261,388	2,028,223	6,375,883	30,192,615
0499999 Subtotals.....	90,780,462	4,275,808	2,261,388	2,028,223	6,375,883	105,721,765
0599999 Unreported claims and other claim reserves.....						471,331,771
0699999 Total amounts withheld.....						
0799999 Total claims unpaid.....						577,053,535
0899999 Accrued medical incentive pool and bonus amounts.....						0

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## 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 CareSource

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

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
CareSource Management Group.....	Due to Parent.....	13,616,250	13,616,250	
CareSource Indiana.....	Due to CareSource Indiana.....	97,779	97,779	
CareSource Reinsurance LLC.....	Due to CareSource Reinsurance.....	952,832	952,832	
CareSource Management Services.....	Due to CareSource Management Services.....	173,495	173,495	
CareSource Kentucky.....	Due to CareSource Kentucky.....	917	917	
CareSource West Virginia.....	Due to CareSource West Virginia.....	10,176	10,176	
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
0199999 Individually listed payables.....	.....	14,851,449	14,851,449	.....0
0299999 Payables not individually listed	.....	.....	.....	.....
0399999 Total gross payables	.....	14,851,449	14,851,449	0

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## **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 .....	349,238,984	5.4	2,093,098	151.8		349,238,984
2. Intermediaries .....	92,767,063	1.4	15,408,973	1,117.8		92,767,063
3. All other providers .....	45,861,217	0.7	16,371,227	1,187.7		45,861,217
4. Total capitation payments .....	487,867,264	7.5	33,873,298	2,457.3	0	487,867,264
Other Payments:						
5. Fee-for-service .....	0	0.0	XXX	XXX		
6. Contractual fee payments .....	5,982,449,567	92.5	XXX	XXX		5,982,449,567
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 .....	5,982,449,567	92.5	XXX	XXX	0	5,982,449,567
13. Total (Line 4 plus Line 12)	6,470,316,831	100 %	XXX	XXX	0	6,470,316,831

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

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## 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 .....	118,845		118,845			
2. Medical furniture, equipment and fixtures .....						
3. Pharmaceuticals and surgical supplies .....						
4. Durable medical equipment .....						
5. Other property and equipment						
6. Total	118,845	0	118,845	0	0	0



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

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

REPORT FOR: 1. CORPORATION

CareSource

NAIC Group Code	3683	BUSINESS IN THE STATE OF Ohio	1	DURING THE YEAR 2016								NAIC Company Code	95201
				Comprehensive (Hospital & Medical)		4	5	6	7	8	9		
			2	3	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:			Total										
1. Prior Year .....			1,306,521		40,776							1,243,447	22,298
2. First Quarter .....			1,355,718		65,600							1,267,280	22,838
3. Second Quarter .....			1,378,207		62,847							1,292,121	23,239
4. Third Quarter .....			1,370,369		57,422							1,289,586	23,361
5. Current Year .....			1,378,453		51,818							1,301,477	25,158
6. Current Year Member Months .....			16,371,227		682,060							15,408,973	280,194
Total Member Ambulatory Encounters for Year:													
7. Physician .....			9,450,483		298,407							8,665,553	486,523
8. Non-Physician .....			8,715,897		200,477							5,547,328	2,968,092
9. Total .....			18,166,380		498,884	0	0	0	0	0	0	14,212,881	3,454,615
10. Hospital Patient Days Incurred .....			734,512		16,833							662,565	55,114
11. Number of Inpatient Admissions .....			164,656		3,775							149,603	11,278
12. Health Premiums Written (b) .....			6,983,004,678		184,720,027							5,996,968,654	801,315,997
13. Life Premiums Direct .....			0										
14. Property/Casualty Premiums Written .....			0										
15. Health Premiums Earned .....			6,973,001,853		184,720,027							5,986,691,256	801,590,570
16. Property/Casualty Premiums Earned .....			0										
17. Amount Paid for Provision of Health Care Services .....			6,470,316,831		195,396,195						11,497	5,542,136,240	732,772,899
18. Amount Incurred for Provision of Health Care Services .....			6,256,357,858		201,341,226						2,032	5,379,521,378	675,493,222

(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 \$ .....



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

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

REPORT FOR: 1. CORPORATION

CareSource

NAIC Group Code	3683	BUSINESS IN THE STATE OF Consolidated	DURING THE YEAR 2016								(LOCATION)	NAIC Company Code	95201
			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 .....		1,306,521	40,776	0	0	0	0	0	0	1,243,447	22,298		
2. First Quarter .....		1,355,718	65,600	0	0	0	0	0	0	1,267,280	22,838		
3. Second Quarter .....		1,378,207	62,847	0	0	0	0	0	0	1,292,121	23,239		
4. Third Quarter .....		1,370,369	57,422	0	0	0	0	0	0	1,289,586	23,361		
5. Current Year .....		1,378,453	51,818	0	0	0	0	0	0	1,301,477	25,158		
6. Current Year Member Months .....		16,371,227	682,060	0	0	0	0	0	0	15,408,973	280,194		
Total Member Ambulatory Encounters for Year:													
7. Physician .....		9,450,483	298,407	0	0	0	0	0	0	8,665,553	486,523		
8. Non-Physician .....		8,715,897	200,477	0	0	0	0	0	0	5,547,328	2,968,092		
9. Total .....		18,166,380	498,884	0	0	0	0	0	0	14,212,881	3,454,615		
10. Hospital Patient Days Incurred .....		734,512	16,833	0	0	0	0	0	0	662,565	55,114		
11. Number of Inpatient Admissions .....		164,656	3,775	0	0	0	0	0	0	149,603	11,278		
12. Health Premiums Written (b) .....		6,983,004,678	184,720,027	0	0	0	0	0	0	5,996,968,654	801,315,997		
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 .....		6,973,001,853	184,720,027	0	0	0	0	0	0	5,986,691,256	801,590,570		
16. Property/Casualty Premiums Earned .....		0	0	0	0	0	0	0	0	0	0		
17. Amount Paid for Provision of Health Care Services .....		6,470,316,831	195,396,195	0	0	0	0	0	11,497	5,542,136,240	732,772,899		
18. Amount Incurred for Provision of Health Care Services .....		6,256,357,858	201,341,226	0	0	0	0	0	0	2,032	5,379,521,378	675,493,222	

(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 CareSource

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

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

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource**

**SCHEDULE S - PART 2**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
Accident and Health - Non-Affiliates - U.S. Non-Affiliates						
11835 00000	.04-1590940 .AA-9990032	.03/01/2015 .01/01/2015	PARTNERRE AMER INS CO... US Dept of Hlth & Human Serv.	DE DC	0 7,814,929	21,747,447 1,597,719
1999999	- Accident and Health - Non-Affiliates - U.S. Non-Affiliates				7,814,929	23,345,167
2199999	- Accident and Health - Non-Affiliates - Total Non-Affiliates				7,814,929	23,345,167
2299999	- Accident and Health - Total Accident and Health				7,814,929	23,345,167
2399999	- Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999)				7,814,929	23,345,167
9999999	Totals—Life, Annuity and Accident and Health (Sum of 1199999 and 2299999)				7,814,929	23,345,167

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource**

**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													
11835.....04-1590940.....01/01/2015.....PARTNERRE AMER INS CO.....DE.....SSL/I/A.....CMM.....4,138,267.....													
11835.....04-1590940.....03/01/2015.....PARTNERRE AMER INS CO.....DE.....SSL/I/A.....MC.....12,680,986.....													
11835.....04-1590940.....03/01/2015.....PARTNERRE AMER INS CO.....DE.....SSL/G/L.....MR.....0.....													
11835.....04-1590940.....03/01/2015.....PARTNERRE AMER INS CO.....DE.....SSL/G/L.....OH.....3,882,973.....													
00000.....AA-9990032.....01/01/2015.....US Dept of Hlth & Human Serv.....DC.....SSL/I/A.....CMM.....1,561,793.....													
0899999 - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
1099999 - General Account - Authorized - Non-Affiliates - Total Authorized Non-Affiliates							22,264,020	0	0	0	0	0	0
1199999 - General Account - Authorized - Total General Account Authorized							22,264,020	0	0	0	0	0	0
3499999 - General Account - Total General Account Authorized, Unauthorized and Certified							22,264,020	0	0	0	0	0	0
6999999 - Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							22,264,020	0	0	0	0	0	0
9999999 Totals							22,264,020	0	0	0	0	0	0

Schedule S - Part 4  
**NONE**

Schedule S - Part 5  
**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource**

**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.....	9,583	18,823	12,038	0	0
2. Title XVIII-Medicare.....	0	(4)	144	163	172
3. Title XIX-Medicaid.....	12,681	19,245	20,059	17,369	16,914
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.....	23,345	27,606	10,748	10,157	7,212
8. Reinsurance recoverable on paid losses.....	7,815	14,224	6,672	10	1,381
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 CareSource**

**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) .....	1,260,322,103		1,260,322,103
2. Accident and health premiums due and unpaid (Line 15) .....	152,725,180		152,725,180
3. Amounts recoverable from reinsurers (Line 16.1) .....	7,814,874	(7,814,874)	0
4. Net credit for ceded reinsurance .....	XXX	31,160,040	31,160,040
5. All other admitted assets (Balance) .....	172,460,147		172,460,147
6. Total assets (Line 28) .....	1,593,322,304	23,345,166	1,616,667,470
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1) .....	553,708,369	23,345,166	577,053,535
8. Accrued medical incentive pool and bonus payments (Line 2) .....	0		0
9. Premiums received in advance (Line 8) .....	100,670,331		100,670,331
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) .....	207,805,622		207,805,622
15. Total liabilities (Line 24) .....	862,184,322	23,345,166	885,529,488
16. Total capital and surplus (Line 33) .....	731,137,982	XXX	731,137,982
17. Total liabilities, capital and surplus (Line 34) .....	1,593,322,304	23,345,166	1,616,667,470
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid .....	23,345,166		
19. Accrued medical incentive pool .....	0		
20. Premiums received in advance .....	0		
21. Reinsurance recoverable on paid losses .....	7,814,874		
22. Other ceded reinsurance recoverables .....	0		
23. Total ceded reinsurance recoverables .....	31,160,040		
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 .....	31,160,040		

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource**

**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

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

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

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
03683	CareSource Management Group Co.	00000	45-4937120				CareSource Reinsurance, LLC	MT	IA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
03683	CareSource Management Group Co.	95201	31-1143265				CareSource	OH	RE	CareSource Board of Trustees	Other (See explanation below)	0.0	Board of Trustees		0
00000	CareSource Management Group Co.	00000	31-1703368				CareSource Management Group Co.	OH	UDP	CareSource Management Group Co.	Board of Trustees	0.0	Board of Trustees		0
00000	CareSource Management Group Co.	00000	31-1703371				CareSource Management Services Co.	OH	NIA	CareSource Management Group Co.	Ownership	100.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	56-2582561				The CareSource Foundation	OH	DS	CareSource	Board of Trustees	0.0	CareSource Board of Trustees		0
03683	CareSource Management Group Co.	10142	32-0121856				CareSource Indiana, Inc.	IN	IA	CareSource Management Group Co.	Board of Directors	0.0	CareSource Management Group Co.		0
03683	CareSource Management Group Co.	15479	46-4991603				CareSource Kentucky Co.	KY	IA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
03683	CareSource Management Group Co.	15710	47-2408339				CareSource Georgia Co.	GA	IA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
03683	CareSource Management Group Co.	15728	47-3028244				CareSource West Virginia Co.	WV	IA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	81-1017455				CareSource Network Partners LLC	OH	NIA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	81-1025103				CareSource@Home LLC	OH	NIA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	81-1593512				CareSource North Carolina Co.	NC	NIA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	81-1602217				CareSource Life Services Co.	OH	NIA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
03683	CareSource Management Group Co.	15992	81-1727271				CareSource Virginia Co.	VA	IA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0
00000	CareSource Management Group Co.	00000	81-4170497				CareSource Management Group Foundation	OH	NIA	CareSource Management Group Co.	Board of Trustees	0.0	CareSource Management Group Co.		0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

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

Asterisk	Explanation
	The CareSource Board of Trustees controls both CareSource, the reporting entity, and CareSource Foundation. The CareSource Management Group Co Board of Trustees controls CareSource Management Group Co. CareSource Management Group Co. controls CSI, CareSource Kentucky Co, CareSource Reinsurance, LLC., CareSource Georgia Co., CareSource West Virginia Co., CareSource Network Partners LLC, CareSource@Home LLC, CareSource North Carolina Co., CareSource Life Services Co., CareSource Virginia Co., and CareSource Management Group Foundation.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

## SCHEDULE Y

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

42

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource

# 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?	.....SEE EXPLANATION.....
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?	.....SEE EXPLANATION.....
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?	.....SEE EXPLANATION.....

### 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.....
--	---------------

#### **Explanation:**

- 11.
- 12.
- 13.
- 14.
- 15.
- 16.
- 17.
18. No exemption needed.
19. No exemption needed.
20. No exemption needed.

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

21.

22.

23.

**Bar code:**



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**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE CareSource**