



ANNUAL STATEMENT

For the Year Ended December 31, 2017
of the Condition and Affairs of the

RiverLink Health

NAIC Group Code.....4807, 4807
(Current Period) (Prior Period)

Organized under the Laws of OH

Licensed as Business Type.....Health Insuring Corporation

Incorporated/Organized..... December 18, 2013

Statutory Home Office

Main Administrative Office

Mail Address

Primary Location of Books and Records

Internet Web Site Address

Statutory Statement Contact

NAIC Company Code..... 15499

Employer's ID Number..... 46-4380824

State of Domicile or Port of Entry OH

Country of Domicile US

Is HMO Federally Qualified? Yes [X] No []

Commenced Business..... January 1, 2015

4400 Easton Commons Way Suite 125..... Columbus OH US 43219

(Street and Number) (City or Town, State, Country and Zip Code)

33820 Weyerhaeuser Way S..... Federal Way WA US 98001

866-789-7747

(Street and Number) (City or Town, State, Country and Zip Code)

PO Box 27510..... Federal Way WA US 98093

(Area Code) (Telephone Number)

33820 Weyerhaeuser Way S..... Federal Way WA US 98001

253-517-4300

(Street and Number) (City or Town, State, Country and Zip Code)

www.RiverLinkHealth.com

(Area Code) (Telephone Number)

Thuy Le

253-517-4340

(Name)

thuy.le@qualchoicehealth.com

253-517-4385

(E-Mail Address)

(Fax Number)

OFFICERS

Name

1. Steven Charles Schramm

Title

President, Chief Financial Officer, & Treasurer

Name

2. William Nathan Young MD

Title

Chief Medical Officer

3.

4.

OTHER

DIRECTORS OR TRUSTEES

Mark Fred Bjornson
David Allen Sorenson

Charles William Hanson

Jennifer Jean Boeff

Michael Edward Stock

State of..... Washington
County of.... King

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.

Steve Charles Schramm

William Nathan Young, MD

(Signature)

(Signature)

Steven Charles Schramm
1. (Printed Name)
President, Chief Financial Officer, & Treasurer

(Signature)

William Nathan Young MD
2. (Printed Name)
Chief Medical Officer

3. (Printed Name)

(Title)

(Title)

(Title)

Subscribed and sworn to before me

This 26TH day of February 2018

Kristin B Lyons

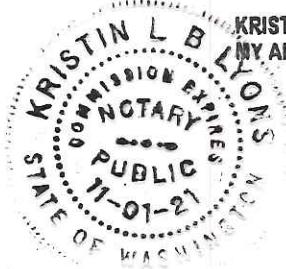
a. Is this an original filing?

Yes [X] No []

b. If no

1. State the amendment number
2. Date filed
3. Number of pages attached

KRISTIN L B LYONS, NOTARY PUBLIC
MY APPOINTMENT EXPIRES 11-01-2021





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(Signature)

Steven Charles Schramm

(Signature)

William Nathan Young MD

(Signature)

3. (Printed Name)

1. (Printed Name)

President, Chief Financial Officer, & Treasurer

(Title)

2. (Printed Name)

Chief Medical Officer

3. (Printed Name)

(Title)

Subscribed and sworn to before me

This _____ day of _____

2018

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	4,716,018		4,716,018	4,645,848
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
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 (\$....1,064,415, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	1,064,415		1,064,415	(57,761)
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	5,780,433	0	5,780,433	4,588,087
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	20,107		20,107	16,538
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	7,715		7,715	3,805
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 (\$....468,944) and contracts subject to redetermination (\$.....0).....	468,944		468,944	164,287
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	276,960
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	18,410
18.1 Current federal and foreign income tax recoverable and interest thereon.....	64,154		64,154	6,046
18.2 Net deferred tax asset.....	367	46	321	
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.....	267		267	
24. Health care (\$....348,426) and other amounts receivable.....	409,300	60,874	348,426	280,217
25. Aggregate write-ins for other-than-invested assets.....	3,000	3,000	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	6,754,288	63,920	6,690,368	5,354,349
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	6,754,288	63,920	6,690,368	5,354,349

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid.....	3,000	3,000	0	
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	3,000	3,000	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	1,493,917	38,892	1,532,810	1,493,535
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	1,978		1,978	1,764
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....	133,426		133,426	1,339,511
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserves.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....			0	
9. General expenses due or accrued.....			0	
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital 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.....	13,766		13,766	684,504
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 \$.....0 certified 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.....	272,677		272,677	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	1,915,764	38,892	1,954,657	3,519,315
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	8,650,000	5,650,000
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	(3,914,288)	(3,814,966)
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	4,735,712	1,835,034
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	6,690,368	5,354,349

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 through 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX.....	13,564	15,430
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	9,131,840	9,215,174
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....		35,276
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
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	9,131,840	9,250,450
Hospital and Medical:			
9. Hospital/medical benefits.....		8,865,679	9,177,581
10. Other professional services.....		134,765	170,752
11. Outside referrals.....			
12. Emergency room and out-of-area.....		117,746	124,762
13. Prescription drugs.....		843,690	1,182,945
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	0	9,961,880	10,656,040
Less:			
17. Net reinsurance recoveries.....		13,635	297,631
18. Total hospital and medical (Lines 16 minus 17).....	0	9,948,245	10,358,409
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$....108,512 cost containment expenses.....		163,621	155,995
21. General administrative expenses.....		438,612	589,955
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....		(1,206,085)	817,209
23. Total underwriting deductions (Lines 18 through 22).....	0	9,344,393	11,921,568
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	(212,553)	(2,671,118)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		67,057	50,189
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....		(13,050)	12,372
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	54,006	62,561
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....		(2,350)	
29. Aggregate write-ins for other income or expenses.....	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.....	(160,897)	(2,608,557)
31. Federal and foreign income taxes incurred.....	XXX.....	(64,155)	3
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	(96,742)	(2,608,560)

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

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	1,835,034	3,504,567
34. Net income or (loss) from Line 32.....	(96,742)	(2,608,560)
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$.....0		
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....367	367	
39. Change in nonadmitted assets.....	(2,947)	(60,973)
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.....	3,000,000	1,000,000
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).....	2,900,678	(1,669,533)
49. Capital and surplus end of reporting period (Line 33 plus 48).....	4,735,712	1,835,034

DETAILS OF WRITE-INS

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

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	8,823,273	9,211,439
2. Net investment income.....	79,040	52,309
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	8,902,313	9,263,748
5. Benefit and loss related payments.....	9,700,121	9,920,873
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	313,282	765,015
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(6,046)	(0)
10. Total (Lines 5 through 9).....	10,007,357	10,685,888
11. Net cash from operations (Line 4 minus Line 10).....	(1,105,044)	(1,422,140)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	3,492,480	4,492,706
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.....		72
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	3,492,480	4,492,778
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	3,591,256	4,587,496
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).....	3,591,256	4,587,496
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(98,776)	(94,718)
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.....	3,000,000	1,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	(674,005)	398,172
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	2,325,995	1,398,172
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).....	1,122,175	(118,685)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	(57,761)	60,925
19.2 End of year (Line 18 plus Line 19.1).....	1,064,414	(57,761)

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

20.0001
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income.....	9,131,840						9,131,840			
2. Change in unearned premium reserves and reserve for rate credit.....	0									
3. Fee-for-service (net of \$.....0 medical expenses).....	0									XXX.....
4. Risk revenue.....	0									XXX.....
5. Aggregate write-ins for other health care related revenues.....	0	0	0	0	0	0	0	0	0	XXX.....
6. Aggregate write-ins for other non-health care related revenues.....	0	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....
7. Total revenues (Lines 1 to 6).....	9,131,840	0	0	0	0	0	9,131,840	0	0	
8. Hospital/medical benefits.....	8,865,679						8,865,679			XXX.....
9. Other professional services.....	134,765						134,765			XXX.....
10. Outside referrals.....	0									XXX.....
11. Emergency room and out-of-area.....	117,746						117,746			XXX.....
12. Prescription drugs.....	843,690						843,690			XXX.....
13. Aggregate write-ins for other hospital and medical.....	0	0	0	0	0	0	0	0	0	XXX.....
14. Incentive pool, withhold adjustments and bonus amounts.....	0									XXX.....
15. Subtotal (Lines 8 to 14).....	9,961,880	0	0	0	0	0	9,961,880	0	0	XXX.....
16. Net reinsurance recoveries.....	13,635						13,635			XXX.....
17. Total hospital and medical (Lines 15 minus 16).....	9,948,245	0	0	0	0	0	9,948,245	0	0	XXX.....
18. Non-health claims (net).....	0	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	
19. Claims adjustment expenses including \$....108,512 cost containment expenses.....	163,621						163,621			
20. General administrative expenses.....	438,612						438,612			
21. Increase in reserves for accident and health contracts.....	(1,206,085)						(1,206,085)			XXX.....
22. Increase in reserve for life contracts.....	0	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	
23. Total underwriting deductions (Lines 17 to 22).....	9,344,393	0	0	0	0	0	9,344,393	0	0	
24. Net underwriting gain or (loss) (Line 7 minus Line 23).....	(212,552)	0	0	0	0	0	(212,552)	0	0	

DETAILS OF WRITE-INS

UNDERWRITING AND INVESTMENT EXHIBIT**PART 1 - PREMIUMS**

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical).....				0
2. Medicare supplement.....				0
3. Dental only.....				0
4. Vision only.....				0
5. Federal employees health benefits plan.....				0
6. Title XVIII - Medicare.....	9,166,959		35,119	9,131,840
7. Title XIX - Medicaid.....				0
8. Other health.....				0
9. Health subtotal (Lines 1 through 8).....	9,166,959	0	35,119	9,131,840
10. Life.....				0
11. Property/casualty.....				0
12. Totals (Lines 9 to 11).....	9,166,959	0	35,119	9,131,840

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2 - CLAIMS INCURRED DURING THE YEAR**

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct.....	9,922,606						9,922,606			
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	13,635						13,635			
1.4 Net.....	9,908,971	0	0	0	0	0	9,908,971	0	0	0
2. Paid medical incentive pools and bonuses.....	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	1,532,809						1,532,809			
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	1,532,809	0	0	0	0	0	1,532,809	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	0									
4.2 Reinsurance assumed.....	0									
4.3 Reinsurance ceded.....	0									
4.4 Net.....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	0									
6. Net healthcare receivables (a).....	0									
7. Amounts recoverable from reinsurers December 31, current year.....	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	1,493,536						1,493,536			
8.2 Reinsurance assumed.....	0									
8.3 Reinsurance ceded.....	0									
8.4 Net.....	1,493,536	0	0	0	0	0	1,493,536	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0									
9.2 Reinsurance assumed.....	0									
9.3 Reinsurance ceded.....	0									
9.4 Net.....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0									
11. Amounts recoverable from reinsurers December 31, prior year.....	0									
12. Incurred benefits:										
12.1 Direct.....	9,961,879	0	0	0	0	0	9,961,879	0	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	13,635	0	0	0	0	0	13,635	0	0	0
12.4 Net.....	9,948,244	0	0	0	0	0	9,948,244	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR**

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	164,352						164,352			
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	164,352	0	0	0	0	0	164,352	0	0	0
2. Incurred but unreported:										
2.1 Direct.....	1,368,457						1,368,457			
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	0									
2.4 Net.....	1,368,457	0	0	0	0	0	1,368,457	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	0									
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct.....	1,532,809	0	0	0	0	0	1,532,809	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	1,532,809	0	0	0	0	0	1,532,809	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE**

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....					0	
2. Medicare supplement.....					0	
3. Dental only.....					0	
4. Vision only.....					0	
5. Federal employees health benefits plan.....					0	
6. Title XVIII - Medicare.....	1,378,394	9,130,749	34,261	1,498,549	1,412,655	1,493,536
7. Title XIX - Medicaid.....					0	
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	1,378,394	9,130,749	34,261	1,498,549	1,412,655	1,493,536
10. Healthcare receivables (a).....	306,996	225,065	161,386	247,914	468,382	341,190
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....					0	
13. Totals (Lines 9 - 10 + 11 + 12).....	1,071,398	8,905,684	(127,125)	1,250,635	944,273	1,152,346

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

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS**

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....					
2. 2013.....					
3. 2014.....	XXX.....				
4. 2015.....	XXX.....	XXX.....		2,917.....	3,382.....
5. 2016.....	XXX.....	XXX.....	XXX.....		7,900.....
6. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	8,680.....

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....					
2. 2013.....					
3. 2014.....	XXX.....				
4. 2015.....	XXX.....	XXX.....		3,614.....	3,414.....
5. 2016.....	XXX.....	XXX.....	XXX.....		10,097.....
6. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	8,715.....

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....				0.0	0.0	0.0				0.....0.0
2. 2014.....				0.0	0.0	0.0				0.....0.0
3. 2015.....	4,053	3,384	18	0.5	3,402	83.9				3,402.....83.9
4. 2016.....	9,204	9,115	175	1.9	9,290	100.9	34			9,324.....101.3
5. 2017.....	9,004	8,730	228	2.6	8,958	99.5	1,499	2		10,459.....116.2

12.GT

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS**

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....					
2. 2013.....					
3. 2014.....	XXX.....				
4. 2015.....	XXX.....	XXX.....		2,917	3,382
5. 2016.....	XXX.....	XXX.....	XXX.....		7,900
6. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	8,680

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....					
2. 2013.....					
3. 2014.....	XXX.....				
4. 2015.....	XXX.....	XXX.....		3,614	3,414
5. 2016.....	XXX.....	XXX.....	XXX.....		10,097
6. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	8,715

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....		0		0.0	0	0.0			0	0.0
2. 2014.....		0		0.0	0	0.0			0	0.0
3. 2015.....	4,053	3,384	18	0.5	3,402	83.9			3,402	83.9
4. 2016.....	9,204	9,165	175	1.9	9,340	101.5	34		9,374	101.8
5. 2017.....	9,004	8,680	228	2.6	8,908	98.9	1,499	2	10,409	115.6

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves.....	0								
2. Additional policy reserves (a).....	133,426						133,426		
3. Reserve for future contingent benefits.....	0								
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income).....	0								
5. Aggregate write-ins for other policy reserves.....	0	0	0	0	0	0	0	0	0
6. Totals (gross).....	133,426	0	0	0	0	0	133,426	0	0
7. Reinsurance ceded.....	0								
8. Totals (net) (Page 3, Line 4).....	133,426	0	0	0	0	0	133,426	0	0
9. Present value of amounts not yet due on claims.....	0								
10. Reserve for future contingent benefits.....	0								
11. Aggregate write-ins for other claim reserves.....	0	0	0	0	0	0	0	0	0
12. Totals (gross).....	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded.....	0								
14. Totals (net) (Page 3, Line 7).....	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

0501.....	0								
0502.....	0								
0503.....	0								
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0	0	0	0	0	0	0	0
1101.....	0								
1102.....	0								
1103.....	0								
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0	0	0	0	0	0

(a) Includes \$....133,426 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....	2,170	1,088	6,782		10,040
2. Salaries, wages and other benefits.....	59,685	29,933	199,985		289,603
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....			1,594		1,594
4. Legal fees and expenses.....			2,326		2,326
5. Certifications and accreditation fees.....		685			685
6. Auditing, actuarial and other consulting services.....			38,890		38,890
7. Traveling expenses.....	1,085	544	3,331		4,960
8. Marketing and advertising.....			271		271
9. Postage, express and telephone.....	4,340	2,177	13,160		19,677
10. Printing and office supplies.....	3,255	1,633	10,702		15,590
11. Occupancy, depreciation and amortization.....	9,766	4,898	32,406		47,070
12. Equipment.....			608		608
13. Cost or depreciation of EDP equipment and software.....	4,340	2,177	13,790		20,307
14. Outsourced services including EDP, claims, and other services.....	19,532	9,796	63,678		93,006
15. Boards, bureaus and association fees.....			1,374		1,374
16. Insurance, except on real estate.....			2,507		2,507
17. Collection and bank service charges.....			21,698		21,698
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			1,147		1,147
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....			7,709		7,709
23.4 Payroll taxes.....	4,340	2,177	13,351		19,868
23.5 Other (excluding federal income and real estate taxes).....					0
24. Investment expenses not included elsewhere.....			3,303		3,303
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	108,513	55,108	438,612	0	(a) 602,233
27. Less expenses unpaid December 31, current year.....					0
28. Add expenses unpaid December 31, prior year.....					0
29. Amounts receivable relating to uninsured plans, prior year.....			183,021		183,021
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	108,513	55,108	255,591	0	419,212

DETAILS OF WRITE-INS

2501.....					0
2502.....					0
2503.....					0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above).....	0	0	0	0	0

(a) Includes management fees of \$....565,713 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....24,853	.....28,891
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....38,244	.....38,060
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....392	.....106
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	0	0
10. Total gross investment income.....	.....63,489	.....67,057
11. Investment expenses.....	.....	(g).....
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	0
16. Total deductions (Lines 11 through 15).....	.....	0
17. Net investment income (Line 10 minus Line 16).....	.....	.....67,057

DETAILS OF WRITE-INS

0901.....	.....	.....
0902.....	.....	.....
0903.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	0	0
1501.....	.....	.....
1502.....	.....	.....
1503.....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	0

- (a) Includes \$....3,327 accrual of discount less \$....18,872 amortization of premium and less \$....6,578 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$....2 accrual of discount less \$....159 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....(5,390)	.....	.....(5,390)	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....(7,668)	.....	.....(7,668)	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....7	.....	.....7	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	.....(13,051)	.....0	.....(13,051)	.....0	.....0

DETAILS OF WRITE-INS

0901.....	.....	.....	.....0	.....	.....
0902.....	.....	.....	.....0	.....	.....
0903.....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			0
15.1 Uncollected premiums and agents' balances in the course of collection.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			0
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.....	.46		(46)
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
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....	.60,874	.60,973	.99
25. Aggregate write-ins for other-than-invested assets.....	3,000	0	(3,000)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	.63,920	.60,973	(2,947)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	.63,920	.60,973	(2,947)

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid.....	3,000		(3,000)
2502.....			0
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	3,000	0	(3,000)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health maintenance organizations.....	1,296	1,148	1,134	1,119	1,114	13,564
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....						
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	1,296	1,148	1,134	1,119	1,114	13,564

DETAILS OF WRITE-INS

0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

The financial statements of RiverLink Health (RLH or the 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 practices 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.

The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically,

Citation adopting the Manual: Administrative Rule 3901-3-18(E)		
SSAP or Appendices	State Law or Regulation	Description
A-001	§§ 3907.14 TO 3907.141 (Life): §§ 3925.05 to 3925.09; § 3925.20 (Non-Life)	Provides limitations on investments that are outside the scope of the Manual.

Such prescribed accounting practices have no significant effect on the Company's statutory-basis financial statements for the periods presented.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Ohio Department of Insurance is show below:

	SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME					
(1) RiverLink Health Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (96,742)	\$(2,608,560)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ (96,742)	\$(2,608,560)
SURPLUS					
(5) RiverLink Health Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$4,735,712	\$1,835,034
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$4,735,712	\$1,835,034

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

The Preparation of financial statements in conformity with NAIC SAP 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 periods. Actual results could result in material differences from those estimates.

C. Accounting Policy

Revenue Recognition: The Company provides health benefits to Medicare-eligible members under contract with the Centers for Medicare and Medicaid Services (CMS). Premium revenue is fixed in advance of the periods covered and is not generally subject to significant accounting estimates.

Recognition of Health Care Costs: The Company arranges for medical care for its members through a combination of capitation agreements and fee-for-service programs with medical services providers. Medical and hospital expenses are recorded in the period the member receives or is entitled to the services. These expenses include payments to primary care physicians, specialists, hospitals, pharmacies and other medical services providers.

In addition, the Company uses the following accounting policies:

- (1) Cash and cash equivalents consist primarily of highly liquid instruments which mature within three months from the date of purchase. Short-term investments consist primarily of investments purchased with an original maturity of 91 days to one year and certain money-market mutual funds.

NOTES TO FINANCIAL STATEMENTS

- (2) Bonds are stated at amortized cost using the interest method.
- (3) Basis for Common Stocks: None.
- (4) Basis for Preferred Stocks: None.
- (5) Basis for Mortgage Loans: None.
- (6) Basis for Loan-Backed Securities and Adjustment Methodology: None.
- (7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities: None.
- (8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities: None.
- (9) Accounting Policies for Derivatives: None.
- (10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company assesses the profitability of its contracts for providing health care services to its members when current operating results or forecasts indicate probable future losses. The Company compares anticipated premiums and investment income to health care related costs, including estimated payments for providers, and costs of collecting premiums and processing claims. If the anticipated future costs exceed the premiums, a loss contract accrual is recognized.

- (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&H Contracts

Claims unpaid and claims adjustment expenses represent management's best estimate of the ultimate net cost of all reported and unreported claims incurred through the balance sheet date. These estimates are based on estimates of unreported claims using historical and statistical information as well as other environmental and operating factors. The estimates are subject to the effects of trends in claims severity and frequency, changes in the regulatory environment and economic conditions. Although considerable variability is inherent in such estimates, management believes that the liabilities for unpaid claims and related claims adjustment expenses are adequate. The methods for making such estimates and the resulting reserves are continually reviewed and updated as necessary as experience develops or new information becomes known with any adjustments included in current operations.

- (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

There was no change in the capitalization policy from prior periods.

- (13) Method Used to Estimate Pharmaceutical Rebate Receivables

The Company estimates amounts receivable for pharmacy rebates based on members' script counts reported by its contracted pharmacy benefits administrator. The Company follows SSAP 84 in determining the admissibility of pharmacy rebates receivable.

D. Going Concern

Disclosures specific to going concern is not required because it is not probable that the entity will be unable to meet obligations within the next year.

Note 2 – Accounting Changes and Correction of Errors

The Company has no accounting changes and corrections of errors.

Note 3 – Business Combinations and Goodwill

- A. Statutory Purchase Method - Company has not participated in any statutory purchase during the current reporting period.
- B. Statutory Merger - The Company has not been a party to a statutory merger during the current reporting period.
- C. Assumption Reinsurance - Company does not have any goodwill resulting from assumption of reinsurance.
- D. Impairment Loss - The Company did not recognize an impairment loss on any of the transactions described above.

Note 4 – Discontinued Operations

- A. Discontinued Operation Disposed of or Classified as Held for Sale - None.
- B. Change in Plan of Sale of Discontinued Operation - None.
- C. Nature of any Significant Continuing Involvement with Discontinued Operations After Disposal - None.
- D. Equity Interest Retained in the Discontinued Operation After Disposal - None.

NOTES TO FINANCIAL STATEMENTS**Note 5 – Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans - None.
- B. Debt Restructuring - None.
- C. Reverse Mortgages - None.
- D. Loan-Backed Securities - None.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - None.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - None.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions - None.
- H. Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction – Cash Taker – Overview of Sale Transactions - None.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction – Cash Provider – Overview of Sale Transactions - None.
- J. Real Estate - None.
- K. Low-Income Housing Tax Credits (LIHTC) - None.
- L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements						%	%
c. Subject to repurchase agreements						%	%
d. Subject to reverse repurchase agreements						%	%
e. Subject to dollar repurchase agreements						%	%
f. Subject to dollar reverse repurchase agreements						%	%
g. Placed under option contracts						%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock						%	%
i. FHLB capital stock						%	%
j. On deposit with states	414,595	405,878	8,717		414,595	6.1%	6.2%
k. On deposit with other regulatory bodies						%	%

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
I. Pledged as collateral to FHLB (including assets backing funding agreements)							% %
m. Pledged as collateral not captured in other categories							% %
n. Other restricted assets							% %
o. Total Restricted Assets	\$ 414,595	\$ 405,878	\$ 8,717	\$	\$ 414,595	6.1%	6.2%

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 1, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate) - None.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate) - None.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements - None.

M. Working Capital Finance Investments - None.

N. Offsetting and Netting of Assets and Liabilities - None.

O. Structured Notes - None.

P. 5* Securities - None.

Q. Short Sales

(1) Unsettled Short Sale Transactions (Outstanding as of Reporting Date) - None.

	Proceeds Received	Current Fair Value of Securities Sold Short	Unrealized Gain or Loss	Expected Settlement (# of Days)	Fair Value of Short Sales Exceeding (or expected to exceed) 3 Settlement Days	Fair Value of Short Sales Expected to be Settled by Secured Borrowing
(a) Bonds	\$	\$	\$		\$	\$
(b) Preferred Stock						
(c) Common Stock						
(d) Totals (a+b+c)	\$	\$	\$	XXX	\$	\$

(2) Settled Short Sale Transactions - None.

	Proceeds Received	Current Fair Value of Securities Sold Short	Realized Gain or Loss on Transaction	Fair Value of Short Sales Exceeding (or expected to exceed) 3 Settlement Days	Fair Value of Short Sales Expected to be Settled by Secured Borrowing
(a) Bonds	\$	\$	\$	\$	\$
(b) Preferred Stock					
(c) Common Stock					
(d) Totals (a+b+c)	\$	\$	\$	\$	\$

R. Prepayment Penalty and Acceleration Fees

(1) Number of CUSIPs	6
(2) Aggregate Amount of Investment Income	\$ 3,068

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

NOTES TO FINANCIAL STATEMENTS

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships or Limited Liability Companies during the statement periods.

Note 7 – Investment Income

A., B. The Company had no investment income that was excluded in 2017. All of the Company's investments and the income derived from such investments meet the criteria for admitted receivables.

Note 8 – Derivative Instruments

A. Market Risk, Credit Risk and Cash Requirements - None.

B. Objectives for Derivative User - None.

C. Accounting Policies for Recognition and Measurement - None.

D. Net Gain or Loss Recognized - None.

E. Net Gain or Loss Recognized from Derivatives that no Longer Qualify for Hedge Accounting - None.

F. Derivatives Accounted for as Cash Flow Hedges - None.

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2017			2016			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$797,149	\$	\$797,149	\$1,335,433	\$	\$1,335,433	\$ (538,284)	\$	\$ (538,284)
b. Statutory valuation allowance adjustment	796,782		796,782	1,335,433		1,335,433	(538,651)		(538,651)
c. Adjusted gross deferred tax assets (1a-1b)	\$ 367	\$	\$ 367	\$	\$	\$	\$ 367	\$	\$ 367
d. Deferred tax assets nonadmitted	46		46				46		46
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 321	\$	\$ 321	\$	\$	\$	\$ 321	\$	321
f. Deferred tax liabilities									
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 321	\$	\$ 321	\$	\$	\$	\$ 321	\$	\$ 321

2. Admission Calculation Components SSAP No. 101

	2017			2016					Change
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total			
a. Federal income taxes paid in prior years recoverable through loss carrybacks									

NOTES TO FINANCIAL STATEMENTS

		2017			2016			Change	
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
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 lesser of 2(b)1 and 2(b)2 below:									
	321		321				321		321
Adjusted gross deferred tax assets expected to be realized following the balance sheet date							321		321
	321		321				321		321
Adjusted gross deferred tax assets allowed per limitation threshold									
			710,309			275,255			435,054
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 101. Total (2(a)+2(b)+2(c)							321		321
	321		321						

3. Other Admissibility Criteria

		2017	2016
a. Ratio percentage used to determine recovery period and threshold limitation amount		756.8%	281.1%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above		4,735,391	1,835,035

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/2017		12/31/2016		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital

NOTES TO FINANCIAL STATEMENTS

1. Adjusted gross DTAs amount from Note 9A1(c)	367					367	
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	321					321	
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

1. The types of temporary differences for which a DTL has not been recognized and the types of events that would cause those temporary differences to become taxable are:
None.
2. The cumulative amount of each type of temporary difference is:
None.
3. The amount of the unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration, if determination of that liability is practicable, or a statement that determination is not practicable are:
None.
4. The amount of the DTL for temporary differences other than those in item (3) above that is not recognized is:
None.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2017	2 2016	3 (Col 1-2) Change
a. Federal	(64,155)		(64,155)
b. Foreign			
c. Subtotal	(64,155)		(64,155)
d. Federal income tax on net capital gains			
e. Utilization of capital loss carry-forwards			
f. Other		3	(3)
g. Federal and Foreign income taxes incurred	(64,155)	3	(64,158)

2. Deferred Tax Assets

	1 2017	2 2016	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	2,327	4,035	(1,708)
2. Unearned premium reserve			
3. Policyholder reserves		468,829	(468,829)
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			

NOTES TO FINANCIAL STATEMENTS

	1 2017	2 2016	3 (Col 1-2) Change
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted	13,414	21,341	(7,927)
11. Net operating loss carry-forward	753,021	840,861	(87,840)
12. Tax credit carry-forward	367	367	
13. Other (items <5% of total ordinary tax assets)	28,020		28,020
Other (items >=5% of total ordinary tax assets)			
14.			
99. Subtotal	797,149	1,335,433	(538,284)
b. Statutory valuation allowance adjustment	796,782	1,335,433	(538,651)
c. Nonadmitted	46		46
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	321		321
e. Capital:			
1. Investments			
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <5% of total capital tax assets)			
Other (items >=5% of total capital tax assets)			
5.			
99. Subtotal			
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	321		321

3. Deferred Tax Liabilities

	1 2017	2 2016	3 (Col 1-2) Change
a. Ordinary:			
1. Investments			
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <5% of total ordinary tax liabilities)			
Other (items >=5% of total ordinary tax liabilities)			
6.			
99. Subtotal			
b. Capital:			
1. Investments			
2. Real estate			
3. Other (tems <5% of total capital tax liabilities)			
Other (items >=5% of total capital tax liabilities)			
4.			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)			
4. Net Deferred Tax Assets (2i – 3c)	321		321

The change in net deferred income taxes is composed of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2017	December 31, 2016	Change
Total deferred tax assets	367	-	367
Total deferred tax liabilities	-	-	-
Net deferred tax assets/liabilities	367	-	367
Tax effect of unrealized gains/(losses)			
Change in net deferred income tax [(expense)/benefit]			367

December 31, December 31,

Change

NOTES TO FINANCIAL STATEMENTS

	2016	2015
Total deferred tax assets	-	-
Total deferred tax liabilities	-	-
Net deferred tax assets/liabilities	-	-
Tax effect of unrealized gains/(losses)	-	-
Change in net deferred income tax [expense]/benefit]	-	-

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act makes broad and complex changes to the U.S. tax code, including, but not limited to, (1) reducing the U.S. federal corporate tax rate from 35 percent to 21 percent; (2) eliminating the corporate alternative minimum tax (AMT) and changing how existing AMT credits can be realized; (3) bonus depreciation that will allow for full expensing of qualified property; (4) and changing rules regarding the discounting of property and casualty reserves for tax return purposes.

As a result of the Tax Act, the company re-measured its deferred tax inventory at the date of enactment and released \$367 of valuation allowance against its DTA for AMT Credits. The entire \$367 increase in net deferred income taxes charged to surplus in the current year was related to this valuation allowance release. Illustrated below is the impact of the tax rate change on deferred taxes (before valuation allowance) as a result of the Tax Act. The re-measurement resulted in a \$531,187 decrease in net deferred income taxes charged to surplus in the current year, which was fully offset by a corresponding change in the recorded valuation allowance. The re-measurement also resulted in a \$0 in taxes associated with the change in unrealized gains and losses as a charge to surplus, which was fully offset by a corresponding change in the recorded valuation allowance.

	Deferred Taxes at 35%	Deferred Taxes at 21%	Tax rate impact
Operating Deferred Tax Items	1,328,335	797,148	531,187
Unrealized Deferred Tax Items	-	-	-
Net Deferred Taxes	1,328,335	797,148	531,187

The SEC staff issued SAB 118, which provides guidance on accounting for the tax effects of the Tax Act. SAB 118 provides a measurement period that should not extend beyond one year from the Tax Act enactment date for companies to complete the accounting under ASC 740. In accordance with SAB 118, a company must reflect the income tax effects of those aspects of the Act for which the accounting under ASC 740 is complete. To the extent that a company's accounting for certain income tax effects of the Tax Act is incomplete but it is able to determine a reasonable estimate, it must record a provisional estimate in the financial statements. If a company cannot determine a provisional estimate to be included in the financial statements, it should continue to apply ASC 740 on the basis of the provisions of the tax laws that were in effect immediately before the enactment of the Tax Act.

The Statutory Accounting Principles (E) Working Group issued *INT 18-01: Updated tax Estimates under the Tax Cuts and Jobs Act* which provided that year-end 2017 financials should reflect the income tax effects of the Act in which the accounting estimates under SSAP No. 101 are complete. Further, the financials shall recognize impacts for accounting estimates under the Act that may be considered incomplete when a reasonable estimate is determinable. Furthermore, consistent with SAB 118, for specific income tax effects of the Act for which a reasonable estimate cannot be determined, reporting entities shall not recognize provisional amounts in the 2017 statutory financial statements. Furthermore, the guidance provided for disclosure for amounts that are incomplete similar to the disclosures required in SAB 118.

Our accounting for the following elements of the Tax Act is complete.

Reduction of U.S. federal corporate tax rate: The Act reduces the corporate tax rate to 21 percent, effective January 1, 2018. Consequently, we have recorded a decrease related to net DTAs before valuation allowance and non-admittance of \$531,187. A corresponding decrease to surplus for change in net deferred taxes of \$531,187 and an \$0 decrease to surplus for change in tax associated with unrealized gains and losses was recorded for this amount.

Our accounting for the following elements of the Tax Act is incomplete, and we were unable to make reasonable estimates of the effects.

Property and casualty loss reserves: The Act changes the discount rate and payment patterns utilized to discount certain lines of business when computing the allowable tax reserve deduction. No guidance has been issued regarding the appropriate interest rate and appropriate payment patterns to use to revalue the reserves. The Company expects the ultimate amount to record will be immaterial.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

Permanent Differences:	Amount	Effective Tax Rate (%)

NOTES TO FINANCIAL STATEMENTS

	Amount	Effective Tax Rate (%)
Provision computed at statutory rate	(56,314)	35.0%
Proration of tax exempt investment income		%
Tax exempt income deduction		%
Dividends received deduction		%
Disallowable travel and entertainment		%
Other permanent differences	(8,208)	5.1%
Temporary Differences:		
Total ordinary DTAs		%
Total ordinary DTLs		%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment		%
Accrual adjustment – prior year		%
Other		%
Totals	(64,522)	40.1%
Federal and foreign income taxes incurred	(64,155)	39.9%
Realized capital gains (losses) tax		%
Change in net deferred income taxes	(367)	0.2%
Total statutory income taxes	\$ (64,522)	40.1%

E. Operating Loss Carryfowards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

Description (Operating Loss or Tax Credit Carry Forward)	Amounts	Origination Dates	Expiration Dates
Operating losses	616,080	June 30, 2015	June 30, 2034
Operating losses	1,785,603	December 31, 2016	December 31, 2036
Operating losses	1,184,129	December 31, 2017	December 31, 2037
AMT credit carryforwards	367		

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2017	

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code is Code was zero as of December 31, 2017.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:

QualChoice Health, Inc. 46-1222808
 QualChoice Health, Inc. 46-1222808
 QualChoice Health Plan Services, Inc. 46-1224037
 QualChoice of Nebraska, Inc. 81-0738227
 QualChoice Holdings, Inc. 27-4075520
 QCA Health Plan, Inc. 71-0794605
 QualChoice Life and Health Insurance Company, Inc. 71-0386640
 Soundpath Health 42-1720801
 ClearRiver Health 46-4495960
 Heartland Plains Health 46-4368223
 Riverlink Health 46-4380824
 Riverlink Health of Kentucky, Inc. 46-4828332
 Stableview Health, Inc. 46-4373713
 Harvest Plains Health of Iowa 47-3457150
 Qualchoice Advantage, Inc. 47-3433912

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax: The method of allocation between the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis, with the company receiving a current benefit for losses generated to the extent federal taxes are reduced for the consolidated tax group.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**A. Nature of the Relationship Involved**

NOTES TO FINANCIAL STATEMENTS

The Company is wholly owned by QualChoice Health Plan Services, Inc., ("QCHPS"), formerly known as CollabHealth Plan Services, Inc., which was formed on October 17, 2012. QCHPS's ultimate parent company is Catholic Health Initiatives ("CHI"). CHI is a nation-wide Catholic sponsored non-profit organization that operates healthcare and provider entities. The mission of CHI is to "nurture the healing ministry of the Church by bringing it new life, energy and viability in the 21st century. Fidelity to the Gospel urges us to emphasize human dignity and social justice as we move toward the creation of healthier communities."

The Company's mission is to promote our member's health through local provider innovation, be responsible stewards of healthcare resources and an active partner in improving the health of our communities and lives of our members, through offering Medicare Advantage Plans, with and without Part D coverage, to those consumers who are 65 years or older or otherwise qualify for Medicare.

On March 2, April 24, December 12, and December 29 of 2017, the Company received a capital contribution in amounts of \$1,000,000, \$500,000, \$1,000,000, and \$500,000 from the parent company, QualChoice Health Plan Services, Inc. respectively.

B., C. The Company has the following significant transactions with affiliates:

Effective 1/1/2015 the Company and QCHPS entered into an Administrative Services Agreement (ASA) where QCHPS provides substantially all of the management and administrative functions of the Company on a cost basis, in accordance with SSAP No. 70 Allocation of Expenses of total revenue earned by the Company in the previous twelve (12) month period.

The following shows the amounts paid to QCHPS in 2017 and 2016:

Explanation of Transaction	Affiliate	2017	2016
Administrative services	QCHPS	\$565,713	\$714,393

D. Amounts Due From or To Related Parties

At December 31, 2017 and 2016, the Company reported \$13,766 & \$685,183 as amount due to QCHPS respectively.

E. Guarantees or Undertakings

The Company has no guarantees or undertakings, written or otherwise, in accordance with the requirements of SSAP No. 5R - Liabilities, Contingencies and Impairments of Assets.

F. Material Management or Service Contracts and Cost-Sharing Arrangements

The Company has an ASA with QCHPS as described in detail in 10C above.

G. Nature of the Control Relationship

QCHPS owns all outstanding stock of the Company and controls the board of directors. QCHPS is an indirect wholly-owned subsidiary of Catholic Health Initiatives, a national faith-based healthcare organization.

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

The Company does not own shares of any upstream intermediary.

I. - L. The Company does not hold any investments in affiliates.

M., N. The Company does not have SCA investments.

Note 11 – Debt

A. Debt Including Capital Notes

The Company has no debt referring to the SSAP No. 15 - Debt and Holding Company Obligations.

B. FHLB (Federal Home Loan Bank) Agreements - None.

c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	NO
2. Funding Agreements	NO
3. Other	NO

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

- A. - D. Defined Benefit Plan - None.
- E. Defined Contribution Plans
 - See point G below
- F. Multiemployer Plans
 - The Company has no Multiemployer Plans.
- G. Consolidated/Holding Company Plans
 - The holding company's employees participate in a defined contribution 401(k) plan sponsored by the parent that covers substantially all full-time employees. Eligible employees are allowed to contribute up to the maximum allowed by law. The holding company matches 100% of the first 1% and 50% of the next 5% of eligible pay an employee contributes to the plan on a pre-tax basis and/or Roth after-tax basis. The holding company also contributes equal to 2.5% of an employee's eligible pre-tax compensation, regardless of the contribution made by the employee to the plan.
- H. Postemployment Benefits and Compensated Absences
 - No post employment benefits and no unrecorded amounts for compensated absences.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - None.

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

- (1) Number of Share and Par or State Value of Each Class: None. See Note 10 A.
- (2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues: None. See Note 10 A.
- (3) Dividend Restrictions: None.
- (4) Dates and Amounts of Dividends Paid: None.
- (5) Profits that may be Paid as Ordinary Dividends to Stockholders
 - None of the Company's profits may be currently paid as dividends under RCW 48.31C.060.
- (6) Restrictions Plans on Unassigned Funds (Surplus): None.
- (7) Amount of Advances to Surplus not Repaid: Not applicable.
- (8) Amount of Stock Held for Special Purposes: None.
- (9) Reasons for Changes in Balance of Special Surplus Funds from Prior Period: Not applicable.
- (10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: None.
- (11) The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations: None.
- (12) The impact of any restatement due to prior quasi-reorganizations is as follows: None.
- (13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization: None.

Note 14 – Liabilities, Contingencies and Assessments

- A. Contingent Commitments
 - (1) Total SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Company contingent liabilities:
 - The Company has no contingent commitments.
 - (2) Detail of other contingent commitments
 - The company is not a guarantor.
 - (3) Guarantee Obligations - Not applicable.
- B. Assessments - None.
- C. Gain Contingencies - None.

NOTES TO FINANCIAL STATEMENTS

- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities - None.
- E. Joint and Several Liabilities - None.
- F. All Other Contingencies

The Company is not currently in litigation; however lawsuits against the Company may arise in the normal course of the Company's business related to events occurring prior to the balance sheet date. The Company believes that contingent liabilities arising from litigation, income taxes and other matters are not material in relation to the financial position of the Company.

Note 15 – Leases

- A. Lessee Operating Lease - None.
- B. Lessor Leases - None.

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, short-term investments, bonds and receivables. Concentrations of credit risk with respect to receivables are limited because the Company receives 100% of its premium revenue from CMS.

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

- A. Transfers of Receivables Reported as Sales - None.
- B. Transfer and Servicing of Financial Assets - None.
- C. Wash Sales - None.

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

- A. ASO Plans - None.
- B. ASC Plans - None.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - None.

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

The Company does not have direct premium written through/produced by managing general agents or third party administrators.

Note 20 – Fair Value Measurements

- A. Fair Value Measurements
 - (1) Fair Value Measurements at Reporting Date

The Company reports investments at amortized cost.
 - (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - None.
 - (3) Policies when Transfers Between Levels are Recognized

The Company has no transfers between fair-value levels.
 - (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement: None.
 - (5) Fair Value Disclosures: None.
- B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements - None.
- C. Fair Value Level - None.
- D. Not Practicable to Estimate Fair Value - None.

Note 21 – Other Items

- A. Unusual or Infrequent Items

NOTES TO FINANCIAL STATEMENTS

The Company does not have any unusual or infrequent items.

B. Troubled Debt Restructuring Debtors
The Company does not have troubled debt restructuring.

C. Other Disclosures - None.

D. Business Interruption Insurance Recoveries
The Company does not have any receivable balances due from insurance agents or brokers, and it does not have uninsured plans or retrospectively rated contracts. Therefore, there are no balances for assets that would be reasonably possible to be uncollectible. The Company had no business interruption insurance recoveries.

E. State Transferable and Non-Transferable Tax Credits
The Company has no state transferable and non-transferable tax credits.

F. Subprime Mortgage Related Risk Exposure
The Company has no investments in subprime mortgages.

G. Retained Assets
The Company has no retained asset accounts for beneficiaries.

H. Insurance-Linked Securities (ILS) Contracts
The Company has no insurance-linked securities contracts.

Note 22 – Events Subsequent

The Company had no Type I - Recognized Subsequent Events, or Type II - Non-recognized Subsequent Events.

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

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

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

Note 23 – Reinsurance

A. Ceded Reinsurance Report

Section1 – General Interrogatories

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [] No [X]
If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? Yes [] No [X]
If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes [] No [X]
a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. **\$0**
b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? **\$0**

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and

NOTES TO FINANCIAL STATEMENTS

allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes [] No [X]
 If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. **\$0**

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes [] No [X]
 If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? **\$0**

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance.

C. Commutation of Ceded Reinsurance

The Company has no commutation of ceded reinsurance.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating was Downgraded or Status Subject to Revocation - None.

(2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**A. Method Used to Estimate Accrued Retrospective Premium Adjustments**

Based on member encounter data that the Company submits to CMS, the Company's Medicare premiums are subject to retroactive adjustment for both member risk scores and member pharmacy cost experience. This adjustment takes into account the acuity of each member's medical needs relative to what was anticipated when premiums were originally set for that member. In the event that a member requires less acute medical care than was anticipated by the original premium amount, CMS may recover premium from the Company. In the event that a member requires more acute medical care than was anticipated by the original premium amount, CMS may pay the Company additional retroactive premium. A similar retroactive reconciliation is undertaken by CMS for the Company's Medicare members' pharmacy utilization. The Company estimates the amount of Medicare revenue that will ultimately be realized for the periods presented based on its knowledge of the members' health care utilization patterns and CMS practices.

B. Retrospective Premiums Recorded Through Written Premium or Adjustment to Earned Premium

The Company records accrued retrospective premium as an adjustment to earned premium.

C. Amount and Percentage of Net Premiums Written Subject to Retrospective Rating Features

The amount of net premiums written by the Company for the year ended December 31, 2017 that were subject to retrospective rating features was \$9,166,959, which represented 100% of the total net premiums written by the Company in 2017.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - None.**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 year: None.

(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: None.

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year - None.

(5) ACA Risk Corridors Receivable as of Reporting Date - None.

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

NOTES TO FINANCIAL STATEMENTS

The following schedule represents the changes in claims unpaid, unpaid claims adjustment expense and aggregate health claim reserves from the beginning of the year to the end of the period.

		2017	2016
Beginning liability for unpaid losses and loss adjustment expenses		1,495,299	697,204
Health Care Receivable		(341,190)	(45,487)
Beginning liability for unpaid losses and loss adjustment expense, net of Health Care Rec.		1,154,109	651,717
Incurred related to:			
Current year		9,198,767	9,633,012
Prior Years		1,380,158	513,627
Total paid		10,578,925	10,146,639
Ending liability for unpaid losses and loss adjustment expenses		1,534,787	1,495,299
Health Care Receivable		(409,300)	(341,190)
Ending liability for unpaid losses and loss adjustment, net of Health Care Rec.		1,125,487	1,154,109

Loss and Loss Adjustment Expenses reserves as of December 31, 2016 were \$1,495,300. As of December 31, 2017, \$1,380,158 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$34,261 as a result of re-estimation of unpaid claims and claim adjustment expenses. This has generated a \$80,881 favorable prior year development from December 31, 2016 to December 31, 2017. The change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

B. Information about Significant Changes in Methodologies and Assumptions: None

Note 26 – Intercompany Pooling Arrangements

The Company is not part of a group of affiliated entities that utilizes a pooling arrangement.

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

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
12/31/2017	\$ 88,974	\$ 88,974	\$ 88,974	\$ 88,974	\$ 88,974
09/30/2017	\$ 88,303	\$ 91,594	\$ 88,303	\$ 88,303	\$ 88,303
06/30/2017	\$ 83,939	\$ 94,195	\$ 65,263	\$ 65,263	\$ 65,263
03/31/2017	\$ 104,329	\$ 100,430	\$ 103,021	\$ 1,308	\$ 1,308
12/31/2016	\$ 97,508	\$ 82,258	\$ 62,168	\$ 20,750	\$ 1,151
09/30/2016	\$ 95,528	\$ 83,299	\$ 5,114	\$ 76,082	\$ 76,082
06/30/2016	\$ 78,972	\$ 87,299	\$ 11,285	\$ 74,849	\$ 3,435
03/31/2016	\$ 106,075	\$ 115,224	\$ 28,778	\$ 72,575	\$ 15,197
12/31/2015	\$ 18,619	\$ 26,672	\$ 8,699	\$ 17,555	\$ 1,300
09/30/2015	\$ 17,653	\$ 24,386	\$ 2,092	\$ 19,279	\$ 1,122
06/30/2015	\$ 17,397	\$ 22,790	\$ 307	\$ 18,879	\$ 2,100
03/31/2015	\$ 16,292	\$ 20,218	\$ 3,726	\$ 10,193	\$ 5,660

B. Risk Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior	Risk Sharing Receivable as Estimated in the	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year	Actual Risk Sharing Amounts Received - All Other

NOTES TO FINANCIAL STATEMENTS

		Year	Current Year				t	Subsequen t	
0	0	\$	\$	\$	\$	\$	\$	\$	\$

Note 29 – Participating Policies

Not applicable to the reporting Company.

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve: \$133,426
2. Date of most recent evaluation of this liability: December 31, 2017
3. Was anticipated investment income utilized in the calculation? Yes [X] No []

Note 31 – Anticipated Salvage and Subrogation

The Company has no anticipated salvage and subrogation.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 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, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []

1.3 State regulating? Ohio

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 State as of what date the latest financial examination of the reporting entity was made or is being made. _____

3.2 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. _____

3.3 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). _____

3.4 By what department or departments? N/A

3.5 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]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

5.2 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	2 NAIC Company Code	3 State of Domicile
Name of Entity		

6.1 Has the 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]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control _____ %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young 999 Third Avenue suite 3500, Seattle, WA 98104-4086

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [] No [X] N/A []

10.6 If the response to 10.5 is no or n/a, please explain:
The Board of Director serves as the Audit Committee.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

11.	What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? <u>Milliman 1301 5th Avenue, Suite 3800, Seattle, WA 98101-2605</u>		
12.1	Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]		
	12.11	Name of real estate holding company	
	12.12	Number of parcels involved	
	12.13	Total book/adjusted carrying value	
12.2	If yes, provide explanation		
13.	FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:		
13.1	What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?		
13.2	Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []		
13.3	Have there been any changes made to any of the trust indentures during the year? Yes [] No []		
13.4	If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []		
14.1	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.	
14.11	If the response to 14.1 is no, please explain:		
14.2	Has the code of ethics for senior managers been amended? Yes [] No [X]		
14.21	If the response to 14.2 is yes, provide information related to amendment(s).		
14.3	Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]		
14.31	If the response to 14.3 is yes, provide the nature of any waiver(s).		
15.1	Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]		
15.2	If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.		
	1	2	3
	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit
			4
			Amount
			\$

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11	To directors or other officers	\$	0
20.12	To stockholders not officers	\$	0
20.13	Trustees, supreme or grand (Fraternal only)	\$	0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21	To directors or other officers	\$	0
20.22	To stockholders not officers	\$	0
20.23	Trustees, supreme or grand (Fraternal only)	\$	0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21	Rented from others	\$	0
21.22	Borrowed from others	\$	0
21.23	Leased from others	\$	0
21.24	Other	\$	0

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]

22.2 If answer is yes:

22.21	Amount paid as losses or risk adjustment	\$	0
22.22	Amount paid as expenses	\$	0
22.23	Other amounts paid	\$	0

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

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

INVESTMENT

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No []

24.02 If no, give full and complete information, relating thereto:

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ _____ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs \$ _____ 0

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

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

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

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.22 Subject to reverse repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.23 Subject to dollar repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.24 Subject to reverse dollar repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.25 Placed under option agreements	<input type="checkbox"/> \$ _____ 0
25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock	<input type="checkbox"/> \$ _____ 0
25.27 FHLB Capital Stock	<input type="checkbox"/> \$ _____ 0
25.28 On deposit with states	<input type="checkbox"/> \$ _____ 414,595
25.29 On deposit with other regulatory bodies	<input type="checkbox"/> \$ _____ 0
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	<input type="checkbox"/> \$ _____ 0
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	<input type="checkbox"/> \$ _____ 0
25.32 Other	<input type="checkbox"/> \$ _____ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		<input type="checkbox"/> \$ _____

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: \$ _____ 0

28. 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 [] No [X]

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

1 Name of Custodian(s)	2 Custodian's Address
BNY Mellon Asset Servicing	BNY Mellon Center, 500 Grant Street, Suite 410, Pittsburgh, PA 15258

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

28.05 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
Catholic Health Initiatives - Treasury department	<input type="checkbox"/> A

28.0597 For those firms/individuals listed in the table for Question 28.05, 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]

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes [] No [X]

28.06 For those firms or individuals listed in the table for 28.05 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
N/A	Catholic Health Initiatives - Treasury department	47-0617373		

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		\$	
30.1			
30.2			
30.3			

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 4,716,018	\$ 4,681,498	\$ (34,520)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 4,716,018	\$ 4,681,498	\$ (34,520)

30.4 Describe the sources or methods utilized in determining the fair values:

Rates from Custodian

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [X] No []

32.2 If no, list exceptions:

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

- Documentation necessary to permit a full credit analysis of the security does not exist.
- Issuer or obligor is current on all contracted interest and principal payments.
- The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities?

Yes [] No [X]

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$ 0

34.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$

35.1 Amount of payments for legal expenses, if any?

\$ 0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$

36.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$ 0

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES**PART 2 – HEALTH INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.31 Reason for excluding:			
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$	0
1.6	Individual policies:		
Most current three years:			
1.61	Total premium earned	\$	0
1.62	Total incurred claims	\$	0
1.63	Number of covered lives		0
All years prior to most current three years:			
1.64	Total premium earned	\$	0
1.65	Total incurred claims	\$	0
1.66	Number of covered lives		0
1.7	Group policies:		
Most current three years:			
1.71	Total premium earned	\$	0
1.72	Total incurred claims	\$	0
1.73	Number of covered lives		0
All years prior to most current three years:			
1.74	Total premium earned	\$	0
1.75	Total incurred claims	\$	0
1.76	Number of covered lives		0
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 9,131,840	\$ 9,215,174
2.2	Premium Denominator	\$ 9,131,840	\$ 9,215,174
2.3	Premium Ratio (2.1/2.2)	100.0%	100.0%
2.4	Reserve Numerator	\$ 1,666,236	\$ 2,833,046
2.5	Reserve Denominator	\$ 1,666,236	\$ 2,833,046
2.6	Reserve Ratio (2.4/2.5)	100.0%	100.0%
3.1	Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?	Yes [] No [X]	
3.2	If yes, give particulars:		
4.1	Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?	Yes [X] No []	
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?	Yes [] No []	
5.1	Does the reporting entity have stop-loss reinsurance?	Yes [X] No []	
5.2	If no, explain:		
5.3	Maximum retained risk (see instructions)		
5.31	Comprehensive Medical	\$ 300,000	
5.32	Medical Only	\$ 0	
5.33	Medicare Supplement	\$ 0	
5.34	Dental and Vision	\$ 0	
5.35	Other Limited Benefit Plan	\$ 0	
5.36	Other	\$ 0	
6.	Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements: <u>Hold harmless provision in provider agreements: insolvency provision in reinsurance contracts.</u>		

GENERAL INTERROGATORIES**PART 2 – HEALTH INTERROGATORIES**

7.1	Does the reporting entity set up its claim liability for provider services on a service date basis?	Yes [X] No []																																															
7.2	If no, give details																																																
8. Provide the following information regarding participating providers:																																																	
8.1	Number of providers at start of reporting year	5,773																																															
8.2	Number of providers at end of reporting year	7,000																																															
9.1	Does the reporting entity have business subject to premium rate guarantees?	Yes [] No [X]																																															
9.2	If yes, direct premium earned:																																																
9.21	Business with rate guarantees with rate guarantees between 15-36 months	\$ 0																																															
9.22	Business with rate guarantees over 36 months	\$ 0																																															
10.1	Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?	Yes [X] No []																																															
10.2	If yes:																																																
10.21	Maximum amount payable bonuses	178,066																																															
10.22	Amount actually paid for year bonuses	0																																															
10.23	Maximum amount payable withhold	0																																															
10.24	Amount actually paid for year withhold	0																																															
11.1	Is the reporting entity organized as:																																																
11.12	A Medical Group/Staff Model,	Yes [] No [X]																																															
11.13	An Individual Practice Association (IPA), or,	Yes [] No [X]																																															
11.14	A Mixed Model (combination of above)?	Yes [] No [X]																																															
11.2	Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?	Yes [X] No []																																															
11.3	If yes, show the name of the state requiring such minimum capital and surplus. <u>Ohio</u>																																																
11.4	If yes, show the amount required.	\$ 1,700,000																																															
11.5	Is this amount included as part of a contingency reserve in stockholder's equity?	Yes [] No [X]																																															
11.6	If the amount is calculated, show the calculation																																																
12.	List service areas in which reporting entity is licensed to operate:																																																
	1 Name of Service Area																																																
	Butler County																																																
	Clermont County																																																
	Hamilton County																																																
	Warren County																																																
13.1	Do you act as a custodian for health savings accounts?	Yes [] No [X]																																															
13.2	If yes, please provide the amount of custodial funds held as of the reporting date.	\$ 0																																															
13.3	Do you act as an administrator for health savings accounts?	Yes [] No [X]																																															
13.4	If yes, please provide the balance of the funds administered as of the reporting date.	\$ 0																																															
14.1	Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?	Yes [] No [X] N/A []																																															
14.2	If the answer to 14.1 is yes, please provide the following:																																																
	1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit																																												
		0		\$	5 Letters of Credit	6 Trust Agreements	7 Other																																										
15.	Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).																																																
15.1	Direct Premium Written	\$ 0																																															
15.2	Total Incurred Claims	\$ 0																																															
15.3	Number of Covered Lives	\$ 0																																															
	<table border="1"> <tr> <td colspan="7">*Ordinary Life Insurance Includes</td> </tr> <tr> <td colspan="7">Term (whether full underwriting, limited underwriting, jet issue, "short form app")</td> </tr> <tr> <td colspan="7">Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")</td> </tr> <tr> <td colspan="7">Variable Life (with or without secondary guarantee)</td> </tr> <tr> <td colspan="7">Universal Life (with or without secondary guarantee)</td> </tr> <tr> <td colspan="7">Variable Universal Life (with or without secondary guarantee)</td> </tr> </table>							*Ordinary Life Insurance Includes							Term (whether full underwriting, limited underwriting, jet issue, "short form app")							Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")							Variable Life (with or without secondary guarantee)							Universal Life (with or without secondary guarantee)							Variable Universal Life (with or without secondary guarantee)						
*Ordinary Life Insurance Includes																																																	
Term (whether full underwriting, limited underwriting, jet issue, "short form app")																																																	
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")																																																	
Variable Life (with or without secondary guarantee)																																																	
Universal Life (with or without secondary guarantee)																																																	
Variable Universal Life (with or without secondary guarantee)																																																	

FIVE-YEAR HISTORICAL DATA

	1 2017	2 2016	3 2015	4 2014	5 2013
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	6,690,368	5,354,349	5,012,593	3,418,330	
2. Total liabilities (Page 3, Line 24).....	1,954,657	3,519,315	1,508,026	6,416	
3. Statutory minimum capital and surplus requirement.....	1,700,000	1,700,000	1,700,000	1,700,000	
4. Total capital and surplus (Page 3, Line 33).....	4,735,712	1,835,034	3,504,567	3,411,914	
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	9,131,840	9,250,450	4,052,746		
6. Total medical and hospital expenses (Line 18).....	9,948,245	10,358,409	4,246,368		
7. Claims adjustment expenses (Line 20).....	163,621	155,995	131,830		
8. Total administrative expenses (Line 21).....	438,612	589,955	345,275		
9. Net underwriting gain (loss) (Line 24).....	(212,553)	(2,671,118)	(1,193,029)		
10. Net investment gain (loss) (Line 27).....	.54,006	.62,561	.29,752	.17,671	
11. Total other income (Lines 28 plus 29).....	(2,350)				
12. Net income or (loss) (Line 32).....	(96,742)	(2,608,560)	(1,157,347)	.11,914	
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	(1,105,044)	(1,422,140)	(340,184)	.15,005	
Risk-Based Capital Analysis					
14. Total adjusted capital.....	4,735,712	1,835,034	3,504,567	3,411,914	
15. Authorized control level risk-based capital.....	625,701	652,730	308,375	2,068	
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	1,114	1,296	650		
17. Total member months (Column 6, Line 7).....	13,564	15,430	7,649		
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19).....	108.9	112.0	104.8		
20. Cost containment expenses.....	1.2	1.3	1.5		
21. Other claims adjustment expenses.....	0.6	0.4	1.7		
22. Total underwriting deductions (Line 23).....	102.3	128.9	129.4		
23. Total underwriting gain (loss) (Line 24).....	(2.3)	(28.9)	(29.4)		
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5).....	944,273	354,696			
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	1,152,346	625,887			
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch. D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch. D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.....					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [X] No []

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & 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.....		9,166,959					9,166,959	
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.....	0	9,166,959	0	0	0	0	9,166,959	0
60. Reporting entity contributions for Employee Benefit Plans.....	XXX.....							0	
61. Total (Direct Business).....	(a).....1	0	9,166,959	0	0	0	0	9,166,959	0

DETAILS OF WRITE-INS

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58.....	0	0	0	0	0	0	0	0	0
58999. Total (Lines 58001 through 58003 + 58998).....	0	0	0	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

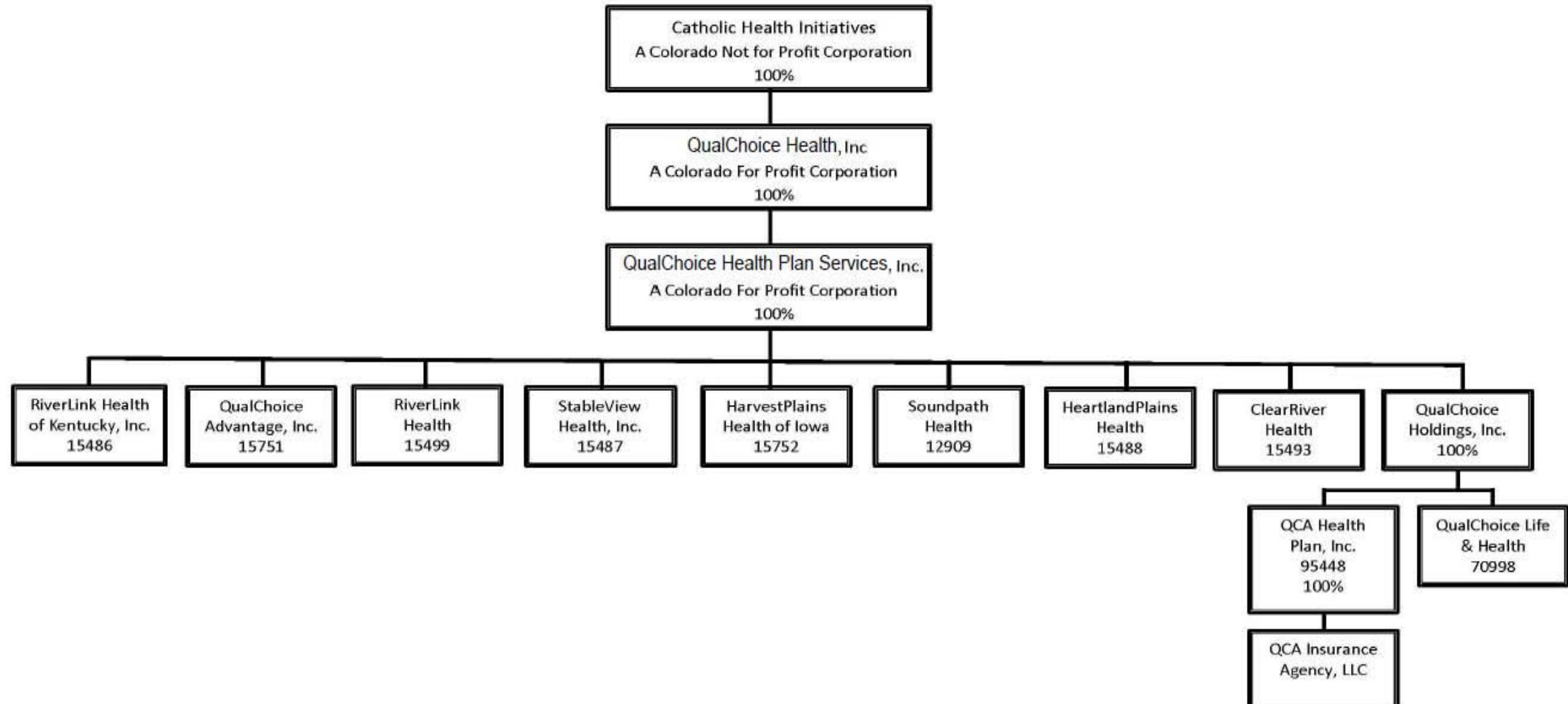
Explanation of basis of allocation by states, premiums by state, etc.

The company has business only in the state of Ohio.

(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



2017 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK

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