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**QUARTERLY STATEMENT**  
**AS OF JUNE 30, 2018**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**Summa Insurance Company, Inc.**

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	10649	Employer's ID Number	34-1809108
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		OH	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]	Property/Casualty[X] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]	Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[ ]			
Incorporated/Organized	08/07/1995		Commenced Business	02/01/1996		
Statutory Home Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Internet Web Site Address	SummaCare.com		(Area Code) (Telephone Number)			
Statutory Statement Contact	Mike Dennis Weals (Name) wealsm@summahealth.org (E-Mail Address)		(330)996-8410 (Area Code) (Telephone Number)			
			(330)996-5112 (Area Code)(Telephone Number)(Extension)			
			(Fax Number)			

**OFFICERS**

Name	Title
Kathleen Tirbovich Geier	Chair
Robert Andrew Gerberry	Secretary
Dennis Dale Pijor	President
Michael Anthony O'Neill	Assistant Treasurer
Henry Leigh Gerstenberger	Vice Chair #

**OTHERS**

Anne Armao, VP - Marketing & Medicare  
 Charles Zonfa M.D., Chief Medical Officer  
 Michael O'Neill, Chief Financial Officer

Kevin Cavalier, VP - Sales  
 Stephen Adamson, VP, Chief Operations Officer

**DIRECTORS OR TRUSTEES**

Kathleen Tirbovich Geier  
 Benjamin Paul Sutton  
 Henry Leigh Gerstenberger  
 Caroline Fisher Pearson  
 Dennis Dale Pijor  
 Anthony Lockhart #

Rajiv Vishnu Taliwal M.D.  
 Lydia Alexander Cook M.D.  
 Russell Floyd Mohawk  
 Thomas Clifford Deveny M.D.  
 Robert Jeffrey Copeland

State of Ohio  
 County of Summit ss

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

(Signature)  
 Dennis Dale Pijor  
 (Printed Name)  
 1.  
 President  
 (Title)

(Signature)  
 Michael Anthony O'Neill  
 (Printed Name)  
 2.  
 Chief Financial Officer  
 (Title)

(Signature)  
 Stephen Michael Adamson  
 (Printed Name)  
 3.  
 Vice President, Chief Operations Officer  
 (Title)

Subscribed and sworn to before me this  
 day of       , 2018

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

Yes[X] No[ ]

(Notary Public Signature)

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	24,020,516		24,020,516	29,627,008
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....7,189,335), cash equivalents (\$.....0) and short-term investments (\$.....6,090,942) .....	13,280,277		13,280,277	10,745,240
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	37,300,793		37,300,793	40,372,248
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	80,963		80,963	89,957
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,829,631	83,229	3,746,402	2,978,649
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,381,148		1,381,148	1,576,696
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....	1,053,874		1,053,874	293,430
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustments in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	756,288		756,288	256,404
24. Health care (\$.....2,354,979) and other amounts receivable .....	4,850,868	2,495,889	2,354,979	2,765,047
25. Aggregate write-ins for other-than-invested assets .....	44,477	44,477		
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	49,298,042	2,623,595	46,674,447	48,332,431
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	49,298,042	2,623,595	46,674,447	48,332,431
<b>DETAILS OF WRITE-INS</b>				
1101. .....				
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid Expenses .....	44,477	44,477		
2502. Deferred ACA Asset .....				
2503. Pharmacy Rebates .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	44,477	44,477		

## LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	13,354,948		13,354,948	15,758,920
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	394,600		394,600	394,600
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	1,075,460		1,075,460	1,100,000
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	5,502,350		5,502,350	5,940,265
9. General expenses due or accrued	4,461,834		4,461,834	1,564,650
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates	1,203,885		1,203,885	2,213,784
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$.....0) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$.....0 current)				
24. Total liabilities (Lines 1 to 23)	25,993,077		25,993,077	26,972,219
25. Aggregate write-ins for special surplus funds	XXX	XXX		4,000,000
26. Common capital stock	XXX	XXX	2,500,062	2,500,062
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	87,866,381	82,866,381
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	(69,685,073)	(68,006,231)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0)	XXX	XXX		
32.2 .....0 shares preferred (value included in Line 27 \$.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	20,681,370	21,360,212
34. Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	46,674,447	48,332,431
<b>DETAILS OF WRITE-INS</b>				
2301. Minority Interest				
2302. Deferred gain on sale of bonds to SummaCare, Inc.				
2303. Miscellaneous				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501. ACA Annual Fee on Health Insurers	XXX	XXX		4,000,000
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		4,000,000
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
				4 Total
	1 Uncovered	2 Total	3 Total	
1. Member Months .....	XXX .....	190,953	205,230	397,460
2. Net premium income (including \$.....0 non-health premium income) .....	XXX .....	85,703,153	87,755,097	170,195,348
3. Change in unearned premium reserves and reserves for rate credits .....	XXX .....			
4. Fee-for-service (net of \$.....0 medical expenses) .....	XXX .....			
5. Risk revenue .....	XXX .....			
6. Aggregate write-ins for other health care related revenues .....	XXX .....			
7. Aggregate write-ins for other non-health revenues .....	XXX .....			
8. Total revenues (Lines 2 to 7) .....	XXX .....	85,703,153	87,755,097	170,195,348
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		63,898,407	58,173,734	121,923,941
10. Other professional services .....				
11. Outside referrals .....				
12. Emergency room and out-of-area .....				
13. Prescription drugs .....		13,536,057	15,208,112	28,100,146
14. Aggregate write-ins for other hospital and medical .....				
15. Incentive pool, withhold adjustments and bonus amounts .....				
16. Subtotal (Lines 9 to 15) .....		77,434,464	73,381,846	150,024,087
<b>Less:</b>				
17. Net reinsurance recoveries .....		1,844,066	734,628	2,854,015
18. Total hospital and medical (Lines 16 minus 17) .....		75,590,398	72,647,218	147,170,072
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$.....470,694 cost containment expenses .....		1,507,410	1,331,879	2,785,411
21. General administrative expenses .....		13,986,851	13,142,123	25,715,951
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23. Total underwriting deductions (Lines 18 through 22) .....		91,084,659	87,121,220	175,671,434
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX .....	(5,381,506)	633,877	(5,476,086)
25. Net investment income earned .....		185,027	232,014	415,300
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....				
27. Net investment gains or (losses) (Lines 25 plus 26) .....		185,027	232,014	415,300
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29. Aggregate write-ins for other income or expenses .....		1,100	142,795	151,659
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 .....	(5,195,379)	1,008,686	(4,909,127)
31. Federal and foreign income taxes incurred .....	XXX .....	(760,445)		119,874
32. Net income (loss) (Lines 30 minus 31) .....	XXX .....	(4,434,934)	1,008,686	(5,029,001)
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX .....			
0602. ....	XXX .....			
0603. ....	XXX .....			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX .....			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	XXX .....			
0701. ....	XXX .....			
0702. ....	XXX .....			
0703. ....	XXX .....			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX .....			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	XXX .....			
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....				
2901. Medimpact network performance guarantee .....				115,580
2902. Miscellaneous Income (Expense) .....		1,100	142,795	36,079
2903. Finance and service charges not included in premiums .....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		1,100	142,795	151,659

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

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	21,360,212	28,396,360	28,396,360
34. Net income or (loss) from Line 32 .....	(4,434,934)	1,008,686	(5,029,001)
35. Change in valuation basis of aggregate policy and claim reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....			
39. Change in nonadmitted assets .....	(1,243,908)	(107,808)	(978,633)
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 .....	5,000,000		
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 .....		(1)	(1,028,514)
48. Net change in capital and surplus (Lines 34 to 47) .....	(678,842)	900,877	(7,036,148)
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	20,681,370	29,297,237	21,360,212
<b>DETAILS OF WRITE-INS</b>			
4701. Gain on sale of bonds .....			
4702. Correction of an error - Federal Income Tax .....			49,486
4703. Correction of an Error - Hospital / Medical Benefits .....			(1,078,000)
4798. Summary of remaining write-ins for Line 47 from overflow page .....		(1)	
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		(1)	(1,028,514)

**CASH FLOW**

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>				
1.	Premiums collected net of reinsurance .....	84,472,945	88,397,384	170,324,736
2.	Net investment income .....	200,514	257,958	446,107
3.	Miscellaneous income .....			
4.	<b>TOTAL (Lines 1 to 3) .....</b>	<b>84,673,459</b>	<b>88,655,342</b>	<b>170,770,843</b>
5.	Benefit and loss related payments .....	77,798,822	70,082,382	146,735,470
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	12,597,077	15,431,304	29,460,622
8.	Dividends paid to policyholders .....			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....			(822,986)
10.	<b>TOTAL (Lines 5 through 9) .....</b>	<b>90,395,899</b>	<b>85,513,686</b>	<b>175,373,106</b>
11.	<b>Net cash from operations (Line 4 minus Line 10) .....</b>	<b>(5,722,440)</b>	<b>3,141,656</b>	<b>(4,602,263)</b>
<b>Cash from Investments</b>				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....	5,600,000	4,200,000	12,300,000
12.2	Stocks .....			
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7	Miscellaneous proceeds .....			
12.8	<b>TOTAL investment proceeds (Lines 12.1 to 12.7) .....</b>	<b>5,600,000</b>	<b>4,200,000</b>	<b>12,300,000</b>
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....			3,012,305
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			
13.6	Miscellaneous applications .....			
13.7	<b>TOTAL investments acquired (Lines 13.1 to 13.6) .....</b>			<b>3,012,305</b>
14.	Net increase (or decrease) in contract loans and premium notes .....			
15.	<b>Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....</b>	<b>5,600,000</b>	<b>4,200,000</b>	<b>9,287,695</b>
<b>Cash from Financing and Miscellaneous Sources</b>				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
16.2	Capital and paid in surplus, less treasury stock .....	5,000,000		
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) .....	(2,342,523)	1,221,331	(506,915)
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	2,657,477	1,221,331	(506,915)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	2,535,037	8,562,987	4,178,517
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	10,745,240	6,566,723	6,566,723
19.2	End of period (Line 18 plus Line 19.1) .....	13,280,277	15,129,710	10,745,240

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

20.0001			
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## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	31,491	3,785	26,749	46						911
2. First Quarter	31,973	4,433	26,625	44						871
3. Second Quarter	31,619	4,227	26,585	43						764
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	190,953	26,023	159,555	260						5,115
Total Member Ambulatory Encounters for Period:										
7. Physician	22,032	3,300	18,677	55						
8. Non-Physician	33,869	5,234	28,581	54						
9. Total	55,901	8,534	47,258	109						
10. Hospital Patient Days Incurred	20,818	4,331	16,469	18						
11. Number of Inpatient Admissions	754	127	624	3						
12. Health Premiums Written (a)	86,273,863	13,797,801	72,176,442	62,928						236,692
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	86,273,863	13,797,801	72,176,442	62,928						236,692
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	79,838,436	14,536,955	64,897,569	35,497						368,415
18. Amount Incurred for Provision of Health Care Services	77,434,464	15,847,182	61,156,421	38,351						392,510

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

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)****Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
<b>Claims unpaid (Reported)</b>						
0199999 Individually Listed Claims Unpaid .....						
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	10,232,948	1,165,000	649,000	343,000	965,000	13,354,948
0499999 Subtotals .....	10,232,948	1,165,000	649,000	343,000	965,000	13,354,948
0599999 Unreported claims and other claim reserves .....						
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						13,354,948
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						

## **UNDERWRITING AND INVESTMENT EXHIBIT**

## ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year	5	6
	1	2	3	4			
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year			
1. Comprehensive (hospital & medical) .....	16,379,485	61,210,973	624,000	12,682,242	17,003,485	15,737,163	
2. Medicare Supplement .....	6,000	29,497		11,980	6,000		9,126
3. Dental only .....							
4. Vision only .....							
5. Federal Employees Health Benefits Plan .....							
6. Title XVIII - Medicare .....							
7. Title XIX - Medicaid .....							
8. Other health .....	13,000	355,415		36,726	13,000		12,631
9. Health subtotal (Lines 1 to 8) .....	16,398,485	61,595,885	624,000	12,730,948	17,022,485		15,758,920
10. Healthcare receivables (a) .....							
11. Other non-health .....							
12. Medical incentive pools and bonus amounts .....							
13. Totals (Lines 9 - 10 + 11 + 12) .....	16,398,485	61,595,885	624,000	12,730,948	17,022,485		15,758,920

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

# Notes to Financial Statement

## 1. Summary of Significant Accounting Policies and Going Concern

### A. Accounting Practices

Summa Insurance Company's (the Company or SIC) statutory financial statements are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI) and in accordance with the Accounting Practices and Procedures Manual.

The ODI recognizes only statutory accounting practices prescribed or permitted by the State of Ohio (the State) for determining its solvency under Ohio Insurance Law. NAIC SAP has been adopted as a component of the prescribed or permitted practices by the State with some modifications. These modifications include a five-year life on Electronic Data Processing (EDP) equipment and a 90-day limitation on collection of affiliate balances. Accordingly, the admitted assets, liabilities, capital and surplus of the Company as of June 30, 2018 and December 31, 2017 and the results of its operations and its cash flow for the years then ended have been determined in accordance with accounting principles prescribed or permitted by the ODI. Management believes the monetary effect on net income and statutory surplus between NAIC SAP and accounting principles prescribed or permitted by the ODI is not material. Additionally, the Company's risk based capital would not have triggered a regulatory event had it not used a prescribed or permitted practice.

	SSAP #	F/S Page	F/S Line	2018	2017
<b><u>Net Income</u></b>					
1) SIC state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	(4,434,934)	(5,029,001)
2) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
3) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
4) NAIC SAP	XXX	XXX	XXX	<u>(4,434,934)</u>	<u>(5,029,001)</u>
<b><u>Surplus</u></b>					
5) SIC state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	20,681,370	21,360,212
6) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
7) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
8) NAIC SAP	XXX	XXX	XXX	<u>20,681,370</u>	<u>21,360,212</u>

### B. Use of Estimates

The preparation of financial statements in conformity with *Accounting Practices and Procedures Manual*, the NAIC Annual Statement Instructions and other accounting practices prescribed or permitted by the ODI requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

### C. Accounting Policy

The Company uses the following accounting policies:

#### 1) Cash and Short-Term Investments

Cash and short-term investments include cash on hand, cash held in bank accounts (including overdrafts), interest bearing deposits, and money market instruments purchased with an original maturity of one year or less. Short-term investments are stated at amortized cost.

#### 2) Mandatory convertible securities and SVO – identified investments - None.

#### 3) Common stocks – None.

#### 4) Preferred stocks – None.

#### 5) Mortgage loans on real estate – None.

#### 6) Loan backed securities – None.

#### 7) Investments in subsidiaries, controlled and affiliated entities - None.

#### 8) Investments in joint ventures, partnerships and limited liability companies – None.

#### 9) Accounting policy for derivatives – The Company does not invest in derivative instruments.

#### 10) The Company anticipates investment income as a factor in premium deficiency calculation, in accordance with SSAP No. 54, Individual Group Accident and Health Contracts.

#### 11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing liabilities are continually reviewed and any adjustments are reflected in the period determined.

## **Notes to Financial Statement**

- 12) The Company's capitalization policy and predefined thresholds have not changed from the prior period.
- 13) Pharmaceutical rebates are reported as a reduction of prescription drug expense. Receivables related to pharmaceutical rebates are recorded in accordance with SSAP No. 84, Certain Health Care Receivables and Receivables Under Government Insured Plans. Pharmacy rebates receivable are estimated by multiplying the most recent rebate received by three (three quarters).

### **D. Going Concern** – Not applicable.

## **2. Accounting Changes and Corrections of Errors.**

### **A. Accounting Changes** – None.

### **B. Corrections of Errors**

During preparation of the 2017 financial statements, the Company discovered an error in the amount recorded as federal income tax recoverable. In 2016, federal income tax recoverable (Assets Page, Line 18.1) was understated by \$49,486 while federal income taxes incurred (Statement of Revenue and Expenses, Line 31) was overstated by \$49,486. Line 18.1 on the Assets page and Line 31 (unassigned funds) on the Liabilities, Capital and Surplus page were adjusted in the 2017 to correct this error.

Additionally, during the preparation of the 2017 financial statements, the Company discovered an error in the amount recorded for hospital/medical benefits. In 2016, hospital/medical benefits (Assets Page, Line 9) and amounts due to affiliates (Liabilities, Capital and Surplus page, Line 15) were understated by \$1,078,000. Amounts due to affiliates (Liabilities, Capital and Surplus page, Line 15) and unassigned funds (Liabilities, Capital and Surplus page, Line 31) were adjusted in 2017 to correct this error.

## **3. Business Combinations and Goodwill**

### **A. Statutory Purchase Method** – None.

### **B. Statutory Merger** – None.

### **C. Assumption Reinsurance** – None.

### **D. Impairment Loss** – None.

## **4. Discontinued Operations** – None.

## **5. Investments**

- A. Mortgage 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 Borrowings – None.
- G. Reverse Repurchase Agreements Transactions Accounted for a Secured Borrowings – None.
- H. Repurchase Agreements Transactions Accounted for as a Sale – None.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None.
- J. Real Estate – None.
- K. Low Income Housing Tax Credits – None.
- L. Restricted Assets - 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 – None.
- R. Prepayment Penalty and Acceleration Fees – None.

## **6. Joint Ventures, Partnerships and Limited Liability Companies**

- A. For investments in joint ventures, partnerships and limited liability companies that exceed 10% of the admitted assets of the insurer** – None.
- B. Impaired investments in joint ventures, partnerships and limited liability companies** – None.

## **7. Investment Income**

- A. The basis, by category of investment income, for excluding (nonadmitting) any investment income due and accrued** - All accrued investment income was admitted for the period.

# Notes to Financial Statement

**B. The total amount excluded was \$0.**

## 8. Derivative Instruments – None.

## 9. Income Taxes

The 2017 amounts were calculated in accordance with SSAP No. 101. The application of SSAP No. 101 requires a company to evaluate the recoverability of deferred tax assets and to establish a valuation allowance if necessary to reduce the deferred tax asset to an amount which is more likely than not to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company includes many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be used; (6) unique tax rules that would impact the utilization of the deferred tax assets; (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused. In 2018 and 2017, the Company determined a full valuation allowance was necessary.

### A. The components of deferred tax asset / liability at June 30, 2018 and December 31, 2017 are as follows:

	06/30/18			12/31/2017			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1.									
(a) Gross Deferred Tax Assets	\$2,696,343	\$0	\$2,696,343	\$2,667,460	\$0	\$2,667,460	\$28,883	\$0	\$28,883
(b) Statutory Valuation Allowance Adjustments	\$2,655,043	\$0	\$2,655,043	\$2,621,659	\$0	\$2,621,659	\$33,384	\$0	\$33,384
(c) Adjusted Gross DTA's (1a-1b)	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801			
(d) DTA's Nonadmitted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(e) Subtotal Net DTA's (1c-1d)	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801			
(f) Deferred Tax Liabilities	(\$41,300)	\$0	(\$41,300)	(\$45,801)	\$0	(\$45,801)	(\$4,501)	\$0	(\$4,501)
(g) Net Admitted DTA / Net DTL (1e-1f)	\$0	\$0	\$0	\$0	\$0	\$0	\$4,501	\$0	\$4,501
2.									
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(b) Adjusted Gross DTA's Expected to be Realized ( Excluding The Amount of DTA's From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2 (b) 1 and 2 (b) 2 Below)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1. Adjusted Gross DTA's Expected to be Realized Following the Balance Sheet Date.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Adjusted Gross DTA's Allowed Per Limitation Threshold.	XXX	XXX	\$2,068,137	XXX	XXX	\$3,204,032	XXX	XXX	(\$1,135,895)
(c) Adjusted Gross DTA's (Excluding The Amount of DTA's from 2 (a) and 2 (b) above) Offset by Gross DTL's.	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801	(\$4,501)	\$0	(\$4,501)
(d) DTA's Admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801	(\$4,501)	\$0	(\$4,501)
3.									
(a) Ratio Percentage used To Determine Recovery Period And Threshold Limitation Amount.	2018	2017							
	332%	343%							
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2 (b) 2 Above.	\$20,681,370	\$21,360,212							
4.									
Impact of Tax-Planning Strategies									
(a) Determination of Adjusted Gross DTA's and Net Admitted DTA's By Tax Character as a percentage.									
1. Adjusted Gross DTA's from 9A1c	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801			
2. Percentage of Adjusted Gross DTA's	0%	0%	0%	0%	0%	0%			
3. Net Admitted Gross DTA's 9A1e	\$41,300	\$0	\$41,300	\$45,801	\$0	\$45,801			
4. Percentage of Net Admitted Adjusted Gross DTA's because of tax planning.	0%	0%	0%	0%	0%	0%			
(b) Does the Company's tax planning strategies include reinsurance?	Yes	No	X						
	—	—							

# Notes to Financial Statement

**B. Regarding deferred tax liabilities not recognized** – There are no temporary differences for deferred tax liabilities that are not recognized at June 30, 2018 and December 31, 2017.

**C. Current income taxes incurred consist of the following components:**

	6/30/2018	12/31/2017	Change
1. Current Income Tax			
(a) Federal	(\$760,445)	\$119,874	(\$880,319)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	<u>(\$760,445)</u>	<u>\$119,874</u>	<u>(\$880,319)</u>
(d) Federal Income Tax on Net Capital Gains	\$0	\$0	\$0
(e) Utilization of Capital Loss Carry Forwards	\$0	\$0	\$0
(f) Other	\$0	\$0	\$0
(g) Federal and Foreign Income Taxes Incurred	<u>(\$760,445)</u>	<u>\$119,874</u>	<u>(\$880,319)</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Unpaid Losses	\$48,592	\$57,847	(\$9,255)
(2) Unearned Premium Reserve	<u>\$231,099</u>	<u>\$249,491</u>	<u>(\$18,392)</u>
(3) Policyholder Reserves	\$0	\$0	\$0
(4) Investments	\$0	\$0	\$0
(5) Deferred Acquisition Costs	\$0	\$0	\$0
(6) Policyholder Dividends Accrual	\$0	\$0	\$0
(7) Fixed Assets	<u>\$9,718</u>	<u>\$9,905</u>	<u>(\$187)</u>
(8) Compensation and Benefits Accrual	<u>\$108,689</u>	<u>\$216,854</u>	<u>(\$108,165)</u>
(9) Pension Accrual	\$0	\$0	\$0
(10) Receivables - Nonadmitted	<u>\$550,955</u>	<u>\$289,734</u>	<u>\$261,221</u>
(11) Net Operating Loss Carry-Forward	<u>\$1,428,994</u>	<u>\$1,503,905</u>	<u>(\$74,911)</u>
(12) Tax credit carryforward	\$0	\$0	\$0
(13) Other (Including items < 5% of total ordin	<u>318,296</u>	<u>\$339,724</u>	<u>(\$21,428)</u>
Subtotal	<u>\$2,696,343</u>	<u>\$2,667,460</u>	<u>\$28,883</u>
(b) Statutory Valuation Allowance	<u>\$2,655,043</u>	<u>\$2,621,659</u>	<u>\$33,384</u>
(c) Nonadmitted	\$0	\$0	\$0
(d) Admitted Ordinary Deferred Tax Assets	<u>\$41,300</u>	<u>\$45,801</u>	<u>(\$4,501)</u>
(e) Capital			
(1) Investments	\$0	\$0	\$0
(2) Net Capital Loss Carry-Forward	\$0	\$0	\$0
(3) Real Estate	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
(f) Statutory Valuation Allowance Adjustment	\$0	\$0	\$0
(g) Nonadmitted	\$0	\$0	\$0
(h) Admitted Capital Deferred Tax Assets	\$0	\$0	\$0
(i) Admitted Deferred Tax Assets	<u>\$41,300</u>	<u>\$45,801</u>	<u>(\$4,501)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$575	\$606	(\$31)
(2) Fixed Assets	\$0	\$0	\$0
(3) Deferred and Uncollected Premium	\$0	\$0	\$0
(4) Policyholder Reserves	\$0	\$0	\$0
(5) Other	<u>\$40,725</u>	<u>\$45,195</u>	<u>(\$4,470)</u>
Subtotal	<u>\$41,300</u>	<u>\$45,801</u>	<u>(\$4,501)</u>
(b) Capital			
(1) Investments	\$0	\$0	\$0
(2) Real Estate	\$0	\$0	\$0
(3) Unrealized Gains/ Losses	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
(c) Deferred Tax Liabilities	<u>\$41,300</u>	<u>\$45,801</u>	<u>(\$4,501)</u>
4. Net Deferred Tax Assets / Liabilities	<u>\$0</u>	<u>\$0</u>	<u>(\$0)</u>

**D. The provision for federal income taxes incurred is different than that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference are as follows:**

## Notes to Financial Statement

Description	Amount	Tax Effect	Effective Tax Rate
Income (loss) before taxes	(5,195,380)	(1,091,030)	21.0%
Meals & entertainment	6,017	1,265	0.0%
Annual fee for health insurers	2,653,130	557,157	-10.7%
Change in valuation allowance	98,189	33,384	-0.6%
Change in nonadmitted assets	(1,243,908)	(261,221)	5.0%
Deferred tax rate change	-	-	0.0%
Other	-	-	0.0%
	<b><u>(3,681,952)</u></b>	<b><u>(760,445)</u></b>	<b><u>14.6%</u></b>
Federal income taxes incurred			(760,445)
Change in net deferred income taxes			0
Total statutory income taxes			<b><u>(760,445)</u></b>

### **E. Amounts of operating loss and tax credit carry-forwards available for tax purposes**

1. The company has \$6,804,731 in net operating loss or tax credit carry-forwards as of June 30, 2018.
2. The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future net losses: \$1,476,707
3. The Company has no protective tax deposits reported as admitted assets under Section 6603 of the internal Revenue Service Code as of June 30, 2018 and December 31, 2017.

### **F. Consolidation of Federal Income Tax Return**

Summa Health System Corporation files a consolidated federal income tax which includes the following entities: SummaCare, Inc., Summa Insurance Company, Summa Integrated Services Organization, Apex Benefits Services, LLC, Summa Insurance Agency, LLC, Wadsworth-Rittman Professional Services Corporation, Ohio Health Choice, Summa Management Services Organization, Health Care Center Physicians and Cornerstone Medical Services. Allocation of federal income taxes is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis.

### **G. Federal and foreign loss contingencies as determined in accordance with SSAP 5R – None.**

## **10. Information Concerning Parent, Subsidiaries, and Affiliates**

### **A. Nature of the Relationships**

Summa Insurance Company, Inc. (SIC or the Company) is incorporated as a domestic stock property and casualty company. As such, SIC offers groups preferred provider products through which enrolled members elect to receive care from a Summa Preferred Provider (network provider) or a non-network provider at the member's option. The population from which SIC draws its membership is predominately in northeast Ohio. Affiliated organizations of SIC include Summa Health System Community; HealthSpan Partners; Summa Health; Summa Health System (SHS); Summa Health System Corporation (SHSC); Summa Health Network LLC (SHN); SummaCare, Inc. (SC); Apex Benefits Services, LLC (Apex); Summa Insurance Agency, LLC (SIA); Wadsworth-Rittman Professional Services Corporation; Summa Physicians, Inc. (SPI); Summa Foundation; Health Care Center Physicians Inc. (HCCP); Middlebury Assurance Corp. (MAC); Summa Rehabilitation Hospital, LLC; Ohio Health Choice, Inc. (OHC); Cornerstone Medical Services (Cornerstone); ARIS Teleradiology LLC (ARIS); Summa Accountable Care Organization (ACO); Summa Integrated Services Organization (SISO); Summa Management Services Organization (SMSO) and Medina-Summit ASC.

### **B. & C. Transactions with Affiliated Organizations**

The operating activities with affiliated entities as of June 30, 2018 and December 31, 2017 are as follows:

	2018	2017
Claims expense related to affiliated entities:		
SHS	11,431,362	21,490,064
SPI	880,275	1,832,368
ACO	1,366,587	1,688,390
Directors' and officers' insurance premiums to MAC	12,363	7,645
Management fees charged to SIC from Apex	800,000	1,538,846
Management fees charged to SIC from SMSO	5,366,576	12,987,390
Corporate expense allocation paid to SHS	592,292	1,410,891

## **Notes to Financial Statement**

### **D. Balance outstanding with affiliated entities as of June 30, 2018 and December 31, 2017:**

	<b>Due from</b>		<b>Due to</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
SummaCare	756,288	256,404	—	—
Apex	—	—	378,808	309,632
ACO	—	—	—	1,078,000
SMSO	—	—	825,077	826,152
	<b>\$ 756,288</b>	<b>256,404</b>	<b>1,203,885</b>	<b>2,213,784</b>

**E. Guarantees or undertakings – None.**

**F. In 2018 and 2017, the Company contracted with SMSO for general administrative services, which include but are not limited to claims processing, customer service, eligibility, human resources, computer support, programming, finance, and other general administrative services. Fees are based on actual expenses allocated from SMSO to the Company.**

In 2018 and 2017, the Company was party to a Claims System Cost Allocation Services Agreement with Apex in which Apex agreed to make use of the claims system available to SIC. SIC agreed to pay a user fee based on direct and indirect costs incurred by Apex with respect to the system.

In 2018 and 2017, the Company was party to a Cost Allocation Services Agreement with SHS in which SHS agreed to be responsible for certain common services required by SIC in order to optimize cost savings and achieve higher levels of efficiencies. SIC agreed to pay a fee representing the expenses allocated from SHS.

**G. All outstanding shares of common stock are owned by the parent, SummaCare, Inc.**

**H. Investments in upstream intermediate entities or ultimate parent – None.**

**I. Investments in SCA entities - None.**

**J. Investments in impaired SCA entities – None.**

**K. Investments in foreign insurance subsidiaries – None.**

**L. Investment in downstream noninsurance holding company – None.**

**M. All SCA investment – None.**

**N. Investments in insurance SCA's – None.**

### **11. Debt**

SIC has no debt as of June 30, 2018.

### **12. Retirement Plans.**

**A. Defined Benefit Plan - None.**

**B. A narrative description of investment policy and strategies – Not applicable.**

**C. The fair value of each class of plan asset – Not applicable.**

**D. A narrative description of the basis used to determine the long-term rate of return – Not applicable.**

**E. Defined Contribution Plan – None.**

**F. Multiemployer Plan – None.**

**G. Consolidated / Holding Company Plan – None.**

**H. Postemployment Benefits and Compensated Absences – None.**

**I. Impact of Medicare Modernization Act on Postretirement Benefits – None.**

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

- 1) As of December 31, 2017, SC owned all of the 100 authorized and outstanding shares of SIC Class A common stock. SC also owns all of the 606,463 outstanding shares of SIC Class C common stock with a par value of \$.0001 per share.
- 2) Dividend rate, liquidation value and redemption schedule of preferred stock issues - None

## **Notes to Financial Statement**

- 3) Dividend restrictions – In accordance with the Ohio Revised Code, the Company must receive approval from ODI to pay a dividend or distribution during 2018, which when combined with the dividends or distributions paid within the preceding 12 months exceeds the greater of either (a) 10% of the Company's capital and surplus as of December 31, 2017, or (b) the Company's net gain from operations for the year ended December 31, 2017. Accordingly, during 2018, prior approval from the ODI is required for any dividend or distribution payment which exceeds \$2,136,021.
- 4) Dates and amounts of dividends paid – None.
- 5) Portion of reporting entities profits that may be paid as ordinary dividends - Reference number 3 above.
- 6) Restrictions on unassigned funds – None.
- 7) Mutual Reciprocals - None.
- 8) Stock held by the Company for special purposes – None.
- 9) Changes in the balances of special surplus funds – None.
- 10) The portion of unassigned funds represented or reduced by :  
Nonadmitted Asset Values – \$2,623,595  
Unrealized Gains (Losses) – (\$262,507)
- 11) Surplus notes - None.
- 12) Restatement in a quasi-reorganization – Not applicable
- 13) Quasi-reorganization – Not applicable.

### **14. Liabilities, Contingencies and Assessments**

- . A. Contingent commitments – None.

- B. Assessments**

On May 16, 2017, the company received notification of the insolvency of Penn Treaty. This insolvency resulted in a premium based guaranty fund assessment against the company of \$983,098.16. This assessment will result in an amount that is recoverable through premium tax offsets. Thus, a receivable for premium tax credits was recorded by the company in the amount of \$983,098.

- C. Gain contingencies – None.**

- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None.**

- E. Joint and several liabilities – None.**

- F. All other contingencies – None.**

### **15. Leases – None.**

### **16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk – Not applicable.**

### **17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liability – Not applicable.**

### **18. Gains or Loss to the Reporting Entity from Uninsured Plans – Not applicable.**

### **19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators -**

Not applicable.

### **20. Fair Value Measurement**

- A. Assets and liabilities measured and reported at fair value.**

# Notes to Financial Statement

## 1) Fair value measurements at the reporting date.

Description for each class of asset or liability	Level 1	Level 2	Level 3	Total
<b>a. Assets at fair value</b>				
Cash and short-term investments	\$13,280,277			\$13,280,277
Perpetual referred stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total perpetual and preferred stock	\$0	\$0	\$0	\$0
Bonds				
U.S. Governments	\$0	\$0	\$0	\$0
Industrial and misc	\$0	\$0	\$0	\$0
Hybrid securities	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total Bonds	\$0	\$0	\$0	\$0
Common stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total common stock	\$0	\$0	\$0	\$0
Derivative assets				
Interest rate contracts				
Foreign exchange contracts	\$0	\$0	\$0	\$0
Credit contracts	\$0	\$0	\$0	\$0
Commodity futures contracts	\$0	\$0	\$0	\$0
Commodity forwards contracts	\$0	\$0	\$0	\$0
Total derivatives	\$0	\$0	\$0	\$0
Separate account assets	\$0	\$0	\$0	\$0
<b>Total assets at fair value</b>	<b>\$13,280,277</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,280,277</b>
<b>b. Liabilities at fair value</b>				
Derivative liabilities	\$0	\$0	\$0	\$0
<b>Total liabilities at fair value</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### 2) Fair value measurement in (Level 3) of the Fair Value Hierarchy – None.

### 3) Policy for determining when transfers between levels are recognized – Not applicable.

**4) For fair value measurements categorized within level 2 and level 3 of the fair value hierarchy** – The fair values of the Company's investment in U.S. Treasury and U.S. government agency bond securities are based on quoted prices or dealer quotes. For bonds not actively traded, fair values are estimated using values obtained from independent pricing services, or in the case of private placements, are estimated by discounting the expected future cash flows using current market rates applicable to the yield, credit and maturity of the investment.

### 5) Derivative assets and liabilities – None.

- B.** The carrying amounts reported in the statutory statements of admitted assets, liabilities, and capital and surplus for cash and short-term investments, uncollected premiums, reinsurance recoverable, investment income due and accrued, other receivables, federal income tax receivable, receivables from and payables to parent, affiliates and subsidiary, claims unpaid, unpaid claims adjustment expenses, accrued medical incentive pool, premiums received in advance, general expenses due or accrued, and other liabilities approximate fair value because of the short-term nature of these items. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.
- C.** The following table summarizes the Company's fair value measurements for financial instruments where fair value is a financial statement disclosure item only.

## Notes to Financial Statement

Financial Instrument	June 30, 2018						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3		
U.S. Treasury securities	\$ 23,001,406	\$ 23,275,562	\$ 23,001,406	\$ -	\$ -	\$ -	\$ -
U.S. government agency securities	756,603	744,954	-	756,603	-	-	-
Short-term investments	6,090,942	6,090,942	6,090,942	-	-	-	-

Financial Instrument	December 31, 2017						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3		
U.S. Treasury securities	\$ 28,641,602	\$ 28,783,004	\$ 28,641,602	\$ -	\$ -	\$ -	\$ -
U.S. government agency securities	872,143	844,004	-	872,143	-	-	-
Short-term investments	253,040	253,040	253,040	-	-	-	-

D. Not practicable to estimate fair value – Not applicable.

### 21. Other Items

- A. Unusual or Infrequent Items – None.
- B. Troubled Debt Restructuring – None.
- C. Other Disclosures – None.
- D. Business Interruption Insurance Recoveries – None.
- E. State Transferable and Non-transferable Tax Credits – None.
- F. Subprime Mortgage Related Exposure – None.
- G. Retained Assets – None.

### 22. Events Subsequent

**Type I – Recognized Subsequent Events** – None.

#### **Type II – Nonrecognized Subsequent Events**

The Company is subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). The fee is allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2017, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2018, and estimates its portion of the annual health insurance industry fee, which will be payable on September 30, 2018, to be \$2,653,130. The Consolidated Appropriation Act of 2016 placed a moratorium on this fee for 2017. Due to the moratorium put in place, no fee was assessed for 2017 on the Company's net premiums written during 2016.

	<u>Current Year</u>	<u>Prior Year</u>
A. Did the reporting entity write health premium that is subject to Section 9010 of the ACA act?	Yes	Yes
B. ACA fee assessment payable for the upcoming year	\$0	\$2,653,130
C. ACA fee assessment paid	\$0	\$0
D. Premium written subject to ACA 9010 assessment	\$85,703,155	\$170,194,348
E. Total Adjusted Capital before surplus adjustment	\$20,681,370	
F. Total Adjusted Capital after surplus adjustment	\$20,681,370	
G. Authorized Control Level after surplus adjustment	\$6,222,333	
H. Would reporting the ACA assessment as of year-end have triggered an RBC action level (YES/No)?	No	

## Notes to Financial Statement

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 – General Interrogatories

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

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 credit?

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. \$\_\_\_\_\_

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? \$\_\_\_\_\_

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

Yes ( ) No (X)

##### 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 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 the reinsurance credits, whether an asset or a reduction of a liability, taken for such new agreements or amendments? \$\_\_\_\_\_

**B. Uncollectible Reinsurance – None.**

**C. Commutation of Ceded Reinsurance – None.**

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

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

**A. Method used by reporting entity to estimate accrued retrospective premium adjustments – None.**

**B. Accrued retrospective premiums are recorded through written premium or earned premium – None.**

**C. Amount of net written premiums that are subject to retrospective rating features – None.**

**D. Amount of medical loss ratio rebates required pursuant to the Public Health Service Act – None.**

# Notes to Financial Statement

## E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

- 1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? - YES.
- 2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year:

### a. Permanent ACA Risk Adjustment Program

Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (2)	<u>\$2,764,644</u>
Liabilities	
2. Risk adjustment user fee payable for ACA Risk Adjustment	<u>\$17,241</u>
3. Premium adjustments payable due to ACA Risk Adjustment (2)	<u>\$1,075,460</u>
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment (2)	<u>\$130,316</u>
5. Reported in expense as ACA risk adjustment user fees (incurred/paid)	<u>\$5,766</u>

### b. Transitional ACA Reinsurance Program

Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	<u>\$9,785</u>
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) (1)	<u>\$0</u>
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance (1)	<u>\$0</u>
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance (Not reported as ceded resinsurance premium)	<u>\$0</u>
5. Ceded reinsurance premiums payable due to ACA Reinsurance	<u>\$0</u>
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance (1)	<u>\$0</u>
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	<u>\$0</u>
8. Reinsurance recoveries due to ACA Reinsurance payments or expected payments	<u>\$0</u>
9. ACA reinsurance contributions - not reported as ceded premium	<u>\$0</u>

### c. Temporary ACA Risk Corridors Program

Assets	
1. Accrued retrospective premium due to ACA Risk Corridors (2)	<u>\$0</u>
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors (1)	<u>\$0</u>
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received) (2)	<u>\$18,849</u>
4. Effect of ACA Risk Corridors on change in reserves for rate credits (1)	<u>\$0</u>

- 3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reason for adjustments to prior year balance.

# Notes to Financial Statement

**Summa Insurance Company**  
**ACA Risk Sharing Provisions**  
**As of June 30, 2018**

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances - Report Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Prior Year Accrued Less Payments (Col 2 - 4 + 8)
	1 Receivable	2 (Payable)	3 Receivable	4 (Payable)	5 Receivable	6 (Payable)	7 Receivable	8 (Payable)	9 Receivable	10 (Payable)	
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivables	\$2,634,328	\$0	\$0	\$0	\$2,634,328	\$0	\$130,316	\$0	A	\$2,764,644	\$0
2. Premium adjustments (payable)	\$0	(\$1,100,000)	\$0	\$0	\$0	(\$1,100,000)	\$0	\$24,540	B	\$0	(\$1,075,460)
3. Subtotal ACA Permanent Risk Adjustment Program	\$2,634,328	(\$1,100,000)	\$0	\$0	\$2,634,328	(\$1,100,000)	\$130,316	\$24,540		\$2,764,644	(\$1,075,460)
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$340,655	\$0	\$330,870	\$0	\$9,785	\$0	\$0	\$0	C	\$9,785	\$0
2. Amounts recoverable for claims unpaid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	D	\$0	\$0
3. Amounts receivable relating to uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	E	\$0	\$0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	F	\$0	\$0
5. Ceded reinsurance premiums payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	G	\$0	\$0
6. Liability for amounts held under uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	H	\$0	\$0
7. Subtotal ACA Transitional Reinsurance Program	\$340,655	\$0	\$330,870	\$0	\$9,785	\$0	\$0	\$0		\$9,785	\$0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0	I	\$0	\$0
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	J	\$0	\$0
3. Subtotal ACA Risk Corridors Program	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0		\$0	\$0
d. Total for ACA Risk Sharing Provisions	\$2,974,983	(\$1,100,000)	\$349,719	\$0	\$2,625,265	(\$1,100,000)	\$149,165	\$24,540		\$2,774,429	(\$1,075,460)
Explanations of Adjustments											
A The receivable was adjusted to true-up to an estimate performed by an outside actuarial firm.											
B The payable was adjusted to true-up to an estimate performed by an outside actuarial firm.											
C											
D											
E											
F											
G											
H											
I Recorded the actual amount of risk corridor payments received during 2018.											
J											

#### 4) Roll-forward of risk corridors asset and liability balances by program benefit year.

**Summa Insurance Company**  
**Rollforward of Risk Corridor Asset and Liability Balances by Program Year**  
**As of June 30, 2018**

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances - Report Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Prior Year Accrued Less Payments (Col 2 - 4 + 8)
	1 Receivable	2 (Payable)	3 Receivable	4 (Payable)	5 Receivable	6 (Payable)	7 Receivable	8 (Payable)	9 Receivable	10 (Payable)	
a. 2014											
1. Accrued retrospective premium	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0	A	\$0	\$0
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	B	\$0	\$0
b. 2015											
1. Accrued retrospective premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	C	\$0	\$0
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	D	\$0	\$0
c. 2016											
1. Accrued retrospective premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	E	\$0	\$0
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	F	\$0	\$0
d. Total for ACA Risk Corridors	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0		\$0	\$0
Explanations of Adjustments											
A Received a risk corridor payments of \$18,849 related to 2014.											
B											
C											
D											
E											
F											

#### 5) ACA risk corridor receivable as of the reporting date.

**Summa Insurance Company**  
**Risk Corridors Program Year**  
**As of June 30, 2018**

Risk Corridor Program Year	1 Estimated amount to be filed or final amount filed with CMS	2 Non-accrued amounts for impairment	3 Amounts received from CMS	4 Asset balance (gross of non-admissions) (1-2-3)	5 Non-admitted amount	6 Net admitted asset (4-5)
a. 2014	\$2,156,071	\$1,795,027	\$361,044	\$0	\$0	\$0
b. 2015	\$296,547	\$296,547	\$0	\$0	\$0	\$0
c. 2016	\$1,891,491	\$1,891,491	\$0	\$0	\$0	\$0
d. Total	\$4,344,109	\$3,983,065	\$361,044	\$0	\$0	\$0

#### 25. Changes in Incurred Claims and Claims Adjustment Expenses

Activity in claims unpaid is summarized as follows:

## Notes to Financial Statement

	<b>2018</b>	<b>2017</b>
Balance at January 1	\$ 15,758,920	16,625,124
Incurred related to:		
Current year	74,326,833	149,793,907
Prior years	<u>1,263,565</u>	<u>(2,623,835)</u>
Total	<u>75,590,398</u>	<u>147,170,072</u>
Paid related to:		
Current year	61,595,885	134,036,987
Prior years	<u>16,398,485</u>	<u>13,999,289</u>
Total	<u>77,994,370</u>	<u>148,036,276</u>
Balance at End of Period	<u>\$ 13,354,948</u>	<u>15,758,920</u>

Reserves as of December 31, 2017 were \$15,758,920. As of June 30, 2018, \$16,398,485 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are \$624,000. Therefore, there has been \$1,263,565 in unfavorable experience from December 31, 2017 to June 30, 2018. This favorable experience 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.

**26. Intercompany Pooling Arrangements** – None.

**27. Structured Settlements** – None.

**28. Healthcare Receivables**

The company receives pharmacy rebates on a quarterly basis. As of June 30, 2018, a receivable was recorded equal to three quarters of rebates. Pharmacy rebates receivable are estimated by multiplying the most recent rebate received by three (three quarters). The admission of pharmacy rebates receivable are subject to the terms stated within SSAP No. 84 (Certain Healthcare Receivables).

<u>Quarter</u>	<u>Estimated Pharmacy Rebates as Reported on Financial Statements</u>	<u>Actual Pharmacy Rebates Received as of <u>Confirmed</u></u>	<u>Actual Rebates Received</u>		
			<u>Received Within 90 Days of Billing</u>	<u>Received Within 91 to 180 Days of Billing</u>	<u>Received More Than 180 Days After Billing</u>
6/30/2018	\$3,348,848	\$0	\$0	\$0	\$0
3/31/2018	\$2,751,408	\$449,794	\$0	\$0	\$449,794
12/31/2017	\$2,088,596	\$676,694	\$0	\$0	\$676,694
9/30/2017	\$663,530	\$664,603	\$0	\$0	\$664,603
6/30/2017	\$530,520	\$684,868	\$0	\$0	\$684,868
3/31/2017	\$465,548	\$457,968	\$0	\$0	\$457,968
12/31/2016	\$498,800	\$498,344	\$0	\$0	\$498,344
9/30/2016	\$453,128	\$488,221	\$0	\$0	\$488,221
6/30/2016	\$632,603	\$745,433	\$0	\$0	\$745,433
3/31/2016	\$640,862	\$793,539	\$0	\$0	\$793,539
12/31/2015	\$551,704	\$560,115	\$0	\$0	\$560,115
9/30/2015	\$743,423	\$804,374	\$0	\$0	\$804,374
6/30/2015	\$681,240	\$858,984	\$0	\$0	\$858,984
3/31/2015	\$599,635	\$870,195	\$0	\$0	\$870,195

**29. Participating Policies** – None.

**30. Premium Deficiency Reserves**

Premium deficiency losses are recognized when it is probable that expected claim expenses will exceed future premiums on existing health contracts. For purposes of premium deficiency losses, contracts are grouped in a manner consistent with the Company's method of acquiring, servicing and measuring the profitability of such contracts.

1. Liability carried for premium deficiency reserve:	\$0
2. Date of the most recent evaluation of this liability:	December 31, 2017
3. Was anticipated investment income utilized in the calculation?	YES

**31. Anticipated Salvage Value and Subrogation** – Not applicable.

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

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?  
 Yes [ ]  No [X]  
 Yes [ ]  No [ ] N/A [X]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?  
 Yes [ ]  No [X]  
.....

2.2 If yes, date of change:  
.....

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
 If yes, complete Schedule Y, Parts 1 and 1A.  
 Yes [X]  No [ ]

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?  
 Yes [ ]  No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes:  
 Yes [ ]  No [X]

3.4 Is the reporting entity publicly traded or a member of a publicly traded group?  
 Yes [ ]  No [X]  
N/A

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.  
.....

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

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.  
.....

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
 If yes, attach an explanation.  
 Yes [ ]  No [ ] N/A [X]

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.  
 Yes [ ]  No [X] 02/01/2018

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.  
 Yes [ ]  No [X] 12/31/2017

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).  
 Yes [ ]  No [X] 07/02/2013

6.4 By what department or departments?  
 Ohio Department of Insurance

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?  
 Yes [ ]  No [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with?  
 Yes [ ]  No [X]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?  
 Yes [ ]  No [X]

7.2 If yes, give full information  
.....

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

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
 Yes [ ]  No [X]

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.  
 9.11 If the response to 9.1 is No, please explain:  
 9.2 Has the code of ethics for senior managers been amended?  
 Yes [ ]  No [X]  
 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?  
 Yes [ ]  No [X]  
 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

**FINANCIAL**

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?  
 Yes [X]  No [ ]  
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:  
\$..... 756,288

**INVESTMENT**

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

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

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

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

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

14.2 If yes, please complete the following:  
.....

**GENERAL INTERROGATORIES (Continued)**

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

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes  No 

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

If no, attach a description with this statement.

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

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

\$ ..... 0

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

\$ ..... 0

16.3 Total payable for securities lending reported on the liability page

\$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes  No 

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

1 Name of Custodian(s)	2 Custodian Address
Huntington National Bank .....	106 South Main St, Akron, OH 44308 .....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes  No 

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

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

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [" that have access to the investment accounts", " handle securities"]

1 Name of Firm or Individual	2 Affiliation
Chris Keller - Huntington Bank .....	U .....

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes  No 

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes  No 

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
.....	.....	.....	.....	.....

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

Yes  No 

18.2 If no, list exceptions:

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

a. Documentation necessary to permit a full credit analysis of the security does not exist.

b. Issuer or obligor is current on all contracted interest and principal payments.

c. 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

**GENERAL INTERROGATORIES****PART 2 - HEALTH**

## 1. Operating Percentages:

1.1 A&H loss percent	.....	88.749%
1.2 A&H cost containment percent	.....	0.549%
1.3 A&H expense percent excluding cost containment expenses	.....	15.771%

2.1 Do you act as a custodian for health savings accounts?

Yes[ ] No[X]

2.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$..... 0

2.3 Do you act as an administrator for health savings accounts?

Yes[ ] No[X]

2.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$..... 0

3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes[ ] No[X]

3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes[ ] No[X]

# SCHEDULE S - CEDED REINSURANCE

## Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>Accident and Health - Non-affiliates</b>								
93440 .....	06-1041332 .....	01/01/2018 .....	HM LIFE INS CO .....	PA .....	SSL/A/I .....	Authorized .....	.....	.....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Current Year to Date - Allocated by States and Territories**

State, Etc.	1 Active Status (a)	Direct Business Only								9 Deposit-Type Contracts
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama (AL) .....	N .....									
2. Alaska (AK) .....	N .....									
3. Arizona (AZ) .....	N .....									
4. Arkansas (AR) .....	N .....									
5. California (CA) .....	N .....									
6. Colorado (CO) .....	N .....									
7. Connecticut (CT) .....	N .....									
8. Delaware (DE) .....	N .....									
9. District of Columbia (DC) .....	N .....									
10. Florida (FL) .....	N .....									
11. Georgia (GA) .....	N .....									
12. Hawaii (HI) .....	N .....									
13. Idaho (ID) .....	N .....									
14. Illinois (IL) .....	N .....									
15. Indiana (IN) .....	N .....									
16. Iowa (IA) .....	N .....									
17. Kansas (KS) .....	N .....									
18. Kentucky (KY) .....	N .....									
19. Louisiana (LA) .....	N .....									
20. Maine (ME) .....	N .....									
21. Maryland (MD) .....	N .....									
22. Massachusetts (MA) .....	N .....									
23. Michigan (MI) .....	N .....									
24. Minnesota (MN) .....	N .....									
25. Mississippi (MS) .....	N .....									
26. Missouri (MO) .....	N .....									
27. Montana (MT) .....	N .....									
28. Nebraska (NE) .....	N .....									
29. Nevada (NV) .....	N .....									
30. New Hampshire (NH) .....	N .....									
31. New Jersey (NJ) .....	N .....									
32. New Mexico (NM) .....	N .....									
33. New York (NY) .....	N .....									
34. North Carolina (NC) .....	N .....									
35. North Dakota (ND) .....	N .....									
36. Ohio (OH) .....	L .....	86,273,863							86,273,863	
37. Oklahoma (OK) .....	N .....									
38. Oregon (OR) .....	N .....									
39. Pennsylvania (PA) .....	N .....									
40. Rhode Island (RI) .....	N .....									
41. South Carolina (SC) .....	N .....									
42. South Dakota (SD) .....	N .....									
43. Tennessee (TN) .....	N .....									
44. Texas (TX) .....	N .....									
45. Utah (UT) .....	N .....									
46. Vermont (VT) .....	N .....									
47. Virginia (VA) .....	N .....									
48. Washington (WA) .....	N .....									
49. West Virginia (WV) .....	N .....									
50. Wisconsin (WI) .....	N .....									
51. Wyoming (WY) .....	N .....									
52. American Samoa (AS) .....	N .....									
53. Guam (GU) .....	N .....									
54. Puerto Rico (PR) .....	N .....									
55. U.S. Virgin Islands (VI) .....	N .....									
56. Northern Mariana Islands (MP) .....	N .....									
57. Canada (CAN) .....	N .....									
58. Aggregate other alien (OT) .....	XXX .....									
59. Subtotal .....	XXX .....	86,273,863							86,273,863	
60. Reporting entity contributions for Employee Benefit Plans .....	XXX .....									
61. Total (Direct Business) .....	XXX .....	86,273,863							86,273,863	

**DETAILS OF WRITE-INS**

58001. ....	XXX .....								
58002. ....	XXX .....								
58003. ....	XXX .....								
58998. Summary of remaining write-ins for Line 58 from overflow page .....	XXX .....								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) .....	XXX .....								

(a) Active Status Counts:

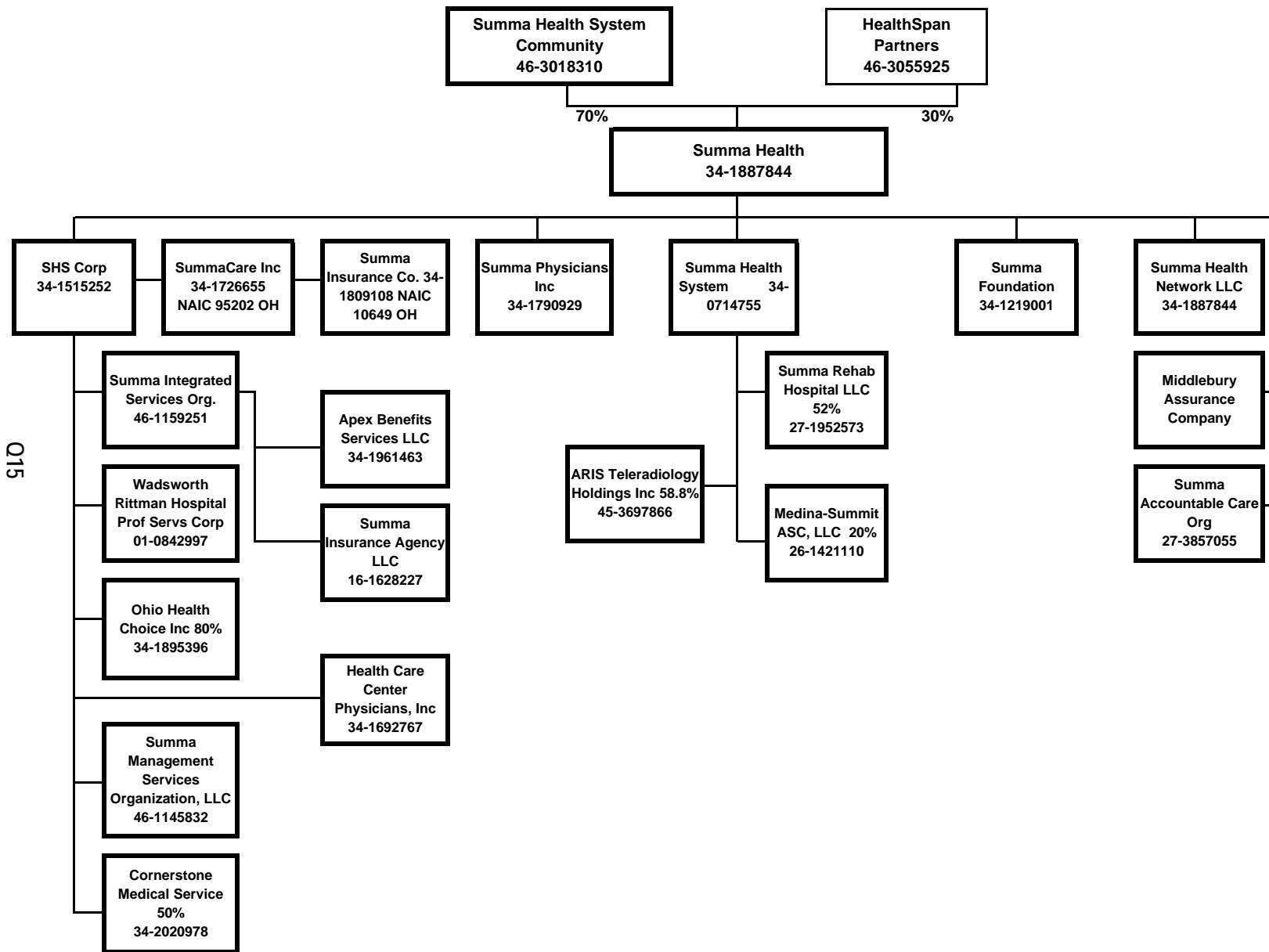
L Licensed or Chartered - Licensed insurance carrier or domiciled RRG  
 E Eligible - Reporting entities eligible or approved to write surplus lines in the state  
 N None of the above Not allowed to write business in the state

R Registered - Non-domiciled RRGs  
 Q Qualified - Qualified or accredited reinsurer

## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

## MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART



**SCHEDULE Y**  
**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
Q16	SUMMA INSURANCE COMPANY .....	95202	34-1726655	.....	.....	SUMMACARE INC .....	OH	UDP	SUMMA HEALTH SYSTEM CORP .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		10649	34-1809108	.....	.....	SUMMA INS CO INC .....	OH	RE	SUMMACARE .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1887844	.....	.....	SUMMA HEALTH .....	OH	UIP	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1515252	.....	.....	SUMMA HEALTH SYSTEM CORPORATION .....	OH	UIP	SUMMA HEALTH .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	16-1628227	.....	.....	SUMMA INSURANCE AGENCY LLC .....	OH	NIA	SUMMA INTEGRATED SERVICES ORGANIZATION .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	341961463	.....	.....	APEX BENEFITS SERVICES LLC .....	OH	NIA	SUMMA INTEGRATED SERVICES ORGANIZATION .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1895396	.....	.....	OHIO HEALTH CHOICE .....	OH	NIA	SUMMA HEALTH SYSTEM CORPORATION	Ownership .....	80.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-2020978	.....	.....	CORNERSTONE MEDICAL SERVICES .....	OH	NIA	SUMMA HEALTH SYSTEM CORPORATION	Ownership .....	50.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1692767	.....	.....	HEALTH CARE CENTER PHYSICIANS INC .....	OH	NIA	SUMMA HEALTH SYSTEM CORPORATION	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	341790929	.....	.....	SUMMA PHYSICIANS INC .....	OH	NIA	SUMMA HEALTH .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1219001	.....	.....	SUMMA FOUNDATION .....	OH	NIA	SUMMA HEALTH .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	45-3697866	.....	.....	ARIS TELERADIOLOGY .....	OH	NIA	SUMMA HEALTH SYSTEM .....	Ownership .....	58.8	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	27-1952573	.....	.....	SUMMA REHAB HOSPITAL .....	OH	NIA	SUMMA HEALTH SYSTEM .....	Ownership .....	52.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	26-1421110	.....	.....	MEDINA-SUMMIT ASC LLC .....	OH	NIA	SUMMA HEALTH SYSTEM .....	Ownership .....	20.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	34-1887844	.....	.....	SUMMA HEALTH NETWORK LLC .....	OH	NIA	SUMMA HEALTH .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	
		00000	27-3857055	.....	.....	SUMMA ACCOUNTABLE CARE ORGANIZATION .....	OH	NIA	SUMMA HEALTH .....	Ownership .....	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS	.....	N .....	

# SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Comp- any Code	4 ID Number	5 FEDERAL RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domic- iliary Loca- tion	10 Rela- tionship to Report- ing Entity	11 Directly Controlled by (Name of Entity / Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies) / Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
		00000				MIDDLEBURY ASSURANCE COMPANY	CYM	... IA ...	SUMMA HEALTH	Ownership	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS		N	
		00000	46-1145832			SUMMA MANAGEMENT SERVICES ORGANIZATION	OH	... NIA ...	SUMMA HEALTH SYSTEM CORPORATION	Ownership	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS		N	
		00000	46-1159251			SUMMA INTEGRATED SERVICES ORGANIZATION	OH	... NIA ...	SUMMA HEALTH SYSTEM CORPORATION	Ownership	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS		N	
		00000	46-3018310			SUMMA HEALTH SYSTEM COMMUNITY	OH	... UIP ...						N	0000001
		00000	46-3055925			HEALTHSPAN PARTNERS	OH	... UIP ...						N	0000002
		00000	01-0842997			WADSWORTH RITTMAN HOSPITAL PROFESSIONAL SERVICES CORP	OH	... NIA ...	SUMMA HEALTH SYSTEM CORPORATION	Ownership	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS		N	
		00000	34-0714755			SUMMA HEALTH SYSTEM	OH	... NIA ...	SUMMA HEALTH	Ownership	100.0	SUMMA HEALTH SYSTEM COMMUNITY / HEALTHSPAN PARTNERS		N	

Q16.1

Asterisk	Explanation
0000001	SUMMA HEALTH SYSTEM COMMUNITY IS THE ULTIMATE CONTROLLING ENTITY WITH 70% OWNERSHIP.
0000002	HEALTHSPAN PARTNERS IS THE ULTIMATE CONTROLLING ENTITY WITH 30% OWNERSHIP.
0000003	

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

### RESPONSE

No

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



10649201836500002

2018

Document Code: 365

**OVERFLOW PAGE FOR WRITE-INS****ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)				
2504. Premium Tax Recoverable				
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)				

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
0697. Summary of remaining write-ins for Line 6 (Lines 0604 through 0696)	XXX			
0797. Summary of remaining write-ins for Line 7 (Lines 0704 through 0796)	XXX			
1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496)				
2904. Write off of tax receivable				
2905. Miscellaneous Income				
2906. Minority Interest Income (Expense)				
2907. City Taxes				
2908. Network Access Fees - Providers				
2909. Minority Interest Expense				
2910. Gain on the sale of fixed assets				
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996)				

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

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
			(1)
4704.			
4705.			
4706.			
4707.			
4708. Retired treasury stock			
4709. 2008 adjustments to minority interest & federal taxes			
4710. Common Stock Adjustment			
4711. Misc. Adjustment			
4712. Increase par value of common stock			
4713. Correction of an error - 2006 Premium Taxes			
4714. Deferred gain on sale of bonds to SummaCare, Inc.			
4715. Federal income tax adjustment			
4716. Miscellaneous			
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796)			(1)

**SCHEDULE A - VERIFICATION**

## Real Estate

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

**SCHEDULE B - VERIFICATION**

## Mortgage Loans

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

**SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

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

**SCHEDULE D - VERIFICATION**

## Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	29,627,008	38,910,437
2. Cost of bonds and stocks acquired .....	.....	3,012,305
3. Accrual of discount .....	7,225	27,197
4. Unrealized valuation increase (decrease) .....	.....	.....
5. Total gain (loss) on disposals .....	.....	.....
6. Deduct consideration for bonds and stocks disposed of .....	5,600,000	12,300,000
7. Deduct amortization of premium .....	13,717	22,931
8. Total foreign exchange change in book/adjusted carrying value .....	.....	.....
9. Deduct current year's other-than-temporary impairment recognized .....	.....	.....
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	.....	.....
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) .....	24,020,516	29,627,008
12. Deduct total nonadmitted amounts .....	.....	.....
13. Statement value at end of current period (Line 11 minus Line 12) .....	24,020,516	29,627,008

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	29,930,602	.....	.....	180,856	29,930,602	30,111,458	.....	29,880,048
2. NAIC 2 (a) .....	.....	.....	.....	.....	.....	.....	.....	.....
3. NAIC 3 (a) .....	.....	.....	.....	.....	.....	.....	.....	.....
4. NAIC 4 (a) .....	.....	.....	.....	.....	.....	.....	.....	.....
5. NAIC 5 (a) .....	.....	.....	.....	.....	.....	.....	.....	.....
6. NAIC 6 (a) .....	.....	.....	.....	.....	.....	.....	.....	.....
7. Total Bonds .....	29,930,602	.....	.....	180,856	29,930,602	30,111,458	.....	29,880,048
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	.....	.....	.....	.....	.....	.....	.....	.....
9. NAIC 2 .....	.....	.....	.....	.....	.....	.....	.....	.....
10. NAIC 3 .....	.....	.....	.....	.....	.....	.....	.....	.....
11. NAIC 4 .....	.....	.....	.....	.....	.....	.....	.....	.....
12. NAIC 5 .....	.....	.....	.....	.....	.....	.....	.....	.....
13. NAIC 6 .....	.....	.....	.....	.....	.....	.....	.....	.....
14. Total Preferred Stock .....	.....	.....	.....	.....	.....	.....	.....	.....
15. Total Bonds & Preferred Stock .....	29,930,602	.....	.....	180,856	29,930,602	30,111,458	.....	29,880,048

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....6,090,942; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1****Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. <b>Totals</b>	6,090,942	XXX	6,090,942	9,683	

**SCHEDULE DA - Verification****Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	253,040	455,615
2. Cost of short-term investments acquired .....	5,837,902	
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....		202,575
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	6,090,942	253,040
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	6,090,942	253,040

**SI04 Schedule DB - Part A Verification** ..... **NONE**

**SI04 Schedule DB - Part B Verification** ..... **NONE**

**SI05 Schedule DB Part C Section 1** ..... **NONE**

**SI06 Schedule DB Part C Section 2** ..... **NONE**

**SI07 Schedule DB - Verification** ..... **NONE**

**SI08 Schedule E - Verification (Cash Equivalents)** ..... **NONE**

**E01 Schedule A Part 2 .....** **NONE**

**E01 Schedule A Part 3 .....** **NONE**

**E02 Schedule B Part 2 .....** **NONE**

**E02 Schedule B Part 3 .....** **NONE**

**E03 Schedule BA Part 2 .....** **NONE**

**E03 Schedule BA Part 3 .....** **NONE**

**E04 Schedule D Part 3 .....** **NONE**

## SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)	
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B.A.C.V.								
912828UZ1	U.S. Treasury Note .....	04/30/2018	Matured .....	XXX	500,000	500,000	485,156	498,672		1,328		1,328		500,000				1,027	04/30/2018	1 .....	
912828VE7	U.S. Treasury Note .....	05/31/2018	Matured .....	XXX	2,500,000	2,500,000	2,491,016	2,494,922		5,078		5,078		2,500,000				10,302	05/31/2018	1 .....	
3137EABP3	FHLMC .....	06/13/2018	Matured .....	XXX	100,000	100,000	101,871	101,499		(1,498)		(1,498)		100,000				2,194	06/13/2018	1 .....	
0599999 Subtotal - Bonds - U.S. Governments .....				XXX	3,100,000	3,100,000	3,078,043	3,095,093		4,908		4,908		3,100,000				13,523	XXX ..	XXX ..	
8399997 Subtotal - Bonds - Part 4 .....				XXX	3,100,000	3,100,000	3,078,043	3,095,093		4,908		4,908		3,100,000				13,523	XXX ..	XXX ..	
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
8399999 Subtotal - Bonds .....				XXX	3,100,000	3,100,000	3,078,043	3,095,093		4,908		4,908		3,100,000				13,523	XXX ..	XXX ..	
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
8999999 Subtotal - Preferred Stocks .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
9799999 Subtotal - Common Stocks .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
9899999 Subtotal - Preferred and Common Stocks .....				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX ..	XXX ..	XXX ..
9999999 Total - Bonds, Preferred and Common Stocks .....				XXX	3,100,000	XXX	3,078,043	3,095,093		4,908		4,908		3,100,000				13,523	XXX ..	XXX ..	

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

**E06 Schedule DB Part A Section 1 .....** **NONE**

**E07 Schedule DB Part B Section 1 .....** **NONE**

**E08 Schedule DB Part D Section 1 .....** **NONE**

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

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

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

**E11 Schedule DL - Part 2 - Securities Lending Collateral Assets .....** **NONE**

**SCHEDULE E - PART 1 - CASH****Month End Depository Balances**

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
<b>open depositories</b>										
Huntington Bank .....	Akron, Ohio .....						8,851,889	11,732,756	7,188,269	XXX
Huntington Bank Money Market .....	Akron, Ohio .....			0.150	209		570,432	570,504	1,066	XXX
0199998 Deposits in .....0	depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		XXX	XXX ..						XXX
0199999 Totals - Open Depositories .....			XXX	XXX ..	209		9,422,321	12,303,260	7,189,335	XXX
0299998 Deposits in .....0	depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....		XXX	XXX ..						XXX
0299999 Totals - Suspended Depositories .....			XXX	XXX ..						XXX
0399999 Total Cash On Deposit .....			XXX	XXX ..	209		9,422,321	12,303,260	7,189,335	XXX
0499999 Cash in Company's Office .....			XXX	XXX ..	XXX ..	XXX ..				XXX
0599999 Total Cash .....			XXX	XXX ..	209		9,422,321	12,303,260	7,189,335	XXX

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

Show Investments Owned End of Current Quarter

1 Cusip	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
8899999 Total - Cash Equivalents .....								

**N O N E**

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