

QUARTERLY STATEMENT

OF THE

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OFFICE OF RISK
ASSESSMENT

COSE Health and Wellness Trust

Of

Cleveland

in the state of

Ohio

to the Insurance Department

of the State of Ohio

For the Period Ended

September 30, 2017

2017



HEALTH QUARTERLY STATEMENT

As of September 30, 2017
of the Condition and Affairs of the

COSE Health and Wellness Trust

NAIC Group Code..... 0, 0 (Current Period) (Prior Period)	NAIC Company Code..... 122	Employer's ID Number..... 81-6240902
Organized under the Laws of OHIO	State of Domicile or Port of Entry OHIO	Country of Domicile US
Licensed as Business Type Health	Is HMO Federally Qualified? Yes [] No []	
Incorporated/Organized..... February 18, 2016	Commenced Business..... August 22, 2016	
Statutory Home Office	1240 Huron Road E., Ste. 200..... Cleveland OH US 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	1240 Huron Road E., Ste. 200..... Cleveland OH US 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	216-592-2436 (Area Code) (Telephone Number)
Mail Address	1240 Huron Road E., Ste. 200..... Cleveland OH US 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	1240 Huron Road E., Ste. 200..... Cleveland OH US 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	216-592-2436 (Area Code) (Telephone Number)
Internet Web Site Address	www.cosemewa.com	
Statutory Statement Contact	Timothy E DiPlacido (Name) Tdiplacido@gcpartnership.com (E-Mail Address)	216-592-2292 (Area Code) (Telephone Number) (Extension) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Timothy Maynard Reynolds	Chairman	2. Stephen Anthony Millard	Plan Administrator
3.		4.	

OTHER

DIRECTORS OR TRUSTEES

Timothy Maynard Reynolds	Elyse Anne Logan	Martha Judith Lanning
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State of..... Ohio
County of..... Cuyahoga

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.


(Signature)

Timothy Maynard Reynolds

1. (Printed Name)

Chairman

(Title)


(Signature)

Stephen Anthony Millard

2. (Printed Name)

Plan Administrator

(Title)

(Signature)

3. (Printed Name)

(Title)

Subscribed and sworn to before me
This 14th day of November, 2017



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



DANA STOLIA
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Cuyahoga County
My Comm. Exp. 9/21/19

11/13/2017 9:10:17 AM

Statement as of September 30, 2017 of the

COSE Health and Wellness Trust

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
1. Bonds.....	4,762,559		4,762,559	
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 (\$.....6,560,430), cash equivalents (\$.....) and short-term investments (\$.....1,160,556).....	7,720,986		7,720,986	5,834,491
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	(5,082)
12. Subtotals, cash and invested assets (Lines 1 to 11).....	12,483,545	0	12,483,545	5,829,409
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	41,637		41,637	
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	114,341		114,341	49,813
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.....			0	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
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.....	68,551		68,551	197,790
25. Aggregate write-ins for other than invested assets.....	17,526	17,526	0	5,082
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	12,725,600	17,526	12,708,074	6,082,094
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	12,725,600	17,526	12,708,074	6,082,094

DETAILS OF WRITE-INS

1101. Prepaid Business Insurance.....			0	(4,082)
1102. Prepaid State Certification Fee.....			0	(1,000)
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	(5,082)
2501. Prepaid Business Insurance.....	16,326	16,326	0	4,082
2502. Prepaid State Certification Fee.....			0	1,000
2503. Domestic Assessment Fee.....	1,200	1,200	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).....	17,526	17,526	0	5,082

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	5,623,508		5,623,508	805,512
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	224,940		224,940	
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.....	392,643		392,643	135,569
9. General expenses due or accrued.....	216,369		216,369	237,698
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.....			0	
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).....	6,457,460	0	6,457,460	1,178,779
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		
29. Surplus notes.....	XXX	XXX	5,000,000	5,000,000
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	1,250,614	(96,685)
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	6,250,614	4,903,315
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	12,708,074	6,082,094

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 as of September 30, 2017 of the

COSE Health and Wellness Trust

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	61,364	401	4,863
2. Net premium income (including \$.....0 non-health premium income).....	XXX	21,917,917	131,553	1,770,158
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	21,917,917	131,553	1,770,158
Hospital and Medical:				
9. Hospital/medical benefits.....		10,292,766	79,841	688,594
10. Other professional services.....		592,063	6,032	39,600
11. Outside referrals.....		308,205	1,200	3,292
12. Emergency room and out-of-area.....		1,983,908	13,731	236,556
13. Prescription drugs.....		3,700,164	22,212	394,979
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	16,877,106	123,016	1,363,022
Less:				
17. Net reinsurance recoveries.....				
18. Total hospital and medical (Lines 16 minus 17).....	0	16,877,106	123,016	1,363,022
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....		224,940		
21. General administrative expenses.....		3,469,897	46,785	504,632
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	20,571,943	169,801	1,867,654
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	1,345,974	(38,248)	(97,496)
25. Net investment income earned.....		39,133	2,230	5,892
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....				
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	39,133	2,230	5,892
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	1,385,108	(36,018)	(91,604)
31. Federal and foreign income taxes incurred.....	XXX			
32. Net income (loss) (Lines 30 minus 31).....	XXX	1,385,108	(36,018)	(91,604)

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)

CAPITAL AND SURPLUS ACCOUNT	1	2	3
	Current Year to Date	Prior Year To Date	Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	4,903,315		
34. Net income or (loss) from Line 32.....	1,385,108	(36,018)	(91,604)
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.....	(25,364)		
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			
39. Change in nonadmitted assets.....	(12,444)		(5,082)
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....		5,000,000	5,000,000
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.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	1,347,299	4,963,982	4,903,315
49. Capital and surplus end of reporting period (Line 33 plus 48).....	6,250,614	4,963,982	4,903,315

DETAILS OF WRITE-INS

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

Statement as of September 30, 2017 of the

COSE Health and Wellness Trust

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.....	22,110,464	91,280	1,855,914
2. Net investment income.....	(786)	2,230	5,892
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	22,109,678	93,510	1,861,806
5. Benefit and loss related payments.....	11,929,871	19,615	755,300
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,491,226	(4,859)	266,934
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).....	15,421,097	14,756	1,022,234
11. Net cash from operations (Line 4 minus Line 10).....	6,688,580	78,754	839,572
CASH FROM INVESTMENTS			
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.....	(2,824)		
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	(2,824)	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	4,786,817		
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).....	4,786,817	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).....	(4,789,641)	0	0
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....		5,000,000	5,000,000
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).....	(12,444)		(5,082)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(12,444)	5,000,000	4,994,918
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	1,886,495	5,078,754	5,834,491
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	5,834,491		
19.2 End of period (Line 18 plus Line 19.1).....	7,720,986	5,078,754	5,834,491
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	2 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
		Individual	Group							
Total Members at End of:										
1. Prior Year	1,982		1,982							
2. First Quarter	5,388		5,388							
3. Second Quarter	7,287		7,287							
4. Third Quarter	9,673		9,673							
5. Current Year	9,673		9,673							
6. Current Year Member Months	61,364		61,364							
Total Member Ambulatory Encounters for Period:										
7. Physician	24,388		24,388							
8. Non-Physician	18,535		18,535							
9. Total	42,923	0	42,923	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	563		563							
11. Number of Inpatient Admissions	149		149							
12. Health Premiums Written (a)	23,663,722		23,663,722							
13. Life Premiums Direct	0		0							
14. Property/Casualty Premiums Written	0		0							
15. Health Premiums Earned	23,663,722		23,663,722							
16. Property/Casualty Premiums Earned	0		0							
17. Amount Paid for Provision of Health Care Services	0		0							
18. Amount Incurred for Provision of Health Care Services	16,877,106		16,877,106							

(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)

1	Aging Analysis of Unpaid Claims					7
	2	3	4	5	6	
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						5,623,508
0799999. Total Claims Unpaid						5,623,508

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Liability End of Current Quarter				5	6
	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)	703,413	11,355,697	3,396	5,620,112	706,809	805,512
2. Medicare Supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	703,413	11,355,697	3,396	5,620,112	706,809	805,512
10. Healthcare receivables (a)					0	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts					0	
13. Totals (Lines 9-10+11+12)	703,413	11,355,697	3,396	5,620,112	706,809	805,512

(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		SSAP #	F/S Page	F/S Line #	Current Period	2016
NET INCOME							
(1)	COSE Health and Wellness Trust state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$	1,385,108	\$ (91,604)
(2)	State Prescribed Practices that is an increase/(decrease) from NAIC SAP				\$		\$
(3)	State Permitted Practices that is an increase/(decrease) from NAIC SAP				\$		\$
(4)	NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$	1,385,108	\$ (91,604)
SURPLUS							
(5)	COSE Health and Wellness Trust state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$	6,250,614	\$ 4,903,315
(6)	State Prescribed Practices that is an increase/(decrease) from NAIC SAP				\$		\$
(7)	State Permitted Practices that is an increase/(decrease) from NAIC SAP				\$		\$
(8)	NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$	6,250,614	\$ 4,903,315

- C. Accounting Policy
- These financial statements have been prepared in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual.
- D. Going Concern
- There is no substantial doubt about the Cose Health and Wellness Trust's ability to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

No applicable

Note 4 – Discontinued Operations

No applicable

Note 5 – Investments

D.	Loan-Backed Securities - NOT APPLICABLE						
(1)							
		1 Amortized Cost Basis Before Other-than-Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss	3 Fair Value 1 – 2			
OTTI recognized 1 st Quarter							
a.	Intent to sell	\$	\$	\$			
b.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis						
c.	Total 1 st Quarter	\$	\$	\$			
OTTI recognized 2 nd Quarter							
d.	Intent to sell	\$	\$	\$			
e.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis						
f.	Total 2 nd Quarter	\$	\$	\$			
OTTI recognized 3 rd Quarter							
g.	Intent to sell	\$	\$	\$			
h.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis						
i.	Total 3 rd Quarter	\$	\$	\$			
OTTI recognized 4 th Quarter							
j.	Intent to sell	\$	\$	\$			
k.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis						
l.	Total 4 th Quarter	\$	\$	\$			
m.	Annual aggregate total	XXX	\$	XXX			

NOTES TO FINANCIAL STATEMENTS

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

There were no changes to the Surplus level since the initial funding date.

Note 14 – Liabilities, Contingencies and Assessments

No significant change in the Claims Adjustment Reserve from the normal monthly adjustment in relation to the IBNR Reserve.

Note 15 – Leases

Not applicable

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

Not applicable

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

Not Applicable

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

Not applicable

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

Not applicable

Note 20 – Fair Value Measurements

A. The Company has no assets or liabilities that are reported at fair value as of September 30, 2017.

B. Not applicable

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
BONDS	\$ 4,764,276	\$ 4,762,559	\$	\$ 4,764,276	\$	\$

D. Not applicable

Note 21 – Other Items

Not applicable

Note 22 – Events Subsequent

Not applicable

Note 23 – Reinsurance

No significant changes

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

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]

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current period:

a. Permanent ACA Risk Adjustment Program	AMOUNT
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$
3. Premium adjustments payable due to ACA Risk Adjustment	\$
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$
b. Transitional ACA Reinsurance Program	AMOUNT
Assets	

NOTES TO FINANCIAL STATEMENTS

b. Transitional ACA Reinsurance Program		AMOUNT
1.	Amounts recoverable for claims paid due to ACA Reinsurance	\$
2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$
3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$
Liabilities		
4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	\$
5.	Ceded reinsurance premiums payable due to ACA Reinsurance	\$
6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$
Operations (Revenue & Expenses)		
7.	Ceded reinsurance premiums due to ACA Reinsurance	\$
8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$
9.	ACA Reinsurance contributions – not reported as ceded premium	\$

c. Temporary ACA Risk Corridors Program		AMOUNT
Assets		
1.	Accrued retrospective premium due to ACA Risk Corridors	\$
Liabilities		
3.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$
Operations (Revenue & Expenses)		
3.	Effect of ACA Risk Corridors on net premium income (paid/received)	\$
4.	Effect of ACA Risk Corridors on change in reserves for rate credits	\$

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Premium adjustments (payable)									B		
3. Subtotal ACA Permanent Risk Adjustment Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Amounts recoverable for claims unpaid (contra liability)									D		
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums									F		
5. Ceded reinsurance premiums payable									G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
d. Total for ACA Risk Sharing Provisions	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

- A.
B.
C.
D.

NOTES TO FINANCIAL STATEMENTS

E.
F.
G.
H.
I.
J.

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

	Accrued the Prior Year Written Dec. 31 of the	During on Business Before Prior Year	Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)
a. 2014										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	B	\$
b. 2015										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	D	\$
c. 2016										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	F	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$

A.
B.
C.
D.
E.
F.

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts Received from CMS	4 Asset Balance (Gross of Non-Admissions) (1-2-3)	5 Non-Admitted Amount	5 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015						
c. 2016						
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

On September 30, 2017, the Trust completed its thirteenth month of operation. Due to the credibility of the claims payments, Management exercised a conservative approach to the Trust's reserve balance.

Reserves as of September 30, 2017 were \$17.983 million. As of September 30, 2017, \$12.059 million has been paid for claims and \$5.924 million reserved (IBNR) attributable to insured events of future periods. The IBNR level of reserve was calculated and verified by the Company's outside Actuary. The calculated ratio was 70.8%. Management decided to reserve to a loss ratio of 77.0%. As mentioned in prior reports, this IBNR level is close to the pro-forma assumption of 80%.

No significant claims payments from the prior year impacted the December 31, 2016 IBNR reserve of \$805K this quarter. Actual prior year claims incurred are \$707K.

Note 26 – Intercompany Pooling Arrangements

Not applicable

Note 27 –Structured Settlements

Not applicable for Health Entities

Note 28 – Health Care Receivables

No applicable

Note 29 – Participating policies

No applicable

NOTES TO FINANCIAL STATEMENTS

Note 30 – Premium Deficiency Reserves

No reserve was necessary to establish as of September 30, 2017.

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 ☒
- 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 ☒
- 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 ☒
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 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 ☒
- 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	2	3
Name of Entity	NAIC Company Code	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 ☒ 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 ☐
- 6.6

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

Yes ☐ No ☐ N/A ☐
- 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 ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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 ☒ 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 ☒
- 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 ☒
- 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 ☒

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 Institutional Asset Management	1900 East 9th Strett, Cleveland, OH 44114

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 September 30, 2017 of the

COSE Health and Wellness Trust

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	77.0 %
1.2 A&H cost containment percent	0.0 %
1.3 A&H expense percent excluding cost containment expenses	14.7 %
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 amount of funds administered as of the reporting date.	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 Reinsuer Rating

NONE

Statement as of September 30, 2017 of the

COSE Health and Wellness Trust

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			Direct Business Only								
State, Etc.			Active Status	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	23,663,722						23,663,722	
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
59.	Subtotal.....	XXX		23,663,722	0	0	0	0	0	23,663,722	0
60.	Reporting entity contributions for Employee Benefit Plans.....	XXX								0	
61.	Total (Direct Business).....	(a) 1		23,663,722	0	0	0	0	0	23,663,722	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
58999.	Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		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

Statement as of September 30, 2017 of the

COSE Health and Wellness Trust

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:



COSE Health and Wellness Trust
Overflow Page for Write-Ins

NONE

COSE Health and Wellness Trust
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.....	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

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.....	0	
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 and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
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).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

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.....	0	
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 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).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

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.....	0	
2. Cost of bonds and stocks acquired.....	4,786,817	
3. Accrual of discount.....	115	
4. Unrealized valuation increase (decrease).....	(22,540)	
5. Total gain (loss) on disposals.....		
6. Deduct consideration for bonds and stocks disposed of.....		
7. Deduct amortization of premium.....	1,833	
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).....	4,762,559	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	4,762,559	0

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)		5,951,806		(3,326)			5,948,480	
2. NAIC 2 (a)							0	
3. NAIC 3 (a)							0	
4. NAIC 4 (a)							0	
5. NAIC 5 (a)							0	
6. NAIC 6 (a)							0	
7. Total Bonds	0	5,951,806	0	(3,326)	0	0	5,948,480	0
PREFERRED STOCK								
8. NAIC 1							0	
9. NAIC 2							0	
10. NAIC 3							0	
11. NAIC 4							0	
12. NAIC 5							0	
13. NAIC 6							0	
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	0	5,951,806	0	(3,326)	0	0	5,948,480	0
(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.								

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	1,160,556	.XXX	1,160,556		7,027

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.....	0	
2. Cost of short-term investments acquired.....	1,164,989	
3. Accrual of discount.....	102	
4. Unrealized valuation increase (decrease).....	(2,824)	
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		
7. Deduct amortization of premium.....	1,711	
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).....	1,160,556	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	1,160,556	0

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

SCHEDULE D - PART 3
Showing all Long-Term Bonds and Stocks ACQUIRED During 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 Fair Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (if)
Bonds - U.S. Government									
912828 W9 7	US TREASURY NOTE 1.25% 3/31/2019		08/25/2017	PNC INVESTMENTS		299,649	300,000	1,537	IFE
912828 X5 4	US TREASURY NOTE 1.25% 5/31/2019		08/25/2017	PNC INVESTMENTS		349,508	350,000	1,064	IFE
912828 X9 6	US TREASURY NOTE 1.375% 5/15/2020		08/25/2017	PNC INVESTMENT		490,739	450,000	1,926	IFE
912828 W6 3	US TREASURY NOTE 1.5% 3/15/2020		08/25/2017	PNC INVESTMENTS		452,374	450,000	3,299	IFE
912828 WL 0	US TREASURY NOTE 1.5% 5/31/2019		08/25/2017	PNC INVESTMENTS		300,833	300,000	1,094	IFE
912828 XR 9	US TREASURY NOTE 1.75% 5/31/2022		08/25/2017	PNC INVESTMENTS		424,785	425,000	1,809	IFE
912828 W5 5	US TREASURY NOTE 1.875% 2/28/2022		08/25/2017	PNC INVESTMENTS		301,854	300,000	2,767	IFE
912828 W9 9	US TREASURY NOTE 1.875% 3/31/2022		08/25/2017	PNC INVESTMENTS		427,375	425,000	3,266	IFE
912828 WG 1	US TREASURY NOTE 2.25% 4/30/2021		08/25/2017	PNC INVESTMENTS		204,516	200,000	1,467	IFE
912828 S7 5	US TREASURY NOTES 1.125% 7/31/2021		08/25/2017	PNC INVESTMENTS		146,971	150,000	728	IFE
0599999	Total - Bonds - U.S. Government					3,358,613	3,350,000	18,356	XXX
Bonds - Industrial and Miscellaneous									
149123 BV 2	CATERPILLAR INC SR UNSEC 3.9% 5/27/2021		08/24/2017	PNC INVESTMENTS		160,638	150,000	1,495	IFE
166764 BG 4	CHEVRON CORP CALL 2.1% 5/16/2021		08/25/2017	PNC INVESTMENT		251,305	250,000	1,517	IFE
191216 BG 4	COCA-COLA CO/THE UNSC 2.45% 11/1/2020		09/06/2017	PNC INVESTMENTS		102,161	100,000	864	IFE
38141E A6 6	GOLDMAN SACHS GROUP INC SR NTS 6.0% 6/15/2020		08/25/2017	PNC INVESTMENTS		110,374	100,000	1,250	IFE
46625H RT 9	J.P. MORGAN CHASE & CO CALL 2.4% 6/7/2021		08/25/2017	PNC INVESTMENTS		100,792	100,000	553	IFE
594918 AC 8	MICROSOFT CORP SR UNSEC 4.2% 6/01/2019		08/25/2017	PNC INVESTMENTS		262,403	250,000	2,596	IFE
61701J B3 2	MORGAN STANLEY UNSC 2.8% 6/16/2020		08/25/2017	PNC INVESTMENTS		76,415	75,000	432	IFE
68389X BA 2	ORACLE CORP SR NOTE UNSEC 2.8% 7/8/2021		08/25/2017	PNC INVESTMENTS		257,468	250,000	1,011	IFE
25463P CL 8	WALT DISNEY CO SR UNSEC 3.75% 6/01/2021		08/25/2017	PNC INVESTMENT		106,649	100,000	927	IFE
3999999	Total - Bonds - Industrial and Miscellaneous					1,428,204	1,375,000	10,645	XXX
8399997	Total - Bonds - Part 3					4,786,817	4,725,000	29,001	XXX
8399999	Total - Bonds					4,786,817	4,725,000	29,001	XXX
9999999	Total - Bonds, Preferred and Common Stocks					XXX	XXX	29,001	XXX

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues.....0.

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

Statement as of September 30, 2017 of the

COSE Health and Wellness Trust

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
PNC Bank.....	Cleveland, Ohio.....	.....0.250	.....1,197	.....	.....1,178,009	.....1,001,926	.....720,362	XXX
PNC Bank.....	Cleveland, Ohio.....	.....0.550	.....14,116	.....	.....9,813,161	.....4,818,201	.....5,820,745	XXX
PNC Institutional Asset Management.....	Cleveland, Ohio.....	.....0.890	.....1,143	.....	.....	.....118,004	.....19,323	XXX
.....	.....	.....	.....	.....	.....	.....	.....	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....16,455	.....0	.....10,991,171	.....5,938,130	.....6,560,430	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....16,455	.....0	.....10,991,171	.....5,938,130	.....6,560,430	XXX
0599999. Total Cash.....	XXX	XXX	.....16,455	.....0	.....10,991,171	.....5,938,130	.....6,560,430	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year

NONE



MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....0

NAIC Company Code.....122

	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.....	NONE			XXX	XXX
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a).....			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.

September 30th, 2017 Quarterly Filing

**Regarding
Claims Triangle and Reconciliation with
Underwriting and Investment Exhibit**

for

COSE Health and Wellness Trust



Prepared by Michael Brown, F.S.A., M.A.A.A.

Underwriting and Investment Exhibit

The Underwriting and Investment was reviewed for reasonableness and consistency with applicable Actuarial Standards of Practice. Columns 1 through 4 were reviewed and reconciled back to the data. That reconciliation is below.

1. Paid Claims (Columns 1 and 2)

The paid claims include medical and pharmacy. Lag claims included amounts paid by the TPA to provider. However, not all claims paid by the Trust align exactly with paid claims in the triangle due to invoice timing . These invoiced amounts were added or removed as noted in the table below. The claims difference is an amount required to tie lag amounts plus invoices to the claims ledger amounts in the U&I Exhibit, this amount typically should be less than 1% of total to be considered reasonable. It currently is 1.4% of the total. We are investigating these differences. This difference is higher than desired, however, it does not indicate any material issues.

Underwriting and Investment Exhibit

Paid Claims	Column 1 - Claims Incurred Prior to January 1 of Current Year	Column 2 - Claims Incurred During the Year	Total
Claim Lag	\$632,959	\$12,195,424	\$12,828,383
Plus Invoiced Amounts in 2016 Lags, Paid in 2017	\$69,687	\$0	\$69,687
Less Invoiced Amount in Lags, not paid yet	\$0	(\$668,008)	(\$668,008)
Total	\$702,646	\$11,527,416	\$12,230,062
U&I Exhibit	\$703,413	\$11,355,697	\$12,059,110
\$ Difference	-\$767	\$171,719	\$170,952
% Difference	-0.1%	1.5%	1.4%

2. Claim Reserve & Claim Liability (Column 3 and 4)

The total claim reserve shown in column 3 and 4 equals the liabilities on Page 3, Line 1 on the Quarterly Statement. This reserve was determined by the Trust using a 77% loss ratio method which I find reasonable and conservative when compared to an actuarial lag method estimation performed by MMO. Further detail can be provided upon request. Holding a conservative reserve amount is acceptable in my opinion given the lower credibility of the Trust. However, standard lag and pmpm methods will be used to determine claims liabilities at year end.

Underwriting and Investment Exhibit

Claim Reserve	Column 3 - Claims Unpaid December 31 of Prior Year	Column 4 - Claims Incurred During the Year	Total
Claim Lag Reserve + Invoices	\$3,396	\$5,620,112	\$5,623,508
<i>U&I Exhibit</i>	<i>\$3,396</i>	<i>\$5,620,112</i>	<i>\$5,623,508</i>
\$ Difference	\$0	\$0	\$0
% Difference	0.0%	0.0%	0.0%

Claims Triangles (Lag Triangles) on the following page.

Medical Paid Date	Incurred Date												
	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Sep-16	1,204												
Oct-16	33,616	28,780											
Nov-16	3,971	72,276	30,262										
Dec-16	44,940	21,384	168,100	48,550									
Jan-17	315	4,358	64,885	148,272	59,871								
Feb-17	859	1,552	13,442	140,494	190,435	154,790							
Mar-17	203	486	4,905	24,198	103,422	461,259	264,131						
Apr-17	0	343	47,500	92,130	33,793	102,054	360,242	250,756					
May-17	74	147	463	10,019	12,355	21,994	284,505	437,845	383,167				
Jun-17	0	0	297	3,945	13,286	5,506	22,808	44,010	543,184	331,527			
Jul-17	0	1,223	7,297	197	3,343	3,387	25,857	45,885	554,268	713,198	335,703		
Aug-17	235	208	222	173	5,333	1,689	2,983	(2,724)	42,483	130,172	836,797	552,399	
Sep-17	0	261	105	132	1,373	5,619	2,930	1,938	99,132	86,383	485,923	964,634	465,388

Drug Paid Date	Incurred Date												
	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Sep-16	1,812												
Oct-16	1,174	21,657											
Nov-16	0	27,242	48,881										
Dec-16	0	212	41,860	42,122									
Jan-17	0	0	341	61,673	33,997								
Feb-17	0	0	0	61	77,271	61,168							
Mar-17	62	584	353	819	4,654	138,643	240,545						
Apr-17	0	0	0	0	1,146	1,842	75,903	163,917					
May-17	0	0	67	13	1,347	490	1,948	116,760	168,354				
Jun-17	0	0	0	0	66	22	133	198	109,725	176,575			
Jul-17	0	45	0	0	0	895	0	832	300	202,917	119,976		
Aug-17	0	0	0	0	0	8	0	0	500	1,557	234,903	114,583	
Sep-17	0	0	0	0	0	(1)	394	11	41	849	607	357,957	339,359

COSE Health and Wellness Trust: 9/30/2017 Rolling 12 month RBC Calculation

	Rate	Amount Subject to RBC	RBC Requirement
H0 Asset Risk- Affiliate with RBC Total		\$0	\$0
H1 Asset Risk- Other Cash, Cash Equivalents, Short-Term and NAIC 01 Bonds Total	0.3%	\$12,486,871	\$37,460 \$37,460
H2 Underwriting Risk Premium Underwriting Risk Claims Ratio Underwriting Risk Factor Managed Care Discount Factor RBC After Factors Other Underwriting Risk (Rate Guarantees 15-36 months) Total	77.0% 15.0% 87.0% 2.4%	\$23,556,524 \$5,593,009	\$2,367,077 \$134,232 \$2,501,309
H3 Credit Risk Reinsurance Ceded Other Receivables Total	0.5% 5.0%	\$0 \$17,526	\$0 \$876 \$876
H4 Business Risk Health Administrative Expenses Excessive Growth Risk Total	7.0%	\$2,547,375	\$178,316 \$0 \$178,316
Authorized Control Level RBC (100%): $H0 + \text{Square Root of } (H1^2 + H2^2 + H3^2 + H4^2)$ (Annual Statement - Five Year Historical Data Page - Line 14)			
Regulatory Action Level RBC (150%)			\$1,880,954
Total Adjusted Capital (Annual Statement - Five Year Historical Data Page - Line 14)			
RBC Ratio (Total Adjusted Capital ÷ Authorized Control Level)			\$6,253,940 498.7%

