

# QUARTERLY STATEMENT

OF THE

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OFFICE OF RISK  
ASSESSMENT

# COSE Health and Wellness Trust

Of

Cleveland

in the state of

Ohio

to the Insurance Department

of the State of Ohio

For the Period Ended

June 30, 2018

2018



# HEALTH QUARTERLY STATEMENT

As of June 30, 2018  
of the Condition and Affairs of the

## COSE Health and Wellness Trust

NAIC Group Code..... 0, 0  
(Current Period) (Prior Period)

NAIC Company Code..... 122

Employer's ID Number..... 81-6240902

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Licensed as Business Type Health

Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... February 18, 2016

Commenced Business..... August 22, 2016

Statutory Home Office

1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

216-592-2200

(Area Code) (Telephone Number)

Main Administrative Office

1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

216-592-2200

(Area Code) (Telephone Number)

Mail Address

1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

216-592-2200

(Area Code) (Telephone Number)

Primary Location of Books and Records

1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

216-592-2200

(Area Code) (Telephone Number)

Internet Web Site Address

www.cosemewa.com

216-592-2292

(Area Code) (Telephone Number)

Statutory Statement Contact

Timothy E DiPlacido

(Name)

Tdiplicido@gcpartnership.com

(E-Mail Address)

(Fax Number)

### OFFICERS

Name  
1. Timothy Maynard Reynolds  
3.

Title  
Chairman

Name  
2. John Luterman  
4.

Title  
Plan Administrator

### OTHER

### DIRECTORS OR TRUSTEES

Timothy Maynard Reynolds  
James Frederick Harmon

Elyse Anne Logan

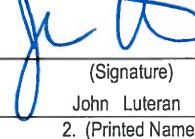
Martha Judith Lanning

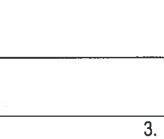
Robert Richard Nicolay III

State of..... Idaho  
County of..... Cuyahoga

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

  
(Signature)  
Timothy Maynard Reynolds  
1. (Printed Name)  
Chairman  
(Title)

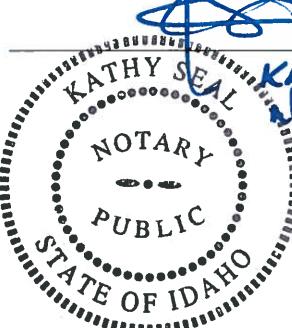
  
(Signature)  
John Luterman  
2. (Printed Name)  
Plan Administrator  
(Title)

  
(Signature)  
Robert Richard Nicolay III  
3. (Printed Name)  
(Title)

Subscribed and sworn to before me  
This 24 day of August, 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 [ ]

  
KATHY SEAL  
NOTARY PUBLIC  
STATE OF IDAHO

  
DANA STOIA  
NOTARY PUBLIC  
STATE OF OHIO  
Recorded in  
Cuyahoga County  
My Comm. Exp. 9/27/18

08/08/2018 8:05:46 AM

**ASSETS**

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	12,993,147		12,993,147	4,779,852
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....3,339,538), cash equivalents (\$....12,830,090) and short-term investments (\$....1,624,927).....	17,794,555		17,794,555	9,303,321
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	30,787,702	0	30,787,702	14,083,173
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	72,720		72,720	26,645
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	214,916		214,916	258,760
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	65,411		65,411	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....	140,192		140,192	228,880
25. Aggregate write-ins for other than invested assets.....	71,167	71,167	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	31,352,107	71,167	31,280,940	14,597,458
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	31,352,107	71,167	31,280,940	14,597,458

**DETAILS OF WRITE-INS**

1101. Prepaid Business Insurance.....			0	
1102. Prepaid State Certification Fee.....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid Business Insurance.....	55,167	55,167	0	
2502. Prepaid State Certification Fee.....			0	
2503. Prepaid State Domestic Assessment Fee.....	16,000	16,000	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	71,167	71,167	0	0

**COSE Health and Wellness Trust**  
**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	16,151,666		16,151,666	6,116,369
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	646,067		646,067	244,688
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	1,335,912		1,335,912	587,611
9. General expenses due or accrued.....	103,168		103,168	104,410
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....	54,474		54,474	28,170
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....			0	
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	4,194	0	4,194	0
24. Total liabilities (Lines 1 to 23).....	18,295,481	0	18,295,481	7,081,248
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX		
29. Surplus notes.....	XXX	XXX	5,000,000	5,000,000
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	7,985,459	2,516,209
32. Less treasury stock, at cost:				
32.1 ....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 ....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	12,985,459	7,516,209
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	31,280,940	14,597,458

## DETAILS OF WRITE-INS

2301. Ohio Trust Tax Payable - State.....	4,194		4,194	
2302. ....			0	
2303. ....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	4,194	0	4,194	0
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
3001. ....				
3002. ....				
3003. ....				
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3	4 Total
1. Member months.....	XXX.....	153,629	34,063	96,143
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	59,258,747	12,129,830	34,486,720
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....			
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....			
5. Risk revenue.....	XXX.....			
6. Aggregate write-ins for other health care related revenues.....	XXX.....	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	59,258,747	12,129,830	34,486,720
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits.....		31,059,007	5,516,546	16,936,402
10. Other professional services.....		2,040,541	348,799	976,368
11. Outside referrals.....		202,105	34,097	378,888
12. Emergency room and out-of-area.....		3,721,243	1,172,159	2,786,295
13. Prescription drugs.....		8,252,389	2,268,375	5,260,533
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....				
16. Subtotal (Lines 9 to 15).....	0	45,275,284	9,339,976	26,338,486
<b>Less:</b>				
17. Net reinsurance recoveries.....		507,098		19,399
18. Total hospital and medical (Lines 16 minus 17).....	0	44,768,187	9,339,976	26,319,087
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....		401,378	174,344	244,688
21. General administrative expenses.....		8,635,421	1,974,682	5,372,350
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....				
23. Total underwriting deductions (Lines 18 through 22).....	0	53,804,986	11,489,001	31,936,125
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	5,453,761	640,829	2,550,595
25. Net investment income earned.....		150,289	13,965	89,546
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....				
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	150,289	13,965	89,546
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....				
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	5,604,049	654,794	2,640,141
31. Federal and foreign income taxes incurred.....	XXX.....	69,514		26,447
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	5,534,535	654,794	2,613,694

**DETAILS OF WRITE-INS**

0601.....	XXX.....			
0602.....	XXX.....			
0603.....	XXX.....			
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX.....	0	0	0
0701.....	XXX.....			
0702.....	XXX.....			
0703.....	XXX.....			
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX.....	0	0	0
'401.....				
'402.....				
'403.....				
'498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
'499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901.....				
2902.....				
2903.....				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0	0	0

**COSE Health and Wellness Trust**  
**STATEMENT OF REVENUE AND EXPENSES (Continued)**

CAPITAL AND SURPLUS ACCOUNT	1	2	3
	Current Year to Date	Prior Year To Date	Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	7,516,209	4,903,315	4,903,315
34. Net income or (loss) from Line 32.....	5,534,535	654,794	2,613,694
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.....	(65,285)	(25,089)	(800)
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....			
43. Cumulative effect of changes in accounting principles.....			
44. Capital changes:			
44.1 Paid in.....			
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....			
45.2 Transferred to capital (Stock Dividend).....			
45.3 Transferred from capital.....			
46. Dividends to stockholders.....			
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	5,469,250	629,706	2,612,894
49. Capital and surplus end of reporting period (Line 33 plus 48).....	12,985,459	5,533,020	7,516,209

**DETAILS OF WRITE-INS**

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

# COSE Health and Wellness Trust

## 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.....	60,050,894	12,264,207	34,729,814
2. Net investment income.....	107,520	13,965	69,866
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	60,158,413	12,278,172	34,799,680
5. Benefit and loss related payments.....	34,709,614	5,685,073	21,039,320
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	8,632,469	1,967,563	5,505,637
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	43,210		(1,723)
10. Total (Lines 5 through 9).....	43,385,292	7,652,637	26,543,234
11. Net cash from operations (Line 4 minus Line 10).....	16,773,121	4,625,535	8,256,446
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	8,216,601		4,786,817
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	8,216,601	0	4,786,817
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(8,216,601)	0	(4,786,817)
<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.....			
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).....	(65,285)	(25,089)	(800)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(65,285)	(25,089)	(800)
<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 Line 15 plus Line 17).....	8,491,234	4,600,446	3,468,830
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	9,303,321	5,834,491	5,834,491
19.2 End of period (Line 18 plus Line 19.1).....	17,794,555	10,434,937	9,303,321

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	2 Individual	3 Group	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
<b>Total Members at End of:</b>										
1. Prior Year.....	12,746			12,746						
2. First Quarter.....	26,244			26,244						
3. Second Quarter.....	30,572			30,572						
4. Third Quarter.....	0									
5. Current Year.....	0									
6. Current Year Member Months.....	153,629			153,629						
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician.....	71,198			71,198						
8. Non-Physician.....	50,168			50,168						
9. Total.....	121,366	0		121,366	0					0
10. Hospital Patient Days Incurred.....	1,762			1,762						
11. Number of Inpatient Admissions.....	458			458						
12. Health Premiums Written (a).....	84,348,389			84,348,389						
13. Life Premiums Direct.....	0			64,348,389						
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	84,348,389			64,348,389						
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services.....	44,041,987				44,041,987					
18. Amount Incurred for Provision of Health Care Services.....	45,275,284					45,275,284				

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

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

	1 Account	Aging Analysis of Unpaid Claims						7 Total
		2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days		
<b>Claims Unpaid (Reported)</b>								
0599999. Unreported Claims and Other Claim Reserves.....								16,151,666
0799999. Total Claims Unpaid.....								16,151,666

# UNDERWRITING AND INVESTMENT EXHIBIT

## Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Analysis of Claims Unpaid - Prior Year - Net of Reinsurance			Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year		
1. Comprehensive (hospital and medical).....	5,367,493	29,365,397	834,224	15,317,442	6,201,717.....6,116,369
2. Medicare Supplement.....					0.....0
3. Dental only.....					0.....0
4. Vision only.....					0.....0
5. Federal Employees Health Benefits Plan.....					0.....0
6. Title XVII - Medicare.....					0.....0
7. Title XIX - Medicaid.....					0.....0
8. Other health.....					0.....0
9. Health subtotal (Lines 1 to 8).....	5,367,493	29,365,397	834,224	15,317,442	6,201,717.....6,116,369
10. Healthcare receivables (a).....					0.....0
11. Other non-health.....					0.....0
12. Medical incentive pools and bonus amounts.....					0.....0
13. Totals (Lines 9+10+11+12).....	5,367,493	29,365,397	834,224	15,317,442	6,201,717.....6,116,369

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

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

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) COSE Health and Wellness Trust Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ 5,534,535	\$ 2,613,694
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 5,534,535	\$ 2,613,694
<b>SURPLUS</b>					
(5) COSE Health and Wellness Trust Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 12,985,459	\$ 7,516,209
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 12,985,459	\$ 7,516,209

**C. Accounting Policy**

These financial statements have been prepared in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual.

(6) Basis for Loan-Backed Securities and Adjustment Methodology  
Not Applicable

**D. Going Concern**

There is no substantial doubt by Management or the Trustees about the COSE Health and Wellness Trust's ability to continue as a Going Concern.

**Note 2 – Accounting Changes and Corrections of Errors**

No significant changes

**Note 3 – Business Combinations and Goodwill**

Not Applicable

**Note 4 – Discontinued Operations**

Not Applicable

**Note 5 – Investments**

Not Applicable

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

Not Applicable

**Note 7 – Investment Income**

No investment income was classified for exclusion.

**Note 8 – Derivative Instruments**

Not Applicable

**Note 9 – Income Taxes**

No significant changes

**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

Not Applicable

**Note 11 – Debt**

Not Applicable

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

Not Applicable

**NOTES TO FINANCIAL STATEMENTS****Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

There were no changes to the Surplus Level since the initial funding on August 15, 2016.

**Note 14 – Liabilities, Contingencies and Assessments**

Not Applicable

**Note 15 – Leases**

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable

**Note 20 – Fair Value Measurements****A. Fair Value Measurements**

The Company restated or reported no assets or liabilities at fair value as of June 30th, 2018.

**B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements**

Not Applicable

**C. Fair Value Level**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$ 12,993,147	\$ 12,993,147	\$	\$ 12,993,147	\$	\$	\$

**D. Not Practicable to Estimate Fair Value**

Not Applicable

**Note 21 – Other Items**

Not Applicable

**Note 22 – Events Subsequent**

Subsequent events have been considered through August 10th, 2018 for these statutory financial statements which are to be issued on August 15th, 2018. There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

**Note 23 – Reinsurance**

No significant changes

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination****E. Risk Sharing Provisions of the Affordable Care Act**

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions

Yes [ ] No [X]

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

	AMOUNT
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$
3. Premium adjustments payable due to ACA Risk Adjustment	\$
Operations (Revenue & Expenses)	

**NOTES TO FINANCIAL STATEMENTS**

a. Permanent ACA Risk Adjustment Program		AMOUNT
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		\$
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)		\$

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

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

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

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year	Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year	Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date		
			Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)	
	1	2	3	4	5	6	7	8	0	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program										
1. Premium adjustments receivable	\$	\$	\$	\$	\$	\$	\$	\$	A	\$
2. Premium adjustments (payable)									B	
3. Subtotal ACA Permanent Risk Adjustment Program	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
b. Transitional ACA Reinsurance Program										
1. Amounts recoverable for claims paid	\$	\$	\$	\$	\$	\$	\$	\$	C	\$
2. Amounts recoverable for claims unpaid (contra liability)									D	
3. Amounts receivable relating to uninsured plans									E	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums									F	
5. Ceded reinsurance premiums payable									G	
6. Liability for amounts held under uninsured plans									H	
7. Subtotal ACA Transitional Reinsurance Program	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
c. Temporary ACA Risk Corridors Program										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$
2. Reserve for rate credits or policy experience rating refunds									J	
3. Subtotal ACA Risk Corridors Program	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8	0	10	
d.	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	
d.	Total for ACA Risk Sharing Provisions	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

## Explanations of Adjustments

- A.
- B.
- C.
- D.
- E.
- F.
- G.
- H.
- I.
- J.

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

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8	9	10	
a.	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	
a.	2014										
1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2.	Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b.	2015										
1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2.	Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c.	2018										
1.	Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2.	Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d.	Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$		\$	\$

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

## (5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts Received from CMS	4 Asset Balance (Gross of Non-Admissions) (1-2-3)	5 Non-Admitted Amount	5 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2017						
c. 2018						
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

## Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

On June 30th, 2018, the Trust completed 22 months of operation and is still experiencing significant participation and premium growth. With creditability still a factor, combined with the significant growth, Management exercised a conservative approach to the Trust's reserve balance.

Reserves as of June 30th, 2018 were \$50.884 million. As of June 30th, 2018, \$34.733 million has been paid for claims and \$16.151 million reserved (IBNR) attributed to insured future events of the current year. A reserve of \$6,116 million was established in 2017 for the prior year claims. Claims paid in 2018 associated with this reserve were \$6,202 million, leaving the prior year reserve under-reserved by 1.4% or \$85K. An insignificant amount of remaining 2017 claims are anticipated to be paid in the future. The IBNR level of reserve was calculated and verified by the Company's outside Actuary. The calculated Loss Ratio was 76%. With the Trust experiencing only 22 months of claims experience, Management decided to reserve to the same Loss Ratio of 76%. A level close to 80%, the early pro-forma assumption of the Trust.

Management evaluates the adjustments to reserves monthly along with the Trust's outside Actuary.

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## **NOTES TO FINANCIAL STATEMENTS**

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**Note 26 – Intercompany Pooling Arrangements**

No Applicable

**Note 27 – Structured Settlements**

Not Applicable for Health Companies

**Note 28 – Health Care Receivables**

No Applicable

**Note 29 – Participating Policies**

No Applicable

**Note 30 – Premium Deficiency Reserves**

No reserve was necessary to establish as of June 30th, 2018.

**Note 31 – Anticipated Salvage 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]

1.2 If yes, has the report been filed with the domiciliary state?  Yes [ ]  No [ ]

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

2.2 If yes, date of change: \_\_\_\_\_

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

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

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

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

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

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

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 [X]  N/A [ ]

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

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. \_\_\_\_\_

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). \_\_\_\_\_

6.4 By what department or departments?

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

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

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

7.2 If yes, give full information:

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

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

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

8.4 If the response to 8.3 is yes, please provide below the names and 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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  Yes [X]  No [ ]

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

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).

# COSE Health and Wellness Trust

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### FINANCIAL

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

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

#### INVESTMENT

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

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

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

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

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:

14.21	Bonds
14.22	Preferred Stock
14.23	Common Stock
14.24	Short-Term Investments
14.25	Mortgage 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

1	2
Prior Year End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
\$ 0	\$ 0
0	0
0	0
0	0
0	0
0	0
\$ 0	\$ 0
\$ 0	\$ 0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

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

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

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

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

17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No [ ]

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

1	2
Name of Custodian(s)	Custodian Address
PNC Institutional Asset Management	PNC Center, 1900 East 9th St., Cleveland, OH 44114

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]

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

1	2	3	4
Old Custodian	New Custodian	Date of Change	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	2
Name of Firm or Individual	Affiliation
PNC Institutional Asset Management	U
Group Services, Inc. (MEWA Administrator)	A

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 [X] 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 [X]

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

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
	PNC Institutional Asset Management		OCC	NO
	Group Services, Inc., (MEWA Administrator)			NO

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

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 [X]

**GENERAL INTERROGATORIES (continued)****PART 2 - HEALTH**

## 1. Operating Percentages:

1.1 A&H loss percent .....	76.4 %
1.2 A&H cost containment percent .....	0.0 %
1.3 A&H expense percent excluding cost containment expenses .....	13.5 %

2.1 Do you act as a custodian for health savings accounts? .....	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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 <input type="checkbox"/>	No <input checked="" type="checkbox"/>
2.4 If yes, please provide the amount of 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 <input type="checkbox"/>	No <input type="checkbox"/>
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 or the reporting entity?.....	Yes <input type="checkbox"/>	No <input type="checkbox"/>

**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
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**NONE**

# COSE Health and Wellness Trust

## 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.							0	
2. Alaska.....	AK ..N.							0	
3. Arizona.....	AZ ..N.							0	
4. Arkansas.....	AR ..N.							0	
5. California.....	CA ..N.							0	
6. Colorado.....	CO ..N.							0	
7. Connecticut.....	CT ..N.							0	
8. Delaware.....	DE ..N.							0	
9. District of Columbia.....	DC ..N.							0	
10. Florida.....	FL ..N.							0	
11. Georgia.....	GA ..N.							0	
12. Hawaii.....	HI ..N.							0	
13. Idaho.....	ID ..N.							0	
14. Illinois.....	IL ..N.							0	
15. Indiana.....	IN ..N.							0	
16. Iowa.....	IA ..N.							0	
17. Kansas.....	KS ..N.							0	
18. Kentucky.....	KY ..N.							0	
19. Louisiana.....	LA ..N.							0	
20. Maine.....	ME ..N.							0	
21. Maryland.....	MD ..N.							0	
22. Massachusetts.....	MA ..N.							0	
23. Michigan.....	MI ..N.							0	
24. Minnesota.....	MN ..N.							0	
25. Mississippi.....	MS ..N.							0	
26. Missouri.....	MO ..N.							0	
27. Montana.....	MT ..N.							0	
28. Nebraska.....	NE ..N.							0	
29. Nevada.....	NV ..N.							0	
30. New Hampshire.....	NH ..N.							0	
31. New Jersey.....	NJ ..N.							0	
32. New Mexico.....	NM ..N.							0	
33. New York.....	NY ..N.							0	
34. North Carolina.....	NC ..N.							0	
35. North Dakota.....	ND ..N.							0	
36. Ohio.....	OH ..L.	64,348,389						64,348,389	
37. Oklahoma.....	OK ..N.							0	
38. Oregon.....	OR ..N.							0	
39. Pennsylvania.....	PA ..N.							0	
40. Rhode Island.....	RI ..N.							0	
41. South Carolina.....	SC ..N.							0	
42. South Dakota.....	SD ..N.							0	
43. Tennessee.....	TN ..N.							0	
44. Texas.....	TX ..N.							0	
45. Utah.....	UT ..N.							0	
46. Vermont.....	VT ..N.							0	
47. Virginia.....	VA ..N.							0	
48. Washington.....	WA ..N.							0	
49. West Virginia.....	WV ..N.							0	
50. Wisconsin.....	WI ..N.							0	
51. Wyoming.....	WY ..N.							0	
52. American Samoa.....	AS ..N.							0	
53. Guam.....	GU ..N.							0	
54. Puerto Rico.....	PR ..N.							0	
55. U.S. Virgin Islands.....	VI ..N.							0	
56. Northern Mariana Islands.....	MP ..N.							0	
57. Canada.....	CAN ..N.							0	
58. Aggregate Other alien.....	OT ..XXX.	0	0	0	0	0	0	0	0
59. Subtotal.....	XXX.	64,348,389	0	0	0	0	0	64,348,389	0
60. Reporting entity contributions for Employee Benefit Plans.....	XXX.							0	
61. Total (Direct Business).....	XXX.	64,348,389	0	0	0	0	0	64,348,389	0

## DETAILS OF WRITE-INS

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58 from overflow page.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		0	0	0	0	0	0	0	0

(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	1	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state .....	0	Q - Qualified - Qualified or accredited reinsurer.....	0
		N - None of the above - Not allowed to write business in the state.....	56

**Sch. Y - Pt. 1**  
**NONE**

**Sch. Y - Pt. 1A**  
**NONE**

Statement as of June 30, 2018 of the **COSE Health and Wellness Trust**  
**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

Response

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

NO

Explanation:

1. The data for this supplement is not required to be filed.

Bar Code:



**COSE Health and Wellness Trust**  
**Overflow Page for Write-Ins**

**NONE**

**COSE Health and Wellness Trust**  
**SCHEDULE A - VERIFICATION**

## Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	.0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	.0	0

**NONE**

**SCHEDULE B - VERIFICATION**

## Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recording investment excluding accrued interest, December 31 of prior year.....	.0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recording investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recording investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	.0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	.0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	.0	0

**SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	.0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	.0	0

**SCHEDULE D - VERIFICATION**

## Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	4,779,852	
2. Cost of bonds and stocks acquired.....	8,216,601	4,786,817
3. Accrual of discount.....	7,552	438
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration for bonds and stocks disposed of.....		
7. Deduct amortization of premium.....	10,859	7,402
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).....	12,993,147	4,779,852
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	12,993,147	4,779,852

**SCHEDULE D - PART 1B**

## Showing the Acquisitions, Dispositions and Non-Trading Activity

NAIC Designation		During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation						Book/Adjusted Carrying Value December 31 Prior Year	
		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	
<b>BONDS</b>									
1. NAIC 1 (a)		9,737,582	5,022,792	575,000	(2,842)	9,737,582	14,182,531		5,938,394
2. NAIC 2 (a)		197,590	237,623		330	197,590	435,542		
3. NAIC 3 (a)							0		
4. NAIC 4 (a)							0		
5. NAIC 5 (a)							0		
6. NAIC 6 (a)							0		
7. Total Bonds		9,935,172	5,260,414	575,000	(2,513)	9,935,172	14,618,073	0	5,938,394
<b>PREFERRED STOCK</b>									
8. NAIC 1							0		
9. NAIC 2							0		
10. NAIC 3							0		
11. NAIC 4							0		
12. NAIC 5							0		
13. NAIC 6							0		
14. Total Preferred Stock		0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock		9,935,172	5,260,414	575,000	(2,513)	9,935,172	14,618,073	0	5,938,394

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**SCHEDULE DA - PART 1**

## Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	1,624,927	XXX.....	1,634,003	13,534	4,064

**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.....	1,158,542	.....
2. Cost of short-term investments acquired.....	1,051,868	.....1,164,989
3. Accrual of discount.....	1,334	.....(6,447)
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	.....	.....
6. Deduct consideration received on disposals.....	575,000	.....
7. Deduct amortization of premium.....	11,817	.....
8. Total foreign exchange change in book/adjusted carrying value.....	.....	.....
9. Deduct current year's other-than-temporary impairment recognized.....	.....	.....
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,624,927	.....1,158,542
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	1,624,927	.....1,158,542

**Sch. DB - Pt. A - Verification**  
**NONE**

**Sch. DB - Pt. B - Verification**  
**NONE**

**Sch. DB - Pt. C - Sn. 1**  
**NONE**

**Sch. DB - Pt. C - Sn. 2**  
**NONE**

**Sch. DB - Verification**  
**NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

## Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	5,897,146	
2. Cost of cash equivalents acquired.....	6,932,944	5,897,146
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		
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).....	12,830,090	5,897,146
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	12,830,090	5,897,146

**Sch. A - Pt. 2**  
**NONE**

**Sch. A - Pt. 3**  
**NONE**

**Sch. B - Pt. 2**  
**NONE**

**Sch. B - Pt. 3**  
**NONE**

**Sch. BA - Pt. 2**  
**NONE**

**Sch. BA - Pt. 3**  
**NONE**

## SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Government</b>									
3133EG RW 7 FEDERAL FARM CREDIT BANK, 1.67%, DUE 8/23/22.....			06/13/2018.....	PNC INVESTMENTS.....		475,370			2,575 1FE.....
3133EH WR 0 FEDERAL FARM CREDIT BANK, 1.90%, DUE 9/1/2021.....			06/13/2018.....	PNC INVESTMENTS.....		486,175			2,718 1FE.....
3130AD DT 6 FEDERAL HOME LOAN BANK, 2.25%, DUE 12/9/2021.....			06/13/2018.....	PNC INVESTMENTS.....		492,825			4,219 1FE.....
3131EA EM 7 FEDERAL HOME LOAN MTG. 2.5% DUE 4/23/2020.....			06/18/2018.....	PNC INVESTMENTS.....		499,190			2,083 1FE.....
3135G0 Q8 9 FEDERAL NATL. MTG ASSN., 1.375% DUE 10/07/2021.....			06/18/2018.....	PNC INVESTMENTS.....		500,000			1,375 1FE.....
3135G0 ZG 1 FEDERAL NATL. MTG ASSN., 1.75% DUE 9/12/2019.....			06/18/2018.....	PNC INVESTMENTS.....		478,780			2,358 1FE.....
3135G0 H5 5 FEDERAL NATL. MTG ASSN., 1.875% DUE 12/28/2020.....			06/18/2018.....	PNC INVESTMENTS.....		495,644			
05999998. Total - Bonds - U.S. Government.....						490,465			4,453 1FE.....
						3,418,469			19,780 XXX.....
<b>Bonds - Industrial and Miscellaneous</b>									
00206R BN 1 AT&T 2.625% Due 12/1/2022 Call 9/1/22.....			06/13/2018.....	PNC Investments.....		237,623			255 2FE.....
02655W CA 7 American Honda Finance 2.8% Due 1/16/2022.....			06/13/2018.....	PNC Investments.....		243,800			524 1FE.....
037633 AK 6 Apple Inc. 2.4% Due 05/03/2023.....			06/13/2018.....	PNC Investments.....		240,383			700 1FE.....
084670 BR 8 Berkshire Hathaway Inc., 2.75% Due 3/15/2023.....			06/13/2018.....	PNC Investments.....		293,115			2,063 1FE.....
30231G AR 3 Exxon Mobil Corp., 2.726% Due 3/12/2023, Call.....			06/13/2018.....	PNC Investments.....		293,586			2,363 1FE.....
56933Y AF 2 Merck & Co Inc., 2.80%, Due 05/18/2023.....			06/13/2018.....	PNC Investments.....		293,682			630 1FE.....
92826C AG 7 VISA Inc. 2.15%, Due 9/15/2022.....			06/13/2018.....	PNC Investments.....		239,758			1,344 1FE.....
36999998. Total - Bonds - Industrial and Miscellaneous.....						1,841,946			7,878 XXX.....
83999997. Total - Bonds - Part 3.....						5,400,000			27,658 XXX.....
83999998. Total - Bonds.....						5,400,000			27,658 XXX.....
99999999. Total - Bonds, Preferred and Common Stocks.....						5,260,414			27,658 XXX.....

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

**Sch. D - Pt. 4**  
**NONE**

**Sch. DB - Pt. A - Sn. 1**  
**NONE**

**Sch. DB - Pt. B - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 2**  
**NONE**

**Sch. DL - Pt. 1**  
**NONE**

**Sch. DL - Pt. 2**  
**NONE**

**COSE Health and Wellness Trust**  
**SCHEDULE E - PART 1 - CASH**

## Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
PNC Bank..... Cleveland, Ohio.....		0.250	3,500	1,159	3,839,106	3,227,674	3,339,538	XXX
0199999. Total Open Depositories.....	XXX	XXX	3,500	1,159	3,839,106	3,227,674	3,339,538	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	3,500	1,159	3,839,106	3,227,674	3,339,538	XXX
0599999. Total Cash.....	XXX	XXX	3,500	1,159	3,839,106	3,227,674	3,339,538	XXX

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP Sweep Accounts	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
	PNC Bank Money Market.....		05/11/2017.....	1.630		12,406,823		73,790
	PNC Investments Money Market.....		08/21/2017.....	0.700		423,267		3,260
8499999. Total - Sweep Accounts.....							1,501	
8899999. Total - Cash Equivalents							17,434	77,050
							17,434	77,050



## MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....0

NAIC Company Code.....122

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums collected.....		XXX.....		XXX.....	0
2. Earned premiums.....		XXX.....		XXX.....	XXX.....
3. Claims paid.....		XXX.....		XXX.....	0
4. Claims incurred.....		XXX.....		XXX.....	XXX.....
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a).....	XXX.....		XXX.....		0
6. Aggregate policy reserves - change.....		XXX.....		XXX.....	XXX.....
7. Expenses paid.....		XXX.....		XXX.....	0
8. Expenses incurred.....		XXX.....		XXX.....	XXX.....
9. Underwriting gain or loss.....	0	XXX.....	0	XXX.....	XXX.....
10. Cash flow results.....	XXX.....	XXX.....	XXX.....	XXX.....	0

(a) Uninsured Receivable/Payable with CMS at End of Quarter \$.....0 due from CMS or \$.....0 due to CMS.

**NONE**