



QUARTERLY STATEMENT
AS OF MARCH 31, 2017
OF THE CONDITION AND AFFAIRS OF THE
AultCare Health Insuring Corporation

NAIC Group Code 4805 , 4805 NAIC Company Code 15461 Employer's ID Number 46-3305099
(Current Period) (Prior Period)

Organized under the Laws of Ohio , State of Domicile or Port of Entry OH

Country of Domicile United States of America

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] N/A[]

Incorporated/Organized 07/11/2013 Commenced Business 01/01/2015

Statutory Home Office 2600 Sixth Street SW , Canton, OH, 44710
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2600 Sixth Street SW
(Street and Number)

Canton, OH, 44710 (330)363-4057
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 2600 Sixth Street SW , Canton, OH, 44710
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2600 Sixth Street SW
(Street and Number)

Canton, OH, 44710 (330)363-4057
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.aultcare.com

Statutory Statement Contact Jeffrey Alan Scheatzle (330)363-4057
(Name) (Area Code)(Telephone Number)(Extension)

jscheatzle@aultcare.com (330)363-5012
(E-Mail Address) (Fax Number)

OFFICERS

<u>Name</u>	<u>Title</u>
Rick L. Haines	President
Joseph J. Feltes	Secretary
Mark D. Wright	Treasurer
Edward J. Roth III	Executive Vice President

OTHERS

DIRECTORS OR TRUSTEES

John Westerbeck M.D.	Gregory A. Haban M.D.
Edward J. Roth III	Rick L. Haines
Michael Hanke	Mark D. Wright
John B. Humphrey Jr., M.D.	Darryl J. Dillenback
Allen Rovner M.D.	Joseph J. Feltes Esq.
Mark N. Rose M.D.	Barbara Hammontree-Bennett

State of Ohio
County of Stark ss

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

<u>(Signature)</u> Rick L. Haines <u>(Printed Name)</u> 1. President <u>(Title)</u>	<u>(Signature)</u> Joseph J. Feltes <u>(Printed Name)</u> 2. Secretary <u>(Title)</u>	<u>(Signature)</u> Mark D. Wright <u>(Printed Name)</u> 3. Treasurer <u>(Title)</u>
--	--	--

Subscribed and sworn to before me this _____ day of _____, 2017

- a. Is this an original filing? _____
b. If no, 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

Yes[X] No[]

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

Dick Maggiore

Michael A. Rich M.D.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	26,893,891		26,893,891	26,751,545
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	51,858,226		51,858,226	50,192,814
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....24,688,229), cash equivalents (\$.....0) and short-term investments (\$.....101,717)	24,789,946		24,789,946	9,634,356
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets	1,560,436		1,560,436	1,567,694
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	105,102,498		105,102,498	88,146,409
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	171,124		171,124	157,223
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,015,435		1,015,435	781,154
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	103,315		103,315	103,314
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	1,691,370		1,691,370	2,658,756
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....5,562,078) and other amounts receivable	6,875,127	1,313,050	5,562,078	5,403,420
25. Aggregate write-ins for other-than-invested assets				
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	114,958,869	1,313,050	113,645,820	97,250,275
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	114,958,869	1,313,050	113,645,820	97,250,275
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....445,200 reinsurance ceded)	11,947,647		11,947,647	13,122,647
2. Accrued medical incentive pool and bonus amounts	1,363,471		1,363,471	1,539,721
3. Unpaid claims adjustment expenses	216,200		216,200	216,200
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	18,446,520		18,446,520	60,292
9. General expenses due or accrued	392,465		392,465	565,729
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	837,244		837,244	423,220
10.2 Net deferred tax liability	24,017		24,017	24,017
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates	758,126		758,126	3,726,564
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$.....0) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans	678,387		678,387	678,387
23. Aggregate write-ins for other liabilities (including \$.....0 current)				
24. Total liabilities (Lines 1 to 23)	34,664,077		34,664,077	20,356,777
25. Aggregate write-ins for special surplus funds	X X X	X X X		
26. Common capital stock	X X X	X X X		
27. Preferred capital stock	X X X	X X X		
28. Gross paid in and contributed surplus	X X X	X X X	68,069,349	68,069,349
29. Surplus notes	X X X	X X X		
30. Aggregate write-ins for other-than-special surplus funds	X X X	X X X		
31. Unassigned funds (surplus)	X X X	X X X	10,912,395	8,824,149
32. Less treasury stock, at cost:				
32.10 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.20 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	78,981,744	76,893,498
34. Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	113,645,821	97,250,275
DETAILS OF WRITE-INS				
2301. 0				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	X X X	X X X		
2502.	X X X	X X X		
2503.	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

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	X X X	62,233	62,872	251,691
2. Net premium income (including \$.....0 non-health premium income)	X X X	60,067,547	58,323,010	245,044,953
3. Change in unearned premium reserves and reserves for rate credits	X X X			
4. Fee-for-service (net of \$.....0 medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X			
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Lines 2 to 7)	X X X	60,067,547	58,323,010	245,044,953
Hospital and Medical:				
9. Hospital/medical benefits		39,655,309	38,964,109	162,424,592
10. Other professional services				
11. Outside referrals		703,757	910,108	4,343,545
12. Emergency room and out-of-area		1,157,224	1,018,840	4,770,197
13. Prescription drugs		10,031,074	10,149,755	38,089,417
14. Aggregate write-ins for other hospital and medical				
15. Incentive pool, withhold adjustments and bonus amounts		1,137,235	976,849	4,512,302
16. Subtotal (Lines 9 to 15)		52,684,598	52,019,661	214,140,053
Less:				
17. Net reinsurance recoveries				(50,941)
18. Total hospital and medical (Lines 16 minus 17)		52,684,598	52,019,661	214,190,994
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$.....0 cost containment expenses		1,255,672	1,311,479	5,328,428
21. General administrative expenses		5,108,658	4,839,741	18,496,151
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)		59,048,928	58,170,881	238,015,572
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	1,018,619	152,129	7,029,380
25. Net investment income earned		172,557	146,306	687,634
26. Net realized capital gains (losses) less capital gains tax of \$.....0		1,981	784	16,511
27. Net investment gains or (losses) (Lines 25 plus 26)		174,538	147,090	704,145
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				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	1,193,157	299,219	7,733,525
31. Federal and foreign income taxes incurred	X X X	413,003	(120,974)	2,672,653
32. Net income (loss) (Lines 30 minus 31)	X X X	780,154	420,193	5,060,871
DETAILS OF WRITE-INS				
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401. Reinsurance Claims				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	76,893,498	64,552,899	64,552,899
34. Net income or (loss) from Line 32	780,154	420,193	5,060,871
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	1,563,120	(1,580,195)	7,315,352
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			(102,255)
39. Change in nonadmitted assets	(255,028)	174,952	66,630
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			
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			
48. Net change in capital and surplus (Lines 34 to 47)	2,088,246	(985,050)	12,340,599
49. Capital and surplus end of reporting period (Line 33 plus 48)	78,981,744	63,567,849	76,893,498
DETAILS OF WRITE-INS			
4701. 0			
4702. 0			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	78,219,494	59,676,852	247,666,646
2. Net investment income	197,828	178,203	829,182
3. Miscellaneous income			
4. TOTAL (Lines 1 to 3)	78,417,321	59,855,055	248,495,828
5. Benefit and loss related payments	54,449,535	52,583,126	214,059,460
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	5,570,208	4,895,656	23,253,237
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			1,905,699
10. TOTAL (Lines 5 through 9)	60,019,743	57,478,782	239,218,396
11. Net cash from operations (Line 4 minus Line 10)	18,397,578	2,376,273	9,277,432
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,873,894	536,479	5,521,414
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		(228)	79
12.7 Miscellaneous proceeds			
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	1,873,894	536,251	5,521,494
13. Cost of investments acquired (long-term only):			
13.1 Bonds	2,052,409	1,402,457	6,891,499
13.2 Stocks	45,034	37,753	186,404
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			1,563,799
13.6 Miscellaneous applications	50,000	400,000	130
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	2,147,444	1,840,210	8,641,833
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)	(273,550)	(1,303,959)	(3,120,339)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
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)	(2,968,438)	(411,122)	2,573,510
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(2,968,438)	(411,122)	2,573,510
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	15,155,591	661,192	8,730,603
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	9,634,356	903,753	903,753
19.2 End of period (Line 18 plus Line 19.1)	24,789,946	1,564,945	9,634,356

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001	Cumulative effect of changes in accounting principles		
---------	---	--	--

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	21,026							21,026		
2. First Quarter	20,736							20,736		
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	62,233							62,233		
Total Member Ambulatory Encounters for Period:										
7. Physician	56,420							56,420		
8. Non-Physician	112,992							112,992		
9. Total	169,412							169,412		
10. Hospital Patient Days Incurred	19,800							19,800		
11. Number of Inpatient Admissions	2,699							2,699		
12. Health Premiums Written (a)	60,142,547							60,142,547		
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	60,142,547							60,142,547		
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	54,035,847							54,035,847		
18. Amount Incurred for Provision of Health Care Services	52,684,597							52,684,597		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....60,142,547.

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
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals						
0599999 Unreported claims and other claim reserves						12,392,847
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						12,392,847
0899999 Accrued Medical Incentive Pool And Bonus Amounts						1,363,471

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare	8,652,219	44,070,144	4,470,428	7,477,219	13,122,647	13,122,647
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)	8,652,219	44,070,144	4,470,428	7,477,219	13,122,647	13,122,647
10. Healthcare receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts	1,715,971	(402,486)	(176,250)	1,539,721	1,539,721	1,539,721
13. Totals (Lines 9 - 10 + 11 + 12)	10,368,189	43,667,658	4,294,178	9,016,939	14,662,367	14,662,367

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

Notes to Financial Statement

SECTION A

1. Summary of Significant Accounting Policies

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

The Ohio Department of Insurance recognizes only statutory accounting prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio.

- B. The preparation of financial statement in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

- (1) No Change.
- (2) No Change.
- (3) No Change.
- (4) No Change.
- (5) No Change.
- (6) No Change.
- (7) The Company has investments in subsidiaries and affiliates with a book adjusted carrying value totaling \$45,676,477.
- (8) No Change.
- (9) No Change.
- (10) No Change.
- (11) No Change.
- (12) No Change.
- (13) No Change.

2. Accounting Changes and Corrections of Errors

- A. No Change.

3. Business Combinations and Goodwill

- A. No Change.
- B. No Change.
- C. No Change.
- D. No Change.

4. Discontinued Operations

- A. No Change.

5. Investments

- A. No Change.
- B. No Change.
- C. No Change.
- D. No Change.
- E. No Change.
- F. The Company had 750 shares valued at \$58,821 each invested in its subsidiary, AultCare Insurance Company.
- G. No Change
- H. No Change

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. No Change.
- B. No Change.

7. Investment Income

- A. No Change.

8. Derivative Instruments

- A. No Change.

9. Income Taxes

- A. The components of the net deferred tax asset/ (liability) at March 31, 2017 are as follows:

Notes to Financial Statement

1. (reported in thousands)		3/31/2017			3/31/2016			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	Col 7+8 Total	
(a)	Gross Deferred Tax Assets	\$ -	\$ -	\$ -	\$ 78	\$ -	\$ 78	\$(78)	\$ -	\$(78)
(b)	Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c)	Adjusted Gross Deferred Tax Assets(1a-1b)	\$ -	\$ -	\$ -	\$ 78	\$ -	\$ 78	\$(78)	\$ -	\$(78)
(d)	Deferred Tax Assets Nonadmitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e)	Subtotal (Net Deferred Tax Assets) (1c-1d)	\$ -	\$ -	\$ -	\$ 78	\$ -	\$ 78	\$(78)	\$ -	\$(78)
(f)	Deferred Tax Liabilities	\$ 24	\$ -	\$ 24	\$ -	\$ -	\$ -	\$ 24	\$ -	\$ 24
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ (24)	\$ -	\$ (24)	\$ 78	\$ -	\$ 78	\$(102)	\$ -	\$(102)
2. (reported in thousands)		3/31/2017			3/31/2016			Change		
Admission Calculation Components SSAP No. 101		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	Col 7+8 Total
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ (24)	\$ (24)	\$ -	\$ 78	\$ -	\$ 78	\$(102)	\$ -	\$(102)
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The lessor of 2(b)1 and 2(b)2 Below)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Cont. Note 9 A 2

	1	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	2	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	\$11,847	XXX	XXX	\$11,527	XXX	XXX	
(c)		Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(d)		Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total 2(a) + 2(b) + 2(c)	\$ (24)	\$ (24)	\$ -	\$ 78	\$ -	\$ 78	\$(102)	\$ -	
3. (reported in thousands)		2017		2016							
(a)		Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	15%		15%						
(b)		Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	\$73,033		\$76,846						
4. (reported in thousands)		3/31/2017			3/31/2016			Change			
Impact of Tax Planning Strategies		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
		Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	Col 7+8 Total	
(a)	Adjusted Gross DTA's (% of total adjusted gross DTA's)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(b)	Net Admitted Adjusted Gross DTA's (% of total net admitted adjusted gross DTA's)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(c)	Does the Company's Tax Planning Strategies Include the Use of Reinsurance?	Yes	No	X							

B. Not Applicable

C. Current Income Taxes Incurred consist of the following major components:

		(1)	(2)	(3)
		3/31/2017	3/31/2016	(Col 1-2) Change
1.	Current Income Tax			
(a)	Federal	\$ 413,003	\$(120,974)	\$ 533,977
(b)	Foreign	\$ -	\$ -	\$ -
(c)	Subtotal	\$ 413,003	\$(120,974)	\$ 533,977
(d)	Federal Income Tax on Net Capital Gains	\$ -	\$ -	\$ -
(e)	Utilization of Capital Loss Carry-Forwards	\$ -	\$ -	\$ -
(f)	Other	\$ -	\$ -	\$ -
(g)	Federal and Foreign Income Taxes Incurred	\$ 413,003	\$(120,974)	\$ 533,977
2.	Deferred Tax Assets			
(a)	Ordinary			
(1)	Discounting of Unpaid Losses	\$ -	\$ -	\$ -
(2)	Unearned Premium Reserve	\$ -	\$ -	\$ -
(3)	Policyholder Reserves	\$ -	\$ -	\$ -
(4)	Investments	\$ -	\$ -	\$ -
(5)	Deferred Acquisition Costs	\$ -	\$ -	\$ -
(6)	Policyholder Dividends Accrual	\$ -	\$ -	\$ -
(7)	Fixed Assets	\$ -	\$ -	\$ -
(8)	Compensation and Benefits Accrual	\$ -	\$ -	\$ -

Notes to Financial Statement

(9)	Pension Accrual	\$ -	\$ -	\$ -
(10)	Receivables – Allowance	\$ -	\$ -	\$ -
(11)	Net Operating Loss Carry-Forward	\$ -	\$ -	\$ -
(12)	Tax Credit Carry-Forward	\$ -	\$ -	\$ -
(13)	Other (including items <5% of total ordinary tax assets)	\$ (24,017)	\$ 78,238	\$(102,255)

Cont. Note 9 C 2

(14)	Subtotal	\$ (24,017)	\$ 78,238	\$(102,255)
(b)	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c)	Nonadmitted	\$ -	\$ -	\$ -
(d)	Admitted ordinary deferred tax assets (2a14- 2b-2c)	\$ (24,017)	\$ 78,238	\$(102,255)
(e)	Capital			
(1)	Net Capital Loss Carry-Forward	\$ -	\$ -	\$ -
(2)	Subtotal	\$ -	\$ -	\$ -
(f)	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g)	Nonadmitted	\$ -	\$ -	\$ -
(h)	Admitted capital deferred tax assets (2e2 - 2f - 2g)	\$ -	\$ -	\$ -
(i)	Admitted deferred tax assets (2d + 2h)	\$ (24,017)	\$ 78,238	\$(102,255)
3.	Deferred Tax Liabilities			
(a)	Ordinary			
(1)	Investments	\$ -	\$ -	\$ -
(2)	Subtotal	\$ -	\$ -	\$ -
(b)	Capital			
(1)	Investments	\$ -	\$ -	\$ -
(2)	Subtotal	\$ -	\$ -	\$ -
(c)	Deferred tax liabilities (3a2 + 3b2)	\$ -	\$ -	\$ -
4.	Net deferred tax assets/liabilities (2i - 3c)	\$ (24,017)	\$ 78,238	\$(102,255)

D. Among the more significant book to tax adjustments were the following:

	3/31/2017	Effective Tax Rate
Provision computed at statutory rate	\$ 405,674	34.0%
Change in nonadmitted assets	\$ 255,028	21.4%
Tax exempt income, net of proration	\$ -	0.0%
Dividends received deduction, net of proration	\$ -	0.0%
Nondeductible expenses	\$ 27,200	2.3%
Elimination of IMR Amortization	\$ -	0.0%
Small Life Insurance Company Deduction	\$ -	0.0%
Prior year under (over) accrual	\$ -	0.0%
Other	\$ -	0.0%
Total statutory income tax expense (benefit)	\$687,902	57.7%
	3/31/2017	Effective Tax Rate
Federal and foreign income taxes incurred	\$ 515,258	43.2%
Realized capital gains (losses) tax	\$ -	0.0%
Change in net deferred income taxes	\$ (102,255)	-8.6%
Total statutory income tax expense (benefit)	\$ 413,003	34.6%

E. Operating Loss and Tax Credit Carry forwards and Protective Tax Deposits

- (1) At March 31, 2017, the Company had no net operating loss carry forwards available to offset against future taxable income.
- (2) The Company had no income taxes in current or prior years

F.

The Company is included in a consolidated federal income tax return with its parent company, AultCare Holding Company. The Company is consolidated with the following Subsidiaries, AultCare Insurance Company; Aultra Administrative Group; North Central Medical Resources; Aultman Medical Group, Inc.; and AultComp MCO, Inc. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity in which is a party to the consolidation. In the event any federal Tax Benefit Item of the AultCare Companies for any taxable period after they cease being Members of the Consolidated Group is eligible to be carried back to a taxable period while the AultCare Companies were Members of the Consolidated Group, the AultCare Companies shall, where possible, elect to carry such amounts forward to subsequent taxable periods. If the AultCare Companies are required by law to carry back any such

Notes to Financial Statement

federal Tax Benefit Item, the AultCare Companies shall be entitled to a payment at the time and to the extent that such Tax Benefit Item reduces the federal income Tax liability of the Consolidated Group. For purposes of computing the amount of the payment described in this section, one or more federal Tax Benefit Items shall be considered to have reduced the Consolidated Group's federal income Tax liability in a given taxable period by an amount equal to the difference, if any, between (i) the amount of the Consolidated Group's federal income Tax liability for the taxable period computed without regard to such federal Tax Benefit Item or Items and (ii) the amount of the Consolidated Group's federal income Tax liability for the taxable period computed with regard to such federal Tax Benefit Item or Items. For the avoidance of doubt, if the AultCare Companies are required to carry back a federal Tax Benefit Item, such federal Tax Benefit Item shall reduce the Consolidated Group's federal income Tax liability only after all federal Tax Benefit Items of AultCare Holdings have been applied to reduce the Consolidated Group's federal income Tax liability in such taxable period. Appropriate reconciliation payments shall be made in the event that it is subsequently determined that a Tax Benefit Item did not reduce the Consolidated Group's federal income Tax liabilities, including by reason of any such Tax Benefit Item being subsequently disallowed in whole or in part or by reason of other Tax benefits becoming available.

G. Federal or Foreign Income Tax Loss Contingencies

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

10. Information Concerning Parent, Subsidiaries and Affiliates

A, B, C, The following transactions are all as of March 31, 2017; The Company has paid \$16,242,939 in capitated claims to Aultman Hospital for their Medicare enrollees. The Company has a management services agreement with Aultman Health Foundation, the parent, in which The Company has paid \$126,431. The Company also has an agreement with AultCare Corporation, an affiliate that allows various administrative, marketing, and claims processing services to be completed on behalf of the Company and have paid \$3,869,573 for these services. The Company has an operating lease for office space and paid \$71,058 to Aultman Health Foundation for rent.

D. At March 31, 2017, the Company reported \$425,822 due to an affiliate, AultCare Corporation. This is due to AultCare Corporation for administrative services covered under a management services agreement, the balance is settled up monthly. The Company also has capitation arrangement with Aultman Hospital for anticipation of future services. As of March 31, 2017, the Company has paid \$5,400,000 Aultman Health Foundation for these future services. The Company has an intercompany revolving credit facility in place with AultCare Insurance Company, a subsidiary that allows AultCare Insurance Company to borrow and repay operating funds. As of March 31, 2017, AHIC is owes \$326,101 under the terms of the agreement.

E. No Change.

F. The Company has a management services agreement with Aultman Health Foundation, the parent, in which The Company has paid \$126,431. The Company also has an agreement with AultCare Corporation, an affiliate that allows various administrative, marketing, and claims processing services to be completed on behalf of the Company and have paid \$3,869,573 for these services. The Company also reported \$326,101 due to its subsidiary, AultCare Insurance Company.

G. No Change.

H. The Company has an investment in West Tuscarawas Property Management with an admitted asset value of \$1,560,436.

I. The Company owns 100% of SCA entity AultCare Insurance Company. AultCare Insurance Company has assets valued at \$95,979,128, liabilities valued at \$51,863,086, and total capital and surplus of \$44,116,042.

J. No Change.

K. No Change.

L. No Change.

11. Debt

A. No Change.

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

A. No Change

Notes to Financial Statement

- B. Contributions of 3% of each employee's compensation are made each year. The Company's contribution for the defined contribution plan was \$81,582 and \$64,868 for 2017 and 2016 respectively.

C – F No Change

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

(1) The Company has no common stock outstanding

(2) No Change.

(3) No Change.

(4) No Change.

(5) No Change.

(6) No Change.

(7) No Change.

(8) No Change.

(9) No Change.

(10) No Change.

(11) No Change.

(12) No Change.

(13) No Change.

14. Contingencies

A. No Change.

B. No Change.

C. No Change.

D. No Change.

E. No Change.

15. Leases

A. Lessee Operating Lease

(1) The Company leases office space in buildings from Aultman Health Foundation through operating lease agreements that will expire December 31, 2017. In 2017 and 2016 respectively, the company paid \$71,058 and \$78,196 to Aultman Health Foundation for rent expense. Certain rental commitments have renewal options extending through the year 2019. Some of these renewals are subject to adjustments in future periods.

(2) At January 1, 2017, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2017	\$ 292,606

B. Leasing is not a significant part of the lessor's business activities in terms of revenue, net income, or assets.

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

A. No Change

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

A. No Change.

B. No Change.

C. No Change.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans (N/A – Title)

A. No Change

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (N/A – Title)

A. No Change

20. Fair Value Measurement

A. The Company has assets that are measured at fair value on a recurring basis.

(1)

Fair Value Measurements at Reporting Date				
(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Common Stock	\$ 7,742,184	\$ -	\$ -	\$ -
Total assets at fair value	\$ 7,742,184	\$ -	\$ -	\$ -

(2) No Change.

(3) No Change.

Notes to Financial Statement

21. Other Items
- A. No Change.
- B. No Change.
- C. No Change.
- D. At March 31, 2017 the Company had admitted assets of \$1,015,435 in accounts receivable and amounts due from agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.
- E. No Change.
- F. No Change.
- G. No Change.
- H. No Change.
22. Events Subsequent
- A. As of May 15, 2017, there have been no Type I events subsequent to March 31, 2017, which would have a material effect on the financial condition of the Company or on the financial statement issued May 15, 2017.
- B. As of May 15, 2017, there have been no Type II events subsequent to March 31, 2017, which would have a material effect on the financial condition of the Company or on the financial statement issued May 15, 2017.
23. Reinsurance
- A. No Change.
- B. No Change.
- C. No Change.
24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (N/A –Title)
- A. No Change.
- B. No Change.
25. Change in Incurred Claims and Claims Adjustment Expenses
- A. Reserves as of December 31, 2016 were \$13 million. As of March 31, 2017, \$9 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years.
26. Intercompany Pooling Arrangements
- A. No Change.
27. Structured Settlements
- A. No Change.
28. Health Care Receivables
- A.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received within 90 Days of Billing	Actual Rebates Received within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
3/31/2017	\$793,005	\$ -	\$ -	\$ -	\$ -
12/31/2016	\$793,005	\$ -	\$ -	\$ -	\$ -
9/30/2016	\$742,354	\$ -	\$ -	\$404,355	\$ -
6/30/2016	\$742,354	\$ -	\$ -	\$1,386,700	\$ -
3/31/2016	\$742,354	\$ -	\$ -	\$1,244,136	\$ -
12/31/2015	\$742,354	\$ -	\$ -	\$287,490	\$ -
9/30/2015	\$742,354	\$ -	\$ -	\$207,569	\$ -
6/30/2015	\$ -	\$ -	\$ -	\$312,761	\$ -
3/31/2015	\$ -	\$ -	\$ -	\$382,280	\$ -

- B. No Change.
29. Participating Policies
- A. No Change.
30. Premium Deficiency Reserves
- A. No Change.
31. Anticipated Salvage and Subrogation
- A. No Change.

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[] N/A[X]

- 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? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 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 the 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? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 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?
Ohio Department of Insurance
- 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 by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 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: Yes[] No[X]
- 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]
- 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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
 14.2 If yes, please complete the following:

Yes[X] No[]

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock	42,748,927	44,116,042
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other	1,567,694	1,560,436
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	44,316,621	45,676,477
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement.

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

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.3 Total payable for securities lending reported on the liability page

\$ 0
 \$ 0
 \$ 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?
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
FirstMerit Trust Company	4481 Munson St. NW #200, Canton, OH 44718
The Vanguard Group	P.O. Box 2600 Valley Forge, PA 19482

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

Yes[] No[X]

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[X]

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[X]

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[]

GENERAL INTERROGATORIES (Continued)

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent 91.930%
1.2 A&H cost containment percent 2.090%
1.3 A&H expense percent excluding cost containment expenses 8.490%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
NONE								

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								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	L		60,142,547					60,142,547	
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	XXX								
59. Subtotal	XXX		60,142,547					60,142,547	
60. Reporting entity contributions for Employee Benefit Plans	XXX								
61. Total (Direct Business)	(a) 1		60,142,547					60,142,547	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX								

(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.

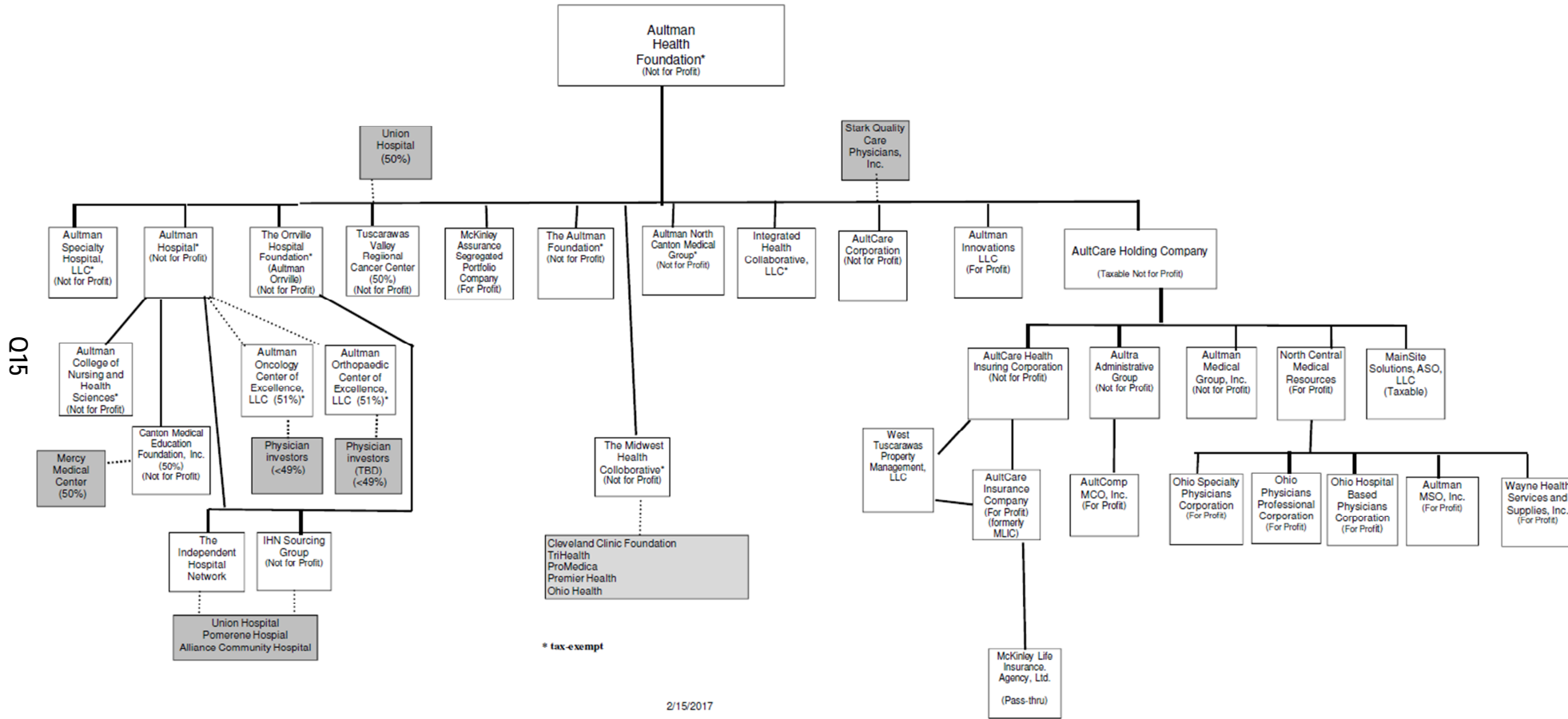
(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Aultman Health Foundation Organizational Chart



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*	
4805		00000	34-1445390				Aultman Health Foundation	US	UIP	Self	Board of Directors		Aultman Health Foundation	N		
		00000	34-0714538				Aultman Hospital	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N	0000000	
		77216	34-1624818				AultCare Insurance Company	US	RE	AultCare Health Insuring Corporation	Ownership	100.0	Aultman Health Foundation	N		
		00000	34-1488123				AultCare Corporation	US	IA	Aultman Health Foundation & Stark County Care Physicians, Inc	Other		Aultman Health Foundation	N	0000001	
		00000	20-0090246				West Tuscarawas Property Management, LLC	US	DS	AultCare Health Insuring Corporation	Ownership	13.0	Aultman Health Foundation	N		
		00000	34-1795772				McKinley Life Insurance Agency, Ltd.	US	DS	AultCare Insurance Company	Ownership	100.0	Aultman Health Foundation	N		
		00000	20-4951704				Aultra Administrative Group	US	IA	AultCare Holding Company	Management		Aultman Health Foundation	N		
		00000	27-4379962				AultComp MCO, Inc.	US	NIA	Aultra Administrative Group	Ownership	100.0	Aultman Health Foundation	N		
		00000	34-1853300				Ohio Specialty Physician's Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	N		
		00000	98-0468384				McKinley Assurance Segregated Portfolio Company (SPC)	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
		00000	20-1359433				Aultman College of Nursing and Health Sciences	US	NIA	Aultman Hospital	Ownership	100.0	Aultman Hospital	N		
		00000	31-1509904				Aultman MSO, Inc.	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	N		
		00000	20-8090459				The Aultman Foundation	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
		00000	31-1509897				Ohio Physicians Professional Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	N		
		00000	34-1610344				North Central Medical Resources	US	NIA	AultCare Holding Company	Ownership	100.0	Aultman Health Foundation	N		
		00000	34-1871647				Ohio Hospital Based Physician Corporation	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	N		
		00000	31-1689698				Tuscarawas Valley Regional Cancer Center	US	NIA	Other	Ownership, Board of Directors	50.0	Aultman Health Foundation	N	0000002	
		00000	13-4246188				Acute Care Specialty Hospital at Aultman, LLC	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
	4805		00000	34-1243260				Canton Medical Education Foundation	US	NIA	Other	Ownership, Board of Directors	50.0	Aultman Hospital	N	0000003
			15461	46-3305099				AultCare Health Insuring Corporation	US	UDP	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N	
		00000	34-1088530				Aultman North Canton Medical	US	NIA	Aultman Health Foundation	Ownership, Board of Directors	100.0	Aultman Health Foundation	N		
		00000	34-0733138				The Orville Hospital Foundation	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
		00000	45-3166014				Aultman Medical Group, Inc	US	NIA	AultCare Holding Company	Ownership	100.0	Aultman Health Foundation	N		
		00000	47-1165287				AultCare Holding Company	US	UIP	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
		00000	47-3587655				MainSight ASO, LLC	US	NIA	AultCare Holding Company	Ownership	100.0	Aultman Health Foundation	N		
		00000	34-1501390				Wayne Health Service and Supplies, Inc.	US	NIA	North Central Medical Resources	Ownership	100.0	Aultman Health Foundation	N		
		00000	46-4625320				Integrated Health Collaborative	US	NIA	Aultman Health Foundation	Ownership	100.0	Aultman Health Foundation	N		
		00000	45-4215510				Aultman Oncology Center of Excellence	US	NIA	Other	Ownership, Other		Aultman Health Foundation	N	0000004	
	00000	46-2540184				Aultman Orthopedic Center of Excellence	US	NIA	Other	Ownership, Other		Aultman Health Foundation	N	0000004		
	00000	81-1342957				The Midwest Health Collaborative	US	NIA	Other	Other		Aultman Health Foundation	N	0000005		
	00000	45-1731318				IHN Sourcing	US	NIA	Other	Other		Aultman Health Foundation	N	0000006		

Q16

Asterisk	Explanation
0000001	AultCare Corporation's governance is controlled by Aultman Health Foundation 50% and Stark Quality Care Physicians, Inc 50%, 100% of equity owned by Aultman Health Foundation
0000002	Tuscarawas Valley Regional Cancer Center is controlled by Aultman Health Foundation 50% and a non-insurance affiliate entity Union Hospital 50%
0000003	Canton Medical Education Foundation is controlled by Aultman Hospital 50% and a non-insurance affiliate entity Mercy Medical Center 50%

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



15461201736500001

2017

Document Code: 365

STATEMENT AS OF **March 31, 2017** OF THE **AultCare Health Insuring Corporation**
SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,567,694	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		1,563,799
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(7,258)	3,894
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	1,560,436	1,567,694
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	1,560,436	1,567,694

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	76,944,359	68,211,408
2. Cost of bonds and stocks acquired	2,097,444	7,077,904
3. Accrual of discount	1,684	2,766
4. Unrealized valuation increase (decrease)	1,620,378	7,311,458
5. Total gain (loss) on disposals	3,002	25,067
6. Deduct consideration for bonds and stocks disposed of	1,873,893	5,521,414
7. Deduct amortization of premium	40,856	162,828
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)	78,752,117	76,944,359
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	78,752,117	76,944,359

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	25,779,472	1,775,983	1,915,891	(34,305)	25,605,259			25,779,472
2. NAIC 2 (a)	1,120,250	276,426		(6,327)	1,390,348			1,120,250
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	26,899,722	2,052,409	1,915,891	(40,632)	26,995,607			26,899,722
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	26,899,722	2,052,409	1,915,891	(40,632)	26,995,607			26,899,722

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QS102

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. Totals	101,717	X X X	104,569	3,063	

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	148,177	175,528
2. Cost of short-term investments acquired		242,982
3. Accrual of discount		2
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		(79)
6. Deduct consideration received on disposals	45,000	265,339
7. Deduct amortization of premium	1,460	4,917
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)	101,717	148,177
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	101,717	148,177

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
9128282A7	U.S. TREASURY NOTES 1.500% 8/15/2026		01/04/2017	FirstMerit	X X X	368,200	400,000	2,332	1
912828D72	U.S. TREASURY NT 2.00% 8/31/2021		01/04/2017	FirstMerit	X X X	753,150	750,000	5,262	1
912828G38	U.S. TREASURY NT 2.25% 11/15/2024		03/10/2017	FirstMerit	X X X	492,500	500,000	3,667	1
0599999	Subtotal - Bonds - U.S. Governments				X X X	1,613,850	1,650,000	11,261	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
0258M0EE5	AMERICAN EXPRESS MTN 2.200% 3/03/2020		03/02/2017	FirstMerit	X X X	69,956	70,000	17	1
037833AK6	APPLE INC 2.400% 5/03/2023		02/10/2017	FirstMerit	X X X	39,254	40,000	272	1
14040HAY1	CAPITAL ONE FINL 4.750% 7/15/2021		03/16/2017	FirstMerit	X X X	64,350	60,000	523	2
126410LK3	CSX TRANSPORTATION 9.750% 6/15/2020		01/24/2017	FirstMerit	X X X	86,339	70,000	796	2
26884AAZ6	ERP OPERATING-LP 4.625% 12/15/2021		02/10/2017	FirstMerit	X X X	27,222	25,000	193	1
594185AQ3	MICHIGAN BELL TELE 7.850% 1/15/2022		02/23/2017	FirstMerit	X X X	71,821	60,000	563	2
718546AC8	PHILLIPS 66 - 4.300% 4/01/2022		01/05/2017	FirstMerit	X X X	53,916	50,000	591	2
976656CD8	WI ELEC POWER 2.95% 9/15/2021		02/10/2017	FirstMerit	X X X	25,702	25,000	307	1
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	438,559	400,000	3,262	X X X
8399997	Subtotal - Bonds - Part 3				X X X	2,052,409	2,050,000	14,523	X X X
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
8399999	Subtotal - Bonds				X X X	2,052,409	2,050,000	14,523	X X X
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
Common Stocks - Mutual Funds									
31428Q739	FEDERATED TOTAL BOND RETURN		01/03/2017	FirstMerit	1,024.526	11,034	X X X		L
31428Q739	FEDERATED TOTAL BOND RETURN		01/04/2017	FirstMerit	0.150	2	X X X		L
31428Q739	FEDERATED TOTAL BOND RETURN		02/01/2017	FirstMerit	836.538	9,035	X X X		L
31428Q739	FEDERATED TOTAL BOND RETURN		03/01/2017	FirstMerit	810.785	8,797	X X X		L
922908728	VANGUARD TOTAL STOCK MKT FUND		03/23/2017	FirstMerit	276.355	16,167	X X X		L
9299999	Subtotal - Common Stocks - Mutual Funds				X X X	45,034	X X X		X X X
9799997	Subtotal - Common Stocks - Part 3				X X X	45,034	X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
9799999	Subtotal - Common Stocks				X X X	45,034	X X X		X X X
9899999	Subtotal - Preferred and Common Stocks				X X X	45,034	X X X		X X X
9999999	Total - Bonds, Preferred and Common Stocks				X X X	2,097,444	X X X	14,523	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

QE04

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
Bonds - U.S. Governments																						
3137EAAM1	FHLMC 5.00% 2/16/2017		02/16/2017	FirstMerit	X X X	125,000	125,000	135,468	125,158	(158)			(158)		125,000				3,125	02/16/2017	1	
3137EAAM1	FHLMC 5.00% 2/16/2017		02/16/2017	FirstMerit	X X X	125,000	125,000	135,005	125,125	(125)			(125)		125,000				3,125	02/16/2017	1	
912828B74	U.S. TREASURY NT 0.63% 2/15/2017		01/04/2017	FirstMerit	X X X	49,938	50,000	49,881	49,995	1			1		49,995		(57)	(57)	121	02/15/2017	1	
912828C32	U.S. TREASURY NT 0.75% 3/15/2017		01/04/2017	FirstMerit	X X X	49,953	50,000	50,000	50,000						50,000		(47)	(47)	116	03/15/2017	1	
912828H37	U.S. TREASURY NT 0.88% 1/15/2018		01/04/2017	FirstMerit	X X X	299,625	300,000	299,988	300,000						300,000		(375)	(375)	1,241	01/15/2018	1	
912828RE2	U.S. TREASURY NT 1.50% 8/31/2018		01/04/2017	FirstMerit	X X X	251,328	250,000	253,802	250,924	(9)			(9)		250,915		413	413	1,316	08/31/2018	1	
912828RE2	U.S. TREASURY NT 1.50% 8/31/2018		01/04/2017	FirstMerit	X X X	251,328	250,000	255,130	251,256	(12)			(12)		251,243		84	84	1,316	08/31/2018	1	
912828RE2	U.S. TREASURY NT 1.50% 8/31/2018		01/04/2017	FirstMerit	X X X	251,328	250,000	253,958	250,996	(10)			(10)		250,986		341	341	1,316	08/31/2018	1	
0599999 Subtotal - Bonds - U.S. Governments					X X X	1,403,499	1,400,000	1,433,233	1,403,452	(313)			(313)		1,403,140		359	359	11,675	X X X	X X X	
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
025816AX7	AMERICAN EXPRESS 6.15% 8/28/2017		03/02/2017	FirstMerit	X X X	51,139	50,000	55,622	50,809	(197)			(197)		50,611		527	527	1,614	08/28/2017	1	
00206RBM3	AT&T INC. 1.40% 12/1/2017		01/19/2017	FirstMerit	X X X	49,905	50,000	49,800	49,945	3			3		49,948		(43)	(43)	103	12/01/2017	1	
172967EM9	CITIGROUP INC. 6.13% 11/21/2017		02/23/2017	FirstMerit	X X X	33,580	32,500	36,991	33,331	(134)			(134)		33,196		383	383	536	11/21/2017	1	
172967EM9	CITIGROUP INC. 6.13% 11/21/2017		02/23/2017	FirstMerit	X X X	18,082	17,500	18,926	17,768	(44)			(44)		17,725		357	357	289	11/21/2017	1	
22160KAC9	COSTCO WHOLESALE 5.50% 3/15/2017		01/05/2017	FirstMerit	X X X	70,559	70,000	73,553	70,688	(37)			(37)		70,651		(92)	(92)	1,230	03/15/2017	1	
406216AV3	HALLIBURTON CO 5.90% 9/15/2018		03/15/2017	FirstMerit	X X X	53,209	50,000	56,400	52,454	(287)			(287)		52,167		1,042	1,042	1,475	09/15/2018	1	
406216AV3	HALLIBURTON CO 5.90% 9/15/2018		03/15/2017	FirstMerit	X X X	15,963	15,000	16,470	15,769	(90)			(90)		15,679		283	283	443	09/15/2018	1	
58013MEE0	MCDONALD'S CORP MTN 5.35% 3/1/2018		02/10/2017	FirstMerit	X X X	77,960	75,000	82,160	78,055	(280)			(280)		77,775		186	186	1,828	03/01/2018	1	
70153RHD3	PARKWAY BK & TR CD 0.85% 3/20/2017		03/20/2017	FirstMerit	X X X	100,000	100,000	100,286	100,000						100,000				424	03/20/2017	1	
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	470,395	460,000	490,207	468,818	(1,067)			(1,067)		467,752		2,643	2,643	7,942	X X X	X X X	
8399997 Subtotal - Bonds - Part 4					X X X	1,873,893	1,860,000	1,923,440	1,872,271	(1,379)			(1,379)		1,870,891		3,002	3,002	19,617	X X X	X X X	
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	1,873,893	1,860,000	1,923,440	1,872,271	(1,379)			(1,379)		1,870,891		3,002	3,002	19,617	X X X	X X X	
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	1,873,893	X X X	1,923,440	1,872,271	(1,379)			(1,379)		1,870,891		3,002	3,002	19,617	X X X	X X X	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

QE05

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets 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	
open depositories									
FirstMerit Bank - Trust	Canton, Ohio		0.370	729		778,761	1,137,876	657,000	X X X
Huntington National Bank	Canton, Ohio					12,843,262	7,853,809	23,705,433	X X X
FirstMerit Bank- Brokered CDs	Canton, Ohio		0.370	150		162,100	164,423	267,956	X X X
FirstMerit Bank-Mutual Funds	Canton, Ohio					9,410	9,413	9,416	X X X
FirstMerit Bank-Richmond Capital	Canton, Ohio		0.370	45		11,791	39,140	48,424	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X	924		13,805,324	9,204,662	24,688,229	X X X
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X	924		13,805,324	9,204,662	24,688,229	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X	924		13,805,324	9,204,662	24,688,229	X X X

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
NONE							
8699999 Total - Cash Equivalents							

INDEX TO HEALTH QUARTERLY STATEMENT

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11
Accounting Practices and Policies; Q5; Q10, Note 1
Admitted Assets; Q2
Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05
Bonuses; Q3; Q4; Q8; Q9
Borrowed Funds; Q3; Q6
Business Combinations and Goodwill; Q10, Note 3
Capital Gains (Losses)
 Realized; Q4
 Unrealized; Q4; Q5
Capital Stock; Q3; Q10, Note 13
Capital Notes; Q6; Q10, Note 11
Caps; QE06; QSI04
Cash; Q2; Q6; QE12
Cash Equivalents; Q2; Q6; QE13
Claims; Q3; Q4; Q8; Q9
Collars; QE06; QSI04
Commissions; Q6
Common Stock; Q2; Q3; Q6; Q11.1; Q11.2
Cost Containment Expenses; Q4
Contingencies; Q10, Note 14
Counterparty Exposure; Q10, Note 8; QE06; QE08
Debt; Q10, Note 11
Deferred Compensation; Q10, Note 12
Derivative Instruments; Q10, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08
Discontinued Operations; Q10, Note 4
Electronic Data Processing Equipment; Q2
Encumbrances; Q2; QSI01; QE01
Emergency Room; Q4
Expenses; Q3; Q4; Q6
Extinguishment of Liabilities; Q10, Note 17
Extraordinary Item; Q10, Note 21
Fair Value; Q7, Note 20
Fee for Service; Q4
Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05
Forwards; QE06; QSI04
Furniture, Equipment and Supplies; Q2
Guaranty Fund; Q2
Health Care Receivables; Q2; Q9; Q10, Note 28
Holding Company; Q16
Hospital/Medical Benefits; Q4
Incentive Pools; Q3; Q4; Q8; Q9
Income; Q4; Q5; Q6
Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9
Incurred Claims and Claim Adjustment Expenses; Q10, Note 25
Intercompany Pooling; Q10, Note 26
Investment Income; Q10, Note 7
 Accrued; Q2
 Earned; Q2; QSI03
 Received; Q6
Investments; Q10, Note 5; Q11.1; Q11.2; QE08
Joint Venture; Q10, Note 6
Leases; Q10, Note 15
Limited Liability Company (LLC); Q10, Note 6
Limited Partnership; Q10, Note 6
Long-Term Invested Assets; Q2; QE03
Managing General Agents; Q10, Note 19
Medicare Part D Coverage; QSupp1
Member Months; Q4; Q7
Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02
Nonadmitted Assets; Q2; Q5; QSI01; QSI03
Off-Balance Sheet Risk; Q10, Note 16
Options; QE06; QSI04
Organizational Chart; Q11; Q14
Out-of-Area; Q4
Outside Referrals; Q4
Parent, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1
Participating Policies; Q10, Note 29
Pharmaceutical Rebates; Q10, Note 28
Policyholder Dividends; Q5; Q6
Postemployment Benefits; Q10, Note 12
Postretirement Benefits; Q10, Note 12
Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2

INDEX TO HEALTH QUARTERLY STATEMENT

Premium Deficiency Reserves; Q10, Note 30
Premiums and Considerations
 Advance; Q3
 Collected; Q6
 Deferred; Q2
 Direct; Q7; Q13
 Earned; Q7
 Retrospective; Q2
 Uncollected; Q2
 Unearned; Q4
 Written; Q4; Q7
Prescription Drugs; Q4
Quasi Reorganizations; Q10, Note 13
Real Estate; Q2; Q6; QE01; QSI01
Redetermination, Contracts Subject to; Q10, Note 24
Reinsurance; Q9; Q10, Note 23
 Ceded; Q3; Q12
 Funds Held; Q2
 Payable; Q3
 Premiums; Q3
 Receivable; Q2; Q4
 Unauthorized; Q3; Q5
Reserves
 Accident and Health; Q3; Q4
 Claim; Q3; Q5; Q8
 Life; Q3
Retirement Plans; Q10, Note 12
Retrospectively Rated Policies; Q10, Note 24
Risk Revenue; Q4
Salvage and Subrogation; Q10, Note 31
Securities Lending; Q2; Q3; QE09; QE11
Servicing of Financial Assets; Q10, Note 17
Short-Term Investments; Q2; Q6; Q11.1; QSI03
Stockholder Dividends; Q5; Q6
Subsequent Events; Q10, Note 22
Surplus; Q3; Q5; Q6
Surplus Notes; Q3; Q5; Q6
Swaps; QE07; QSI04
Synthetic Assets; QSI04; QSI05
Third Party Administrator; Q10, Note 19
Treasury Stock; Q3; Q5
Uninsured Accident and Health; Q2; Q3; Q10, Note 18
Valuation Allowance; QSI01
Wash Sales; Q10, Note 17
Withholds; Q4; Q8