

Amended Explanation Page

On 3/30/2018 an amended 2017 Annual Statement was filed for AultCare Insurance Company. The following pages were amended:

1. Assets
2. Liabilities
3. Statement of Revenue
4. Cash Flow
5. Underwriting and Investment Exhibit Part 2D
6. Exhibit of Nonadmitted Assets
7. General Interrogatories Part 2
8. Five-Year Historical Data
9. Schedule S Part 2
10. Schedule S Part 4
11. Schedule S Part 6
12. Schedule S Part 7
13. Schedule Y Part 1A
14. Summary Investment Schedule
15. Schedule BA Verification Between Years
16. Schedule BA Part 1



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2017

Document Code: 201

ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2017
OF THE CONDITION AND AFFAIRS OF THE
AultCare Insurance Company

| | | | | | | |
|---------------------------------------|---|---|--|------------|----------------------|-----------|
| NAIC Group Code | 4805 (Current Period) | 4805 (Prior Period) | NAIC Company Code | 77216 | Employer's ID Number | 341624818 |
| 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[X] | Property/Casualty[] | Hospital, Medical & Dental Service or Indemnity[] | | | |
| | Dental Service Corporation[] | Vision Service Corporation[] | Health Maintenance Organization[] | | | |
| | Other[] | Is HMO Federally Qualified? Yes[X] No[] N/A[] | | | | |
| Incorporated/Organized | 08/15/1989 | | Commenced Business | 11/01/1989 | | |
| Statutory Home Office | 2600 Sixth Street SW (Street and Number) | | Canton, OH, 44710 (City or Town, State, Country and Zip Code) | | | |
| Main Administrative Office | 2600 Sixth Street SW (Street and Number) | | Canton, OH, 44710 (Area Code) (Telephone Number) | | | |
| Primary Location of Books and Records | 2600 Sixth Street SW (Street and Number) | | Canton, OH, 44710 (Area Code) (Telephone Number) | | | |
| Internet Website Address | www.aultcare.com | | (330)363-4057 | | | |
| Statutory Statement Contact | Jeffrey Alan Scheatzle (Name) jscheatzle@aultcare.com (E-Mail Address) | | (330)363-4057 (Area Code)(Telephone Number)(Extension) (330)363-5012 (Fax Number) | | | |

OFFICERS

| Name | Title |
|--------------------|--------------------------|
| Rick L. Haines | President |
| Joseph J. Feltes | Secretary |
| Mark D. Wright | Treasurer |
| Edward J. Roth III | Executive Vice President |

OTHERS

DIRECTORS OR TRUSTEES

| | |
|----------------------------|----------------------------|
| William Wallace M.D. | Gregory A. Haban M.D. |
| Edward J. Roth III | Rick L. Haines |
| Michael A. Rich M.D. | 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 the 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)
 Rick L. Haines
 (Printed Name)
 1.
 President
 (Title)

(Signature)
 Joseph J. Feltes
 (Printed Name)
 2.
 Secretary
 (Title)

(Signature)
 Mark D. Wright
 (Printed Name)
 3.
 Treasurer
 (Title)

Subscribed and sworn to before me this

day of , 2018

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

Yes[] No[X]

1

03/30/2018

27

(Notary Public Signature)

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE **AultCare Insurance Company**
SUMMARY INVESTMENT SCHEDULE

| Investment Categories | Gross Investment Holdings | | Admitted Assets as Reported in the Annual Statement | | | |
|---|---------------------------|-----------------|---|--|--------------------------------|-----------------|
| | 1 Amount | 2 Percentage | 3 Amount | 4 Securities Lending Reinvested Collateral Amount | 5 Total (Col. 3 + 4) Amount | 6 Percentage |
| 1. Bonds: | | | | | | |
| 1.1 U.S. treasury securities | 14,437,837 | 17.169 | 14,437,837 | | 14,437,837 | 17.169 |
| 1.2 U.S. government agency obligations (excluding mortgage-backed securities): | | | | | | |
| 1.21 Issued by U.S. government agencies | | | | | | |
| 1.22 Issued by U.S. government sponsored agencies | 3,698,916 | 4.399 | 3,698,916 | | 3,698,916 | 4.399 |
| 1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities) | | | | | | |
| 1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.: | | | | | | |
| 1.41 States, territories and possessions general obligations | | | | | | |
| 1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations | | | | | | |
| 1.43 Revenue and assessment obligations | | | | | | |
| 1.44 Industrial development and similar obligations | | | | | | |
| 1.5 Mortgage-backed securities (includes residential and commercial MBS): | | | | | | |
| 1.51 Pass-through securities: | | | | | | |
| 1.511 Issued or Guaranteed by GNMA | | | | | | |
| 1.512 Issued or Guaranteed by FNMA and FHLMC | | | | | | |
| 1.513 All other | | | | | | |
| 1.52 CMOs and REMICs: | | | | | | |
| 1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA | | | | | | |
| 1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 | | | | | | |
| 1.523 All other | | | | | | |
| 2. Other debt and other fixed income securities (excluding short term): | | | | | | |
| 2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) | 12,000,030 | 14.270 | 12,000,030 | | 12,000,030 | 14.270 |
| 2.2 Unaffiliated Non-U.S. securities (including Canada) | | | | | | |
| 2.3 Affiliated securities | | | | | | |
| 3. Equity interests: | | | | | | |
| 3.1 Investments in mutual funds | 10,199,710 | 12.129 | 10,199,710 | | 10,199,710 | 12.129 |
| 3.2 Preferred stocks: | | | | | | |
| 3.21 Affiliated | | | | | | |
| 3.22 Unaffiliated | | | | | | |
| 3.3 Publicly traded equity securities (excluding preferred stocks): | | | | | | |
| 3.31 Affiliated | | | | | | |
| 3.32 Unaffiliated | | | | | | |
| 3.4 Other equity securities: | | | | | | |
| 3.41 Affiliated | | | | | | |
| 3.42 Unaffiliated | | | | | | |
| 3.5 Other equity interests including tangible personal property under lease: | | | | | | |
| 3.51 Affiliated | | | | | | |
| 3.52 Unaffiliated | | | | | | |
| 4. Mortgage loans: | | | | | | |
| 4.1 Construction and land development | | | | | | |
| 4.2 Agricultural | | | | | | |
| 4.3 Single family residential properties | | | | | | |
| 4.4 Multifamily residential properties | | | | | | |
| 4.5 Commercial loans | | | | | | |
| 4.6 Mezzanine real estate loans | | | | | | |
| 5. Real estate investments: | | | | | | |
| 5.1 Property occupied by company | | | | | | |
| 5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt) | | | | | | |
| 5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt) | | | | | | |
| 6. Contract loans | | | | | | |
| 7. Derivatives | | | | | | |
| 8. Receivables for securities | | | | | | |
| 9. Securities Lending (Line 10, Asset Page reinvested collateral) | | | | XXX | XXX | XXX |
| 10. Cash, cash equivalents and short-term investments | 23,107,922 | 27.479 | 23,107,922 | | 23,107,922 | 27.479 |
| 11. Other invested assets | 20,649,457 | 24.555 | 20,649,457 | | 20,649,457 | 24.555 |
| 12. TOTAL Invested assets | 84,093,871 | 100.000 | 84,093,871 | | 84,093,871 | 100.000 |

SCHEDULE BA - VERIFICATION BETWEEN YEARS**Other Long-Term Invested Assets**

| | | |
|--|-----------|------------|
| 1. Book/adjusted carrying value, December 31 of prior year | | 19,161,640 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition (Part 2, Column 8) | | |
| 2.2 Additional investment made after acquisition (Part 2, Column 9) | 1,687,309 | 1,687,309 |
| 3. Capitalized deferred interest and other: | | |
| 3.1 TOTALS, Part 1, Column 16 | | |
| 3.2 TOTALS, Part 3, Column 12 | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease): | | |
| 5.1 TOTALS, Part 1, Column 13 | (154,107) | |
| 5.2 TOTALS, Part 3, Column 9 | | (154,107) |
| 6. TOTAL gain (loss) on disposals, Part 3, Column 19 | | |
| 7. Deduct amounts received on disposals, Part 3, Column 16 | | |
| 8. Deduct amortization of premium and depreciation | | |
| 9. TOTAL foreign exchange change in book/adjusted carrying value: | | |
| 9.1 TOTALS, Part 1, Column 17 | | |
| 9.2 TOTALS, Part 3, Column 14 | | |
| 10. Deduct current year's other-than-temporary impairment recognized: | | |
| 10.1 TOTALS, Part 1, Column 15 | | |
| 10.2 TOTALS, Part 3, Column 11 | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | 20,694,842 |
| 12. Deduct total nonadmitted amounts | | 45,385 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | | 20,649,456 |

SCHEDULE D - VERIFICATION BETWEEN YEARS**Bonds and Stocks**

| | | |
|---|---------|------------|
| 1. Book/adjusted carrying value, December 31 of prior year | | 33,198,369 |
| 2. Cost of bonds and stocks acquired, Part 3, Column 7 | | 13,249,022 |
| 3. Accrual of Discount | | 22,240 |
| 4. Unrealized valuation increase (decrease): | | |
| 4.1 Part 1, Column 12 | | |
| 4.2 Part 2, Section 1, Column 15 | | |
| 4.3 Part 2, Section 2, Column 13 | 773,187 | |
| 4.4 Part 4, Column 11 | | 773,187 |
| 5. TOTAL gain (loss) on disposals, Part 4, Column 19 | | 236,047 |
| 6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 | | 6,984,890 |
| 7. Deduct amortization of premium | | 157,482 |
| 8. TOTAL foreign exchange change in book/adjusted carrying value: | | |
| 8.1 Part 1, Column 15 | | |
| 8.2 Part 2, Section 1, Column 19 | | |
| 8.3 Part 2, Section 2, Column 16 | | |
| 8.4 Part 4, Column 15 | | |
| 9. Deduct current year's other-than-temporary impairment recognized: | | |
| 9.1 Part 1, Column 14 | | |
| 9.2 Part 2, Section 1, Column 17 | | |
| 9.3 Part 2, Section 2, Column 14 | | |
| 9.4 Part 4, Column 13 | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | | 40,336,492 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | | 40,336,492 |

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

| 1 CUSIP Identification | 2 Name or Description | 3 Code | Location | | 6 Name of Vendor or General Partner | 7 NAIC Designation | 8 Date Originally Acquired | 9 Type and Strategy | 10 Actual Cost | 11 Fair Value | 12 Book/ Adjusted Carrying Value Less Encumbrances | Change in Book/Adjusted Carrying Value | | | | | 18 Investment Income | 19 Commitment for Additional Investment | 20 Percentage of Ownership |
|---|-----------------------------|-----------|--------------|------------|---|--------------------------|-------------------------------------|------------------------------|----------------------|---------------------|---|---|---|--|--|---|----------------------------|--|-------------------------------------|
| | | | 4 City | 5 State | | | | | | | | 13 Unrealized Valuation Increase (Decrease) | 14 Current Year's (Depreciation) or (Amortization)/ Accretion | 15 Current Year's Other-Than- Temporary Impairment Recognized | 16 Capitalized Deferred Interest and Other | 17 Total Foreign Exchange Change in B/A. C. V. | | | |
| Non-collateral Loans - Affiliated | | | | | | | | | | | | | | | | | | | |
| AultCare - Affiliate | | | Canton | OH .. | AultCare Insurance Company | | 01/01/2009 | | 9,018,504 | | 9,607,250 | | | | | | | 100.000 | |
| 2899999 Subtotal - Non-collateral Loans - Affiliated | | | | | | | | | 9,018,504 | | 9,607,250 | | | | | | | XXX | |
| Capital Notes - Unaffiliated | | | | | | | | | | | | | | | | | | | |
| Canton Regional Chamber Health Fund Trust | | | Canton | OH .. | AultCare Insurance Company | | 12/01/2017 | | 750,000 | | 750,000 | | | | | | | 100.000 | |
| 2999999 Subtotal - Capital Notes - Unaffiliated | | | | | | | | | 750,000 | | 750,000 | | | | | | | XXX | |
| Any Other Class of Assets - Affiliated | | | | | | | | | | | | | | | | | | | |
| West Tusc Property Management | | | Canton | OH .. | Aultman Health Foundation | | 05/17/2004 | | 12,508,792 | | 10,336,729 | (153,338) | | | | | | 87.000 | |
| McKinley Life Insurance Agency | | | Canton | OH .. | AultCare Insurance Company | | 01/01/2003 | | 118,962 | 863 | (769) | | | | | | | 100.000 | |
| 4399999 Subtotal - Any Other Class of Assets - Affiliated | | | | | | | | | 12,627,754 | | 10,337,592 | (154,107) | | | | | | XXX | |
| 4499999 Total - Unaffiliated | | | | | | | | | 750,000 | | 750,000 | | | | | | | XXX | |
| 4599999 Total - Affiliated | | | | | | | | | 21,646,258 | | 19,944,842 | (154,107) | | | | | | XXX | |
| 4699999 Totals | | | | | | | | | 22,396,258 | | 20,694,842 | (154,107) | | | | | | XXX | |