

Amended Statement Cover

Amending based on comments from the Ohio Department of Insurance.



16202201820100107

2018

Document Code: 201

QUARTERLY STATEMENT
AS OF JUNE 30, 2018
OF THE CONDITION AND AFFAIRS OF THE
Oscar Insurance Corporation of Ohio

NAIC Group Code	4818 (Current Period)	4818 (Prior Period)	NAIC Company Code	16202	Employer's ID Number	36-4859637
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		OH	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X]	Property/Casualty[]	Hospital, Medical & Dental Service or Indemnity[]			
	Dental Service Corporation[]	Vision Service Corporation[]	Health Maintenance Organization[]			
	Other[]	Is HMO Federally Qualified? Yes[] No[X] N/A[]				
Incorporated/Organized	02/17/2017		Commenced Business	01/01/2018		
Statutory Home Office	1300 East 9th St (Street and Number)		Cleveland, OH, US 44114 (City or Town, State, Country and Zip Code)			
Main Administrative Office	295 Lafayette Street New York, NY, US 10012 (Street and Number)		(646)403-3677 (Area Code) (Telephone Number)			
Mail Address	295 Lafayette Street (Street and Number or P.O. Box)		New York, NY, US 10012 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	295 Lafayette Street New York, NY, US 10012 (Street and Number)		(646)403-3677 (Area Code) (Telephone Number)			
Internet Web Site Address	www.hioscar.com					
Statutory Statement Contact	Aaron Crawford (Name) acrawford@hioscar.com (E-Mail Address)		(646)403-3677 (Area Code)(Telephone Number)(Extension) (212)226-1283 (Fax Number)			

OFFICERS

Name	Title
Mario Schlosser	Chief Executive Officer
Joel Klein	Chief Policy & Strategy Officer
Brian West	Chief Financial Officer and Treasurer
Alan Warren	Chief Technology Officer
Dennis Weaver	Chief Clinical Officer

OTHERS

Bruce Gottlieb, Secretary

DIRECTORS OR TRUSTEES

Mario Schlosser	Brian West
Kareem Zaki	Joel Cutler
Joel Klein	Dennis Weaver
Bruce Gottlieb #	

State of New York
 County of New York 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)
 Mario Schlosser
 (Printed Name)
 1.
 Chief Executive Officer
 (Title)

(Signature)
 Joel Klein
 (Printed Name)
 2.
 Chief Policy & Strategy Officer
 (Title)

(Signature)
 Alan Warren
 (Printed Name)
 3.
 Chief Technology 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[] No[X]
 1
 09/27/2018
 13

(Notary Public Signature)

Notes to Financial Statement

1. Summary of Significant Accounting Policies and Going Concern

A. The accompanying financial statements of Oscar Insurance Corporation of Ohio (the “Company”) have been prepared in conformity with accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI).

Effective August 27, 2017 Oscar Insurance Company of Ohio was licensed by the Ohio Department of Insurance. Our members will enroll during open enrollment, which begins November 1, 2017. Members were effectuated January 1, 2018, after which the Company began reporting premiums earned and claims expenses.

A reconciliation of The Company’s net income and capital surplus between NAIC SAP and practices prescribed or permitted by Ohio Statutory Accounting Principles (“NAIC SAP”) is shown below:

		SSAP #	F/S Page	F/S Line #	Six months ended June 30, 2018	For the year ended December 31, 2017
NET INCOME						
(1)	Net income (loss), OH SAP (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$1,815,954	(\$1,368,489)
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				—	—
(3)	Net income (loss), NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$1,815,954	(\$1,368,489)
SURPLUS						
(4)	Statutory Surplus, OH SAP (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$9,812,810	\$2,541,511
(5)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				—	—
(6)	Statutory Surplus, NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$9,812,810	\$2,541,511

B. The preparation of these statutory-basis financial statements requires management to make estimates and assumptions that affect the amounts reported in the statutory-basis financial statements and accompanying notes. Actual results could differ from those estimates. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein.

C. Premiums are earned ratably over the terms of the related insurance policies. Ceded premiums are earned ratably over the terms of the applicable reinsurance contracts. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as marketing, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3-9) Not applicable
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- (11) Unpaid losses and loss adjustment expenses include an amount determine 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 the 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 the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.

Notes to Financial Statement

(13) The Company's Pharmacy Benefit Manager – CVS Health has contractually guaranteed minimum pharmaceutical rebates. These amounts determine the Company's estimated receivable adjusted for payments received.

D. Going Concern

As of June 30, 2018, the management team has evaluated the Company's operations and financial position. No uncertainties or doubt exists about the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

There were no accounting changes or correction of errors in 2018.

3. Business Combinations and Goodwill

The Company had no business combinations or goodwill in 2018.

4. Discontinued Operations

The Company had no discontinued operations in 2018.

5. Investments

A-K. Not applicable

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Notes to Financial Statement

		1	2	3	4	5	6	7
		Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted To Total Admitted Assets (b)
a.	Subject to contractual obligation for which liability is not shown	—	—	—	—	—	— %	— %
b.	Collateral held under security lending agreements	—	—	—	—	—	— %	— %
c.	Subject to repurchase agreements	—	—	—	—	—	— %	— %
d.	Subject to reverse repurchase agreements	—	—	—	—	—	— %	— %
e.	Subject to dollar repurchase agreements	—	—	—	—	—	— %	— %
f.	Subject to dollar reverse repurchase agreements	—	—	—	—	—	— %	— %
g.	Placed under option contracts	—	—	—	—	—	— %	— %
h.	Letter stock or securities restricted as to sale—excluding FHLB capital stock	—	—	—	—	—	— %	— %
i.	FHLB capital stock	—	—	—	—	—	— %	— %
j.	On deposit with states	408,331	407,061	1,270	—	408,331	1.58%	1.58%
k.	On deposit with other regulatory bodies	—	—	—	—	—	— %	— %
l.	Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	—	— %	— %
m.	Pledged as collateral not captured in other categories	—	—	—	—	—	— %	— %
n.	Other restricted assets	—	—	—	—	—	— %	— %
o.	Total Restricted Assets	408,331	407,061	1,270	—	408,331	1.58%	1.58%

(2)-(4) Not applicable

M-R. Not applicable

6. Joint Ventures, Partnerships, and Limited Liability Companies

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

Notes to Financial Statement

7. Investment Income

A. Due and accrued income was excluded from surplus on the following bases:

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

B. The total amount excluded was \$ 0.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

A

1.) The components of the net deferred tax asset/(liability) at June 30, are as follows:

		(1) Ordinary	(2) Capital	(3) (Col. 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4+5) Total	(7) (Col. 1– 4) Ordinary	(8) (Col. 2–5) Capital	(9) (Col. 7+8) Total
(a)	Gross Deferred Tax Assets	—	—	—	\$286,826	—	\$286,826	(\$286,826)	—	(\$286,826)
(b)	Statutory Valuation Allowance Adjustments	—	—	—	\$286,826	—	\$286,826	(\$286,826)	—	(\$286,826)
(c)	Adjusted Gross Deferred Tax Assets (1a – 1b)	—	—	—	—	—	—	—	—	—
(d)	Deferred Tax Assets Nonadmitted	—	—	—	—	—	—	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c – 1d)	—	—	—	—	—	—	—	—	—
(f)	Deferred Tax Liabilities	—	—	—	—	—	—	—	—	—
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	—	—	—	—	—	—	—	—	—

2) Admission Calculation Components SSAP No. 101

No significant change

3) Threshold Limitations

	2018	2017
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	0%	0%
(b) Amount of Adjusted Capital and Surplus Used To Determine Recovery Period and Threshold Limitation In 2(b)2 Above	\$9,812,810	\$2,541,511

4) Not applicable. The company did not use tax-planning strategies

B. Not applicable

C. Not applicable

Notes to Financial Statement

D. No material change since June 30, 2018

E. Not applicable

F. The Company's federal income tax return will be consolidated with various operating affiliates. MHI is the ultimate filing parent.

G. Not applicable

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Mulberry Health Inc. funds the Company in order to support ongoing operations and meet the reserve requirements established by the ODI.
- B. The Company received capital contributions of \$0 and \$5,600,000 in the six months ending June 30, 2017 and June 30, 2018, respectively from its parent Mulberry.
- C. A summary of the contributions is as follows:

Fiscal year ended	Amount
2017	\$ 3,909,900
2018	\$ 5,600,000
Total at June 30, 2018	\$ 9,509,000

The cash was accounted for as a capital contribution credited to additional paid in capital and common stock.

- D. The Company was due to pay \$2,451,936 to parent and affiliate companies Mulberry Health Inc, Mulberry Management Corporation, and Oscar Insurance Corporation as of June 30, 2018 for operating expenses paid on their behalf. The terms of settlement require that these amounts be settled 60 days after receipt of invoice.
- E. None.
- F. Certain General and Administrative costs, including personnel and facility costs as well as charges for legal, marketing and accounting services are paid by Mulberry Management Corporation and subsequently reimbursed by affiliated companies.
- G. All outstanding shares of The Company are owned by the parent company, Mulberry Health Inc, an insurance holding company domiciled in the State of Delaware.
- H. The Company owns no shares of an upstream, intermediate, or ultimate parent, either directly or indirectly.
- I –N. None

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Not applicable

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

- (1) The company has 10,000 shares, with a par value of \$.01 authorized, issued and outstanding as of June 30, 2018. All shares are Class A shares.
- (2) No preferred stock has been authorized.
- (3) Under Ohio law, the Company may pay cash dividends only from earned surplus determined on a statutory basis. Further, the Company is restricted (on the basis of the lower of 10% of the Company's statutory surplus as shown by its last statement on file with the superintendent, or one hundred percent of adjustment net investment income

Notes to Financial Statement

for such period) as to the amount of dividends it may declare or pay in any twelve-month period without the prior approval of the ODI.

(4)-(13) Not applicable.

14. Liabilities, Contingencies and Assessments

Not applicable.

15. Leases

Not Applicable

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 Liabilities

Not Applicable

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

Not applicable

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

Not Applicable

20. Fair Value Measurement

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

Level 1 - Quoted (unadjusted) prices for identical assets in active markets.

Level 2 - Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 - Unobservable inputs that cannot be corroborated by observable market data.

The estimated fair values of bonds, short-term investment and preferred stocks are based on quoted market prices, where available. The Company obtains one price for each security primarily from a third-party pricing service (“pricing service”), which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, non-binding broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

A. Fair Value

1. Fair Value Measurements at Reporting Date

(2) The Company does not have any financial assets with a fair value hierarchy of Level 3 that were measured and reported at fair value for the six months ended June 30, 2018 and 2017.

Notes to Financial Statement

(3) Transfers between fair value hierarchy levels, if any, are recorded as of the beginning of the reporting period in which the transfer occurs. There were no transfers between Levels 1, 2, or 3 of any financial assets or liabilities during the six months ended June 30, 2018 and 2017.

(4) Fair values of debt and equity securities are based on quoted market prices, where available. The Company obtains one price for each security primarily from a pricing service, which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, and, if necessary, makes adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, benchmark yields, credit spreads, default rates, prepayment speeds and non-binding broker quotes.

(5) The Company does not have any derivative assets and liabilities.

B. Not Applicable.

C. Fair Value Hierarchy at June 30, 2018:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$404,190	\$408,331	\$0	\$404,190	\$0	\$0
Total	\$404,190	\$408,331	\$0	\$404,190	\$0	\$0

21. Other Items

A. Unusual or Infrequent Items

Not Applicable

B. Troubled Debt Restructuring: Debtors

Not Applicable

C. Other Disclosures

Not Applicable

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable and Non-Transferable Tax Credits

Not Applicable

F. Subprime Mortgage Related Risk Exposure

Not applicable

G. Retained Assets

Not Applicable

H. Insurance-Linked Securities (ILS) Contracts

Not Applicable

22. Events Subsequent

Type I – Recognized Subsequent Events:

There have been no Type I events. Subsequent Events have been considered through August 15, 2018 for the statutory quarterly 2018 statements.

Type II – Unrecognized Subsequent Events:

Notes to Financial Statement

There have been no Type II events. Subsequent Events have been considered through August 15, 2018 for the statutory quarterly 2018 statements.

On January 1, 2019, the Company will be subject to an annual fee under Section 9010 of the federal Affordable Care Act (ACA). This annual fee will be 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 June 30, 2018, the Company has not written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2018, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2019 to be \$0. This amount is reflected in special surplus. This assessment is expected to impact risk based capital (RBC) by 0%. Reporting the ACA assessment as of June 30, 2018, would not have triggered an RBC action level.

Description	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	No	
B. ACA fee assessment payable for the upcoming year	-	-
C. ACA fee assessment paid	-	-
D. Premium written subject to ACA 9010 assessment	-	-
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	\$9,812,810	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	\$9,812,810	
G. Authorized Control Level (Five-Year Historical Line 15)	\$12,405	
H. Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)?	No	

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, office, trustee, or director of the company?

Yes() No (X)

2. Have any policies issued by the corporation 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, either directly or indirectly, by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes() No (X)

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 premiums or other similar credit?

Yes() No (X)

a. Not Applicable

Notes to Financial Statement

- b. The total amount of reinsurance credits taken as an asset or reduction of a liability is \$241,870 (both private reinsurance and the Transitional Reinsurance Program)

- (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 for other reinsurance agreements with the same insurer, exceed the total of direct premium collected under the reinsured policies.

Yes() No (**X**)

Section 3 – Ceded Reinsurance Report – Part B

- (1) The estimated change in surplus for elimination of all reinsurance amounts would be (\$80,173).

- (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**)

B. Uncollectable Reinsurance

Not Applicable

C. Commutation of Reinsurance

Not Applicable

D. Certified Reinsurer Downgraded or Status Subject to Revocation

Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. No Significant Changes
- B. No Significant Changes
- C. No Significant Changes
- D. No Significant Changes

- E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the Reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions? **YES**
- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on Assets, Liabilities, and Revenue for the Current Year. Asset balances shall reflect admitted asset balances.

Notes to Financial Statement

Description	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	9,860,136
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	-
3. Premium adjustments payable due to ACA Risk Adjustment	-
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	9,860,136
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	(9,126)
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	-
5. Ceded reinsurance premiums payable due to ACA Reinsurance	-
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-
Operations (Revenue & Expense)	
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	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)	
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	-

Notes to Financial Statement

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

	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 as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 +7)	Cumulative Balance from Prior Years (Col 2 - 4 +8)
	1	2	3	4	5	6	7	8	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	R e f	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 premium	-	-	-	-	-	-	-	-	F	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-
7. Subtotal ACA Transitional Reinsurance Program	-	-	-	-	-	-	-	-		
c. Temporary ACA Risk Corridors Program										
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		
d. Total for ACA Risk Sharing Provisions	-	-	-	-	-	-	-	-		

(4) Roll forward of risk corridors asset and liability balances by program benefit year

Notes to Financial Statement

Risk Corridors Program Year	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 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	Ref	Cumulativ e Balance from Prior Years (Col 1 - 3 +7)	
	1	2	3	4	5	6	7	8		Cumulativ e Balance from Prior Years (Col 2 - 4 +8)	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivabl e	(Payable)		Receivabl e	(Payable)
a. 2014									A		
1.Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2.Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	B	-	-
b.2015									C	-	-
1.Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2.Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016									E	-	-
1.Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2.Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	F	-	-
d.Total for risk corridors	-	-	-	-	-	-	-	-		-	-

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2017 were \$0. As of June 30, 2018, \$0 has been paid for insured claims attributable to insured events of the prior years. Claim adjustment expenses are assumed paid for current year. Reserves remaining for prior years are now \$0 as a result of re-estimation of unpaid claims and claim adjustment principally on our health line of business. Therefore, there has been a \$0 unfavorable(favorable) prior-year development December 31, 2017 to June 30, 2018. The increase(decrease) 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

Not applicable.

27. Structured Settlements

Not applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Notes to Financial Statement

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
6/30/2018	749,168	-	-	-	-
3/31/2018	604,892	631,542	513,882		

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

Not Applicable

31. Anticipated Salvage and Subrogation

Not applicable.