

123

# **QUARTERLY STATEMENT**

**OF THE**

**RECEIVED**

**MAY 15 2017**

**OFFICE OF RISK  
ASSESSMENT**

# **Ohio Farm Bureau Health Benefits Plan**

**Of**

**Columbus**

**in the state of OH**

**to the Insurance Department**

**of the State of**

**For the Period Ended**

**March 31, 2017**

**2017**



**ASSETS**

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....			0	
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....196,129), cash equivalents (\$.....0) and short-term investments (\$.....505,217).....	701,346		701,346	508,073
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	701,346	0	701,346	508,073
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	215		215	131
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	328,966		328,966	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	56,140		56,140	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	148,512		148,512	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,235,179	0	1,235,179	508,204
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	1,235,179	0	1,235,179	508,204

**DETAILS OF WRITE-INS**

1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. ....			0	
2502. ....			0	
2503. ....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....339,652 reinsurance ceded).....	37,739		37,739	
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	2,849		2,849	
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....			0	
9. General expenses due or accrued.....	50,306		50,306	
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....			0	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....	627,743		627,743	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....			0	
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	718,637	0	718,637	0
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	510,000	510,000
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	6,543	(1,796)
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	516,543	508,204
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	1,235,180	508,204

**DETAILS OF WRITE-INS**

2301. ....			0	
2302. ....			0	
2303. ....			0	
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. ....				
2502. ....				
2503. ....				
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	0
3001. ....				
3002. ....				
3003. ....				
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 To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	XXX	1,423		
2. Net premium income (including \$.....0 non-health premium income).....	XXX	68,723		
3. Change in unearned premium reserves and reserve for rate credits.....	XXX			
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX			
5. Risk revenue.....	XXX			
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX	68,723	0	0
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits.....		342,140		
10. Other professional services.....		43,097		
11. Outside referrals.....				
12. Emergency room and out-of-area.....		19,790		
13. Prescription drugs.....		34,742		
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....				
16. Subtotal (Lines 9 to 15).....	0	439,769	0	0
<b>Less:</b>				
17. Net reinsurance recoveries.....		395,792		
18. Total hospital and medical (Lines 16 minus 17).....	0	43,977	0	0
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....1,341 cost containment expenses.....		6,236		
21. General administrative expenses.....		8,399		
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....				
23. Total underwriting deductions (Lines 18 through 22).....	0	58,612	0	0
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	10,111	0	0
25. Net investment income earned.....		(1,557)		(1,796)
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....				
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	(1,557)	0	(1,796)
28. Net gain or (loss) from agents' or premium balances charged off ((amount recovered \$.....0) (amount charged off \$.....0)).....				
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
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	8,554	0	(1,796)
31. Federal and foreign income taxes incurred.....	XXX			
32. Net income (loss) (Lines 30 minus 31).....	XXX	8,554	0	(1,796)

### 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	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX	0	0	0
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0	0	0

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

<b>CAPITAL AND SURPLUS ACCOUNT</b>	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	508,204		
34. Net income or (loss) from Line 32.....	8,554		(1,796)
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....			
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			
39. Change in nonadmitted assets.....			
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....			
43. Cumulative effect of changes in accounting principles.....			
44. Capital changes:			
44.1 Paid in.....			510,000
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....			
45.2 Transferred to capital (Stock Dividend).....			
45.3 Transferred from capital.....			
46. Dividends to stockholders.....			
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	8,554	0	508,204
49. Capital and surplus end of reporting period (Line 33 plus 48).....	516,758	0	508,204

**DETAILS OF WRITE-INS**

4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0	0

Statement as of March 31, 2017 of the **Ohio Farm Bureau Health Benefits Plan**  
**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	367,500		
2. Net investment income.....	(1,641)		(1,927)
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	365,859	.0	(1,927)
5. Benefit and loss related payments.....	210,890		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	(38,520)		
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.0 tax on capital gains (losses).....			
10. Total (Lines 5 through 9).....	172,370	.0	.0
11. Net cash from operations (Line 4 minus Line 10).....	193,489	.0	(1,927)
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	.0	.0	.0
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....			
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	.0	.0	.0
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	.0	.0	.0
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			510,000
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....			
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	.0	.0	510,000
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	193,489	.0	508,073
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	508,073		
19.2 End of period (Line 18 plus Line 19.1).....	701,562	.0	508,073

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

20.0001 .....			
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**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1		2		3	4	5	6	7	8	9	10
	Total	Individual	Comprehensive (Hospital & Medical)	Group								
<b>Total Members at End of:</b>												
1. Prior Year.....	0											
2. First Quarter.....	642			642								
3. Second Quarter.....	0											
4. Third Quarter.....	0											
5. Current Year.....	0											
6. Current Year Member Months.....	1,423			1,423								
<b>Total Member Ambulatory Encounters for Period:</b>												
7. Physician.....	0											
8. Non-Physician.....	0											
9. Total.....	0			0						0		0
10. Hospital Patient Days Incurred.....	0											
11. Number of Inpatient Admissions.....	0											
12. Health Premiums Written (a).....	68,723			68,723								
13. Life Premiums Direct.....	0											
14. Property/Casualty Premiums Written.....	0											
15. Health Premiums Earned.....	0											
16. Property/Casualty Premiums Earned.....	0											
17. Amount Paid for Provision of Health Care Services.....	0											
18. Amount Incurred for Provision of Health Care Services.....	439,769			439,769								

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

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims

1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0599999. Unreported Claims and Other Claim Reserves.....						377,391
0799999. Total Claims Unpaid.....						377,391

**UNDERWRITING AND INVESTMENT EXHIBIT**

**Analysis of Claims Unpaid - Prior Year - Net of Reinsurance**

Line of Business	Claims Paid Year to Date			Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year			
1. Comprehensive (hospital and medical)		6,238		37,769			
2. Medicare Supplement							
3. Dental only							
4. Vision only							
5. Federal Employees Health Benefits Plan							
6. Title XVIII - Medicare							
7. Title XIX - Medicaid							
8. Other health							
9. Health subtotal (Lines 1 to 8)	0	6,238	0	37,769	0	0	0
10. Healthcare receivables (a)							
11. Other non-health							
12. Medical incentive pools and bonus amounts							
13. Totals (Lines 9-10+11+12)	0	6,238	0	37,769	0	0	0

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

**NOTES TO FINANCIAL STATEMENTS**

**Note 1 – Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

The accompanying statutory financial statements of the Ohio Farm Bureau Health Benefits Plan ("OFB HBP") have been prepared in accordance with the National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* except to the extent that Ohio state law differs. The State of Ohio has adopted certain prescribed accounting practices that differ from those used by the NAIC. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company. The *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio, and the State has adopted certain prescribed accounting practices that differ from those found in NAIC SAP.

	SSAP #	F/S Page	F/S Line #	2017 Period	2016
<b>NET INCOME</b>					
(1) Ohio Farm Bureau Health Benefits Plan state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 8,416	\$ (1,796)
(2) State Prescribed Practice that is an increase/(decrease) from NAIC SAP					
(3) State Permitted Practice that is an increase/(decrease) from NAIC SAP					
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 8,416	\$ (1,796)
<b>SURPLUS</b>					
(5) Ohio Farm Bureau Health Benefits Plan state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 516,620	\$ 508,204
(6) State Prescribed Practice that is an increase/(decrease) from NAIC SAP					
(7) State Permitted Practice that is an increase/(decrease) from NAIC SAP					
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 516,620	\$ 508,204

**B. Use of Estimates in the Preparation of the Financial Statement**

These financial statements have been prepared in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual. These require management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Actual results could differ from those estimates. Significant estimates made in preparing the financial statements include the reliability of long-lived assets.

**C. Accounting Policy**

- Cash and short-term investments include cash and US government and agency obligations with original dates of maturity of less than twelve months when purchased. **Short-term investments are stated at amortized cost.**
- The company does not hold any Bonds.
- The company does not hold any common stocks.
- The company does not hold any preferred stocks.
- The reporting entity holds no mortgage loans on real estate.
- The company does not hold any Loan-backed securities.
- The reporting entity has no investments in subsidiaries.
- The reporting entity has no interests in joint ventures.
- The reporting entity holds no derivatives.
- The reporting entity does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- Unpaid losses and loss adjustment expenses are determined based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods used to make such estimates, which establishes the resulting liability, are continually reviewed by management and contracted consultants. Any adjustments are reflected in the period in which the adjustment is determined. The reporting entity has no unpaid loss and loss adjustments.
- The Company has not modified its capitalization policy from the prior period.
- The company has no pharmaceutical rebate receivables.

**D. Going Concern**

There is no substantial doubt about the Ohio Farm Bureau Health Benefits Plan's ability to continue as a going concern.

**Note 2 – Accounting Changes and Corrections of Errors**

None

**Note 3 – Business Combinations and Goodwill**

None

**Note 4 – Discontinued Operations**

None

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## NOTES TO FINANCIAL STATEMENTS

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### Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - None
- B. Debt Restructuring - None
- C. Reverse Mortgages - None
- D. Loan-Backed Securities - None
- F. Real Estate - None
- G. Investments in Low-Income Housing Trade Credits (LIHTC) - None
- H. Restricted Assets - None
- J. Offsetting and Netting of Assets and Liabilities - None
- K. Structured Notes - None

### Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

The Plan has no interest or involvement in any Joint Ventures, Partnerships or Limited Liability Companies.

### Note 7 – Investment Income

#### A. Accrued Investment Income

The Plan does not admit investment income due and accrued if the amounts are over 90 days past due.

### Note 8 – Derivative Instruments

Not Applicable: The Plan does not contract for or invest in derivative instruments.

### Note 9 – Income Taxes

- A. Deferred Tax Assets/(Liabilities) - None
- B. Deferred Tax Liabilities Not Recognized - Not Applicable
- C. Current and Deferred Income Taxes - None
- D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate - None
- E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits - None
- F. Consolidated Federal Income Tax Return - None
- G. Federal or Foreign Federal Income Tax Loss Contingencies - None

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

#### A. Nature of Relationships

The Plan is a multiple employer welfare arrangement operating in the State of Ohio. The Plan is not part of an insurance holding company system.

### Note 11 – Debt

None

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

- A. Defined Benefit Plan - None
- B. Investment Policies and Strategies - Not Applicable
- C. Fair Value of Plan Assets - Not Applicable
- D. Basis Used to Determine Expected Long-Term Rate-of-Return - Not Applicable
- E. Defined Contribution Plans - None
- F. Multiemployer Plans - None
- G. Consolidated/Holding Company Plans - None

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## NOTES TO FINANCIAL STATEMENTS

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- H. Postemployment Benefits and Compensated Absences - None
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - None

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

(1) The number of shares of each class of capital stock authorized, issued and outstanding as of the balance sheet date and the par value or stated value of each class.

**None**

(2) The dividend rate, liquidation value and redemption schedule (including prices and dates) of any preferred stock issues.

**None**

(3) Dividend restrictions, if any, and an indication if the dividends are cumulative.

**None**

(4) The dates and amounts of dividends paid. Note for each payment whether the dividend was ordinary or extraordinary.

**None**

(5) The portion of the reporting entity's profits that may be paid as ordinary dividends to stockholders.

**None**

(6) A description of any restrictions placed on the unassigned funds (surplus), including for whom the surplus is being held.

**None**

(7) For mutual reciprocals, and similarly organized entities, the total amount of advances to surplus not repaid, if any.

**None**

(8) The total amount of stock held by the reporting entity, including stock of affiliated entities, for special purposes such as:

a. Conversion of preferred stock **None**

b. Employee stock options **None**

c. Stock purchase warrants **None**

(9) A description of the reasons for changes in the balances of any special surplus funds from the prior period.

**None**

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses.

**None**

(11) Surplus Notes

**None**

(12) The impact of the restatement in a quasi-reorganization as long as financial statements for the period of the reorganization are presented.

**None**

(13) The effective date of a quasi-reorganization for a period of ten years following the reorganization.

**None**

### **Note 14 – Liabilities, Contingencies and Assessments**

None

### **Note 15 – Leases**

None

### **Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

None

### **Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

None

### **Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans**

None

### **Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

None

### **Note 20 – Fair Value Measurements**

Not Applicable - All investments are reportable at valuations acknowledged by the Securities Valuation Office ("SVO").

### **Note 21 – Other Items**

- A. Unusual or Infrequent Items - None
- B. Troubled Debt Restructuring Debtors - None
- C. Other Disclosures - None
- D. Business Interruption Insurance Recoveries - None
- G. Retained Assets - None

**NOTES TO FINANCIAL STATEMENTS**

**Note 22 – Events Subsequent**

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? Yes [ ] No [ ]

B. ACA fee assessment payable for the upcoming year	\$		\$	
C. ACA fee assessment paid				
D. Premium written subject to ACA 9010 assessment				
E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)				
F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)				
G. Authorized control level (Five-Year Historical Line 15)	\$			

H. Would reporting the ACA assessment as of December 31, 2017 have triggered an RBC action level (YES/NO)? Yes [ ] No [X ]

**Note 23 – Reinsurance**

A. Ceded Reinsurance Report

**Section 1 – General Interrogatories**

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

No

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

No

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

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

No

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.  
\$ \_\_\_\_\_

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement?  
\$ \_\_\_\_\_ 204,659 \_\_\_\_\_

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

No

**Section 3 – Ceded Reinsurance Report – Part B**

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

No

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ \_\_\_\_\_

B. Uncollectible Reinsurance - None

C. Commutation of Ceded Reinsurance - None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. Disclose the method used by the reporting entity to estimate accrued retrospective premium adjustments.  
Not Applicable – No Retrospective Premium Adjustments

B. Disclose whether accrued retrospective premiums are recorded through written premium or as an adjustment to earned premium.  
Not Applicable – No Retrospective Premium Adjustments

C. Disclose the amount of net premiums written that are subject to retrospective rating features, as well as the corresponding percentage to total net premiums written.

This disclosure should include all business that is subject to the accounting guidance provided in SSAP No. 66 (including business that is subject to medical loss ratio rebate requirements pursuant to the Public Health Service Act).

\$0, No Retrospective Premium Adjustments

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## NOTES TO FINANCIAL STATEMENTS

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D. Disclose the following amounts for medical loss ratio rebates required pursuant to the Public Health Service Act.  
\$0, Not Subject to Medical Loss Ratio rebate requirement

E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions

Yes [ ] No [X ]

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

None

**Note 26 – Intercompany Pooling Arrangements**

None

**Note 27 – Structured Settlements**

Not Applicable for Health Entities

**Note 28 – Health Care Receivables**

A. Pharmaceutical Rebate Receivables - None

B. Risk Sharing Receivables - None

**Note 29 – Participating policies**

None

**Note 30 – Premium Deficiency Reserves**

- |    |  |                 |
|----|--|-----------------|
| 1. | Liability carried for premium deficiency reserve:              | \$ 0            |
| 2. | Date of most recent evaluation of this liability:              | 3/31/2017       |
| 3. | Was anticipated investment income utilized in the calculation? | Yes [ ] No [X ] |

**Note 31 – Anticipated Salvage and Subrogation**

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]
- 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 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 and 1A. Yes [ ] No [X]
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes [ ] No [X] N/A [ ]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. \_\_\_\_\_
- 6.2 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. \_\_\_\_\_
- 6.3 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). \_\_\_\_\_
- 6.4 By what department or departments? \_\_\_\_\_
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]
- 7.1 Has this 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]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated with 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 the 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

- 9.1 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.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

#### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$                      0

**INVESTMENT**

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$                      0

13. Amount of real estate and mortgages held in short-term investments: \$                      0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	0	0
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]  
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$                      0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$                      0

16.3 Total payable for securities lending reported on the liability page: \$                      0

17. 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 [X] No [ ]

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
PNC	249 Fifth Avenue, One PNC Plaza, Pittsburgh, PA 15222

17.2 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)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]

17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 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

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [ ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [ ]

17.6 For those firms or individuals listed in the table for 17.5 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

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

18.2 If no, list exceptions:

Statement as of March 31, 2017 of the **Ohio Farm Bureau Health Benefits Plan**  
**GENERAL INTERROGATORIES (continued)**  
**PART 2 - HEALTH**

1. Operating Percentages:

- 1.1 A&H loss percent
- 1.2 A&H cost containment percent
- 1.3 A&H expense percent excluding cost containment expenses

**NONE**

0.0 %  
0.0 %  
0.0 %

- 2.1 Do you act as a custodian for health savings accounts?
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date.
- 2.3 Do you act as an administrator for health savings accounts?
- 2.4 If yes, please provide the amount of funds administered as of the reporting date.

Yes [  ] No [  ]  
0  
 Yes [  ] No [  ]  
0

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1	2	3	4	5	6	7	8	9
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating
<b>A&amp;H Non-Affiliates</b>								
60016.....	55-0765726.....	01/01/2017	THP Insurance Company.....	WV.....	QA/G.....	Authorized.....		
60016.....	55-0765726.....	01/01/2017	THP Insurance Company.....	WV.....	SSL/G.....	Authorized.....		
60016.....	55-0765726.....	01/01/2017	THP Insurance Company.....	WV.....	ASL/G.....	Authorized.....		

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only								
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 through 7	9 Deposit-Type Contracts	
1. Alabama.....AL	N								.0	
2. Alaska.....AK	N								.0	
3. Arizona.....AZ	N								.0	
4. Arkansas.....AR	N								.0	
5. California.....CA	N								.0	
6. Colorado.....CO	N								.0	
7. Connecticut.....CT	N								.0	
8. Delaware.....DE	N								.0	
9. District of Columbia.....DC	N								.0	
10. Florida.....FL	N								.0	
11. Georgia.....GA	N								.0	
12. Hawaii.....HI	N								.0	
13. Idaho.....ID	N								.0	
14. Illinois.....IL	N								.0	
15. Indiana.....IN	N								.0	
16. Iowa.....IA	N								.0	
17. Kansas.....KS	N								.0	
18. Kentucky.....KY	N								.0	
19. Louisiana.....LA	N								.0	
20. Maine.....ME	N								.0	
21. Maryland.....MD	N								.0	
22. Massachusetts.....MA	N								.0	
23. Michigan.....MI	N								.0	
24. Minnesota.....MN	N								.0	
25. Mississippi.....MS	N								.0	
26. Missouri.....MO	N								.0	
27. Montana.....MT	N								.0	
28. Nebraska.....NE	N								.0	
29. Nevada.....NV	N								.0	
30. New Hampshire.....NH	N								.0	
31. New Jersey.....NJ	N								.0	
32. New Mexico.....NM	N								.0	
33. New York.....NY	N								.0	
34. North Carolina.....NC	N								.0	
35. North Dakota.....ND	N								.0	
36. Ohio.....OH	L	68,723							68,723	
37. Oklahoma.....OK	N								.0	
38. Oregon.....OR	N								.0	
39. Pennsylvania.....PA	N								.0	
40. Rhode Island.....RI	N								.0	
41. South Carolina.....SC	N								.0	
42. South Dakota.....SD	N								.0	
43. Tennessee.....TN	N								.0	
44. Texas.....TX	N								.0	
45. Utah.....UT	N								.0	
46. Vermont.....VT	N								.0	
47. Virginia.....VA	N								.0	
48. Washington.....WA	N								.0	
49. West Virginia.....WV	N								.0	
50. Wisconsin.....WI	N								.0	
51. Wyoming.....WY	N								.0	
52. American Samoa.....AS	N								.0	
53. Guam.....GU	N								.0	
54. Puerto Rico.....PR	N								.0	
55. U.S. Virgin Islands.....VI	N								.0	
56. Northern Mariana Islands.....MP	N								.0	
57. Canada.....CAN	N								.0	
58. Aggregate Other alien.....OT	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
59. Subtotal.....	.XXX	68,723	.0	.0	.0	.0	.0	.0	68,723	.0
60. Reporting entity contributions for Employee Benefit Plans.....	.XXX								.0	
61. Total (Direct Business).....	(a)....1	68,723	.0	.0	.0	.0	.0	.0	68,723	.0

**DETAILS OF WRITE-INS**

58001.....									.0	
58002.....									.0	
58003.....									.0	
58998. Summary of remaining write-ins for line 58 from overflow page.....		.0	.0	.0	.0	.0	.0	.0	.0	.0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		.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.

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

**Sch. Y - Pt. 1  
NONE**

**Sch. Y - Pt. 1A  
NONE**

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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.

**Response**

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

**Explanation:**

1. The data for this supplement is not required to be filed.

**Bar Code:**



**Overflow Page  
NONE**

**Sch. A - Verification  
NONE**

**Sch. B - Verification  
NONE**

**Sch. BA - Verification  
NONE**

**Sch. D - Verification  
NONE**

**Sch. D - Pt. 1B  
NONE**

**SCHEDULE DA - PART 1**

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	.....505,217	.....XXX.....	.....510,000	.....728	.....215

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.....507,204	.....
2. Cost of short-term investments acquired.....	.....	.....510,000
3. Accrual of discount.....	.....	.....
4. Unrealized valuation increase (decrease).....	.....	.....704
5. Total gain (loss) on disposals.....	.....	.....(3,500)
6. Deduct consideration received on disposals.....	.....	.....
7. Deduct amortization of premium.....	.....	.....
8. Total foreign exchange change in book/adjusted carrying value.....	.....	.....
9. Deduct current year's other-than-temporary impairment recognized.....	.....	.....
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.....507,204	.....507,204
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	.....507,204	.....507,204

**Sch. DB - Pt. A - Verification  
NONE**

**Sch. DB - Pt. B - Verification  
NONE**

**Sch. DB - Pt. C - Sn. 1  
NONE**

**Sch. DB - Pt. C - Sn. 2  
NONE**

**Sch. DB - Verification  
NONE**

**Sch. E - Verification  
NONE**

**Sch. A - Pt. 2  
NONE**

**Sch. A - Pt. 3  
NONE**

**Sch. B - Pt. 2  
NONE**

**Sch. B - Pt. 3  
NONE**

**Sch. BA - Pt. 2  
NONE**

**Sch. BA - Pt. 3  
NONE**

**Sch. D - Pt. 3  
NONE**

**Sch. D - Pt. 4  
NONE**

**Sch. DB - Pt. A - Sn. 1  
NONE**

**Sch. DB - Pt. B - Sn. 1  
NONE**

**Sch. DB - Pt. D - Sn. 1  
NONE**

**Sch. DB - Pt. D - Sn. 2  
NONE**

**Sch. DL - Pt. 1  
NONE**

**Sch. DL - Pt. 2  
NONE**

**SCHEDULE E - PART 1 - CASH**

**Month End Depository Balances**

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
PNC Bank..... 249 Fifth Avenue, One PNC Plaza, Pittsburgh, PA 15222					.955	107,382	196,129	XXX
0199999. Total Open Depositories.....	XXX	XXX	.0	.0	.955	107,382	196,129	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.0	.0	.955	107,382	196,129	XXX
0599999. Total Cash.....	XXX	XXX	.0	.0	.955	107,382	196,129	XXX

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
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**NONE**



## MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....0

NAIC Company Code.....123

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums collected.....		XXX		XXX	0
2. Earned premiums.....		XXX		XXX	XXX
3. Claims paid.....		XXX		XXX	0
4. Claims incurred.....	<b>NONE</b>			XXX	XXX
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a).....	XXX		XXX		0
6. Aggregate policy reserves - change.....		XXX		XXX	XXX
7. Expenses paid.....		XXX		XXX	0
8. Expenses incurred.....		XXX		XXX	XXX
9. Underwriting gain or loss.....	0	XXX	0	XXX	XXX
10. Cash flow results.....	XXX	XXX	XXX	XXX	0

(a) Uninsured Receivable/Payable with CMS at End of Quarter \$.....0 due from CMS or \$.....0 due to CMS.