



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE
Summa Insurance Company, Inc.

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	10649	Employer's ID Number	34-1809108
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	OH		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[X] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Incorporated/Organized	08/07/1995		Commenced Business	02/01/1996		
Statutory Home Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Mail Address	P.O. Box 3620 (Street and Number or P.O. Box)		Akron, OH, 44309 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Internet Website Address	SummaCare.com		(330)996-8410 (Area Code) (Telephone Number)			
Statutory Statement Contact	Mike Dennis Weals (Name) wealsm@summahealth.org (E-Mail Address)		(330)996-5112 (Area Code)(Telephone Number)(Extension) (Fax Number)			

OFFICERS

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

OTHERS

Anne Armao, VP - Marketing & Medicare Charles Zonfa M.D., Chief Medical Officer Michael O'Neill, Chief Financial Officer	Kevin Cavalier, VP - Sales Stephen Adamson, VP, Chief Operations Officer
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DIRECTORS OR TRUSTEES

Kathleen Tirbovich Geier Benjamin Paul Sutton Henry Leigh Gerstenberger Caroline Fisher Pearson Dennis Dale Pijor Anthony Lockhart #	Rajiv Vishnu Taliwal M.D. Lydia Alexander Cook M.D. Russell Floyd Mohawk Thomas Clifford Deveny M.D. Robert Jeffrey Copeland Mark Joseph Sims #
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State of Ohio
County of Summit ss

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

(Signature) Dennis Dale Pijor (Printed Name) 1. President (Title)	(Signature) Michael Anthony O'Neill (Printed Name) 2. Chief Financial Officer (Title)	(Signature) Stephen Michael Adamson (Printed Name) 3. Vice President, Chief Operations Officer (Title)
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Subscribed and sworn to before me this _____ day of _____, 2019	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[] _____ _____ _____
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(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	18,510,000		18,510,000	29,627,008
2.	Stocks (Schedule D):				
2.1	Preferred stocks				
2.2	Common Stocks				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....14,947,174, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....6,854,317, Schedule DA)	21,801,491		21,801,491	10,745,240
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)				
9.	Receivables for securities				
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	40,311,491		40,311,491	40,372,248
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	69,987		69,987	89,957
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	3,348,729	184,287	3,164,442	2,978,649
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	309,171		309,171	1,576,696
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	438,114		438,114	293,430
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit	1,490,440		1,490,440	
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	2,343,127		2,343,127	256,404
24.	Health care (\$.....1,883,324) and other amounts receivable	3,526,093	1,642,769	1,883,324	2,765,047
25.	Aggregate write-ins for other than invested assets	43,243	43,243		
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	51,880,395	1,870,299	50,010,096	48,332,431
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	51,880,395	1,870,299	50,010,096	48,332,431
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid Expenses	43,243	43,243		
2502.	Deferred ACA Asset				
2503.	Pharmacy Rebates				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	43,243	43,243		

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	16,188,991		16,188,991	15,758,920
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	403,026		403,026	394,600
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				1,100,000
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	4,820,580		4,820,580	5,940,265
9.	General expenses due or accrued	2,157,183		2,157,183	1,564,650
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	2,468,222		2,468,222	2,213,784
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.....0 current)				
24.	TOTAL Liabilities (Lines 1 to 23)	26,038,002		26,038,002	26,972,219
25.	Aggregate write-ins for special surplus funds	X X X	X X X		4,000,000
26.	Common capital stock	X X X	X X X	2,500,062	2,500,062
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	97,866,381	82,866,381
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	(76,394,349)	(68,006,231)
32.	Less treasury stock, at cost:				
32.1	0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	23,972,094	21,360,212
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	50,010,096	48,332,431
DETAILS OF WRITE-INS					
2301.	Minority Interest				
2302.	Deferred gain on sale of bonds to SummaCare, Inc.				
2303.	Miscellaneous				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	ACA Annual Fee on Health Insurers	X X X	X X X		4,000,000
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		4,000,000
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	376,361	397,460
2.	Net premium income (including \$.....0 non-health premium income)	X X X	170,796,083	170,195,348
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL Revenues (Lines 2 to 7)	X X X	170,796,083	170,195,348
Hospital and Medical:				
9.	Hospital/medical benefits		126,750,184	121,923,941
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs		29,061,160	28,100,146
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts			
16.	Subtotal (Lines 9 to 15)		155,811,344	150,024,087
Less:				
17.	Net reinsurance recoveries		1,786,634	2,854,015
18.	TOTAL Hospital and Medical (Lines 16 minus 17)		154,024,710	147,170,072
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....589,971 cost containment expenses		2,844,889	2,785,411
21.	General administrative expenses		26,446,582	25,715,951
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)			
23.	TOTAL Underwriting Deductions (Lines 18 through 22)		183,316,181	175,671,434
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(12,520,098)	(5,476,086)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		395,243	415,300
26.	Net realized capital gains (losses) less capital gains tax of \$.....0			
27.	Net investment gains (losses) (Lines 25 plus 26)		395,243	415,300
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29.	Aggregate write-ins for other income or expenses		1,312	151,659
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(12,123,543)	(4,909,127)
31.	Federal and foreign income taxes incurred	X X X	(226,037)	119,874
32.	Net income (loss) (Lines 30 minus 31)	X X X	(11,897,506)	(5,029,001)
DETAILS OF WRITE-INS				
0601.	.....	X X X		
0602.	.....	X X X		
0603.	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701.	.....	X X X		
0702.	.....	X X X		
0703.	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Medimpact network performance guarantee			115,580
2902.	Miscellaneous Income (Expense)		1,312	36,079
2903.	Finance and service charges not included in premiums			
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)		1,312	151,659

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	21,360,212	28,396,360
34.	Net income or (loss) from Line 32	(11,897,506)	(5,029,001)
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0		
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	(490,612)	(978,633)
40.	Change in unauthorized and certified reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in	15,000,000	
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		(1,028,514)
48.	Net change in capital and surplus (Lines 34 to 47)	2,611,882	(7,036,148)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	23,972,094	21,360,212
DETAILS OF WRITE-INS			
4701.	Gain on sale of bonds		
4702.	Correction of an error - Federal Income Tax		49,486
4703.	Correction of an Error - Hospital / Medical Benefits		(1,078,000)
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		(1,028,514)

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	168,390,606	170,324,736
2.	Net investment income	432,222	446,107
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	168,822,828	170,770,843
5.	Benefit and loss related payments	152,327,114	146,735,470
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	28,690,512	29,460,622
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....81,352 tax on capital gains (losses)	(81,352)	(822,986)
10.	TOTAL (Lines 5 through 9)	180,936,274	175,373,106
11.	Net cash from operations (Line 4 minus Line 10)	(12,113,446)	(4,602,263)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	11,100,000	12,300,000
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	11,100,000	12,300,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds		3,012,305
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)		3,012,305
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	11,100,000	9,287,695
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock	15,000,000	
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(2,930,303)	(506,915)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	12,069,697	(506,915)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	11,056,251	4,178,517
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	10,745,240	6,566,723
19.2	End of year (Line 18 plus Line 19.1)	21,801,491	10,745,240

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

20.0001			
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	170,796,083	170,210,096	131,505						454,482	
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues										X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL Revenues (Lines 1 to 6)	170,796,083	170,210,096	131,505						454,482	
8.	Hospital/medical benefits	126,750,184	126,675,733	74,451							X X X
9.	Other professional services										X X X
10.	Outside referrals										X X X
11.	Emergency room and out-of-area										X X X
12.	Prescription drugs	29,061,160	28,576,886							484,274	X X X
13.	Aggregate write-ins for other hospital and medical										X X X
14.	Incentive pool, withhold adjustments and bonus amounts										X X X
15.	Subtotal (Lines 8 to 14)	155,811,344	155,252,619	74,451						484,274	X X X
16.	Net reinsurance recoveries	1,786,634	1,786,634								X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	154,024,710	153,465,985	74,451						484,274	X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....589,971 cost containment expenses	2,844,889	2,834,541	1,379						8,969	
20.	General administrative expenses	26,446,582	26,350,389	12,818						83,375	
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	183,316,181	182,650,915	88,648						576,618	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	(12,520,098)	(12,440,819)	42,857						(122,136)	
DETAILS OF WRITE-INS											
0501.	.....										X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)										X X X
0601.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	.....										X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
Line of Business					
1.	Comprehensive (hospital and medical)	171,335,693		1,125,597	170,210,096
2.	Medicare Supplement	131,505			131,505
3.	Dental only				
4.	Vision only				
5.	Federal Employees Health Benefits Plan				
6.	Title XVIII - Medicare				
7.	Title XIX - Medicaid				
8.	Other health	454,482			454,482
9.	Health subtotal (Lines 1 through 8)	171,921,680		1,125,597	170,796,083
10.	Life				
11.	Property/casualty				
12.	TOTALS (Lines 9 to 11)	171,921,680		1,125,597	170,796,083

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

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	155,381,274	154,815,611	74,820						490,843	
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	3,054,159	3,054,159								
1.4 Net	152,327,115	151,761,452	74,820						490,843	
2. Paid medical incentive pools and bonuses										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	16,188,991	16,174,173	8,757							6,061
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	16,188,991	16,174,173	8,757							6,061
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year										
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year ..	309,171	309,171								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	15,758,920	15,737,163	9,126						12,631	
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	15,758,920	15,737,163	9,126						12,631	
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year										
11. Amounts recoverable from reinsurers December 31, prior year	1,576,696	1,576,696								
12. Incurred benefits:										
12.1 Direct	155,811,345	155,252,621	74,451						478,212	6,061
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	1,786,634	1,786,634								
12.4 Net	154,024,711	153,465,987	74,451						478,212	6,061
13. Incurred medical incentive pools and bonuses										

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

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

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct										
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net										
2. Incurred but Unreported:										
2.1 Direct 16,188,991	16,188,991	16,174,173	8,757							6,061
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net 16,188,991	16,188,991	16,174,173	8,757							6,061
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct 16,188,991	16,188,991	16,174,173	8,757							6,061
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net 16,188,991	16,188,991	16,174,173	8,757							6,061

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

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical)	16,524,485	136,504,491	4,000	16,170,172	16,528,485	15,737,163
2.	Medicare Supplement	7,000	67,820		8,757	7,000	9,126
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health	13,000	477,843		6,062	13,000	12,631
9.	Health subtotal (Lines 1 to 8)	16,544,485	137,050,154	4,000	16,184,991	16,548,485	15,758,920
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pool and bonus amounts						
13.	TOTALS (Lines 9 - 10 + 11 + 12)	16,544,485	137,050,154	4,000	16,184,991	16,548,485	15,758,920

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	21,397	21,397	21,397	21,397	21,397
2.	2014	187,992	213,578	213,739	213,739	213,739
3.	2015	X X X	170,395	190,611	190,611	190,611
4.	2016	X X X	X X X	143,497	157,496	157,496
5.	2017	X X X	X X X	X X X	134,037	150,581
6.	2018	X X X	X X X	X X X	X X X	137,050

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	21,499	21,398	21,397	21,397	21,397
2.	2014	213,781	213,738	213,739	213,739	213,739
3.	2015	X X X	192,182	190,611	190,611	190,611
4.	2016	X X X	X X X	160,122	157,498	157,496
5.	2017	X X X	X X X	X X X	149,794	150,585
6.	2018	X X X	X X X	X X X	X X X	153,235

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2014	234,606	213,739	3,207	1.500	216,946	92.472			216,946	92.472
2.	2015	214,854	190,611	2,806	1.472	193,417	90.022			193,417	90.022
3.	2016	190,629	157,496	2,611	1.658	160,107	83.989			160,107	83.989
4.	2017	170,195	150,581	3,947	2.621	154,528	90.795	4		154,532	90.797
5.	2018	170,796	137,050	11,457	8.360	148,507	86.950	16,185	403	165,095	96.662

12 Grand Total

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)

Hospital and Medical
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	21,382	21,382	21,382	21,382	21,382
2.	2014	186,336	211,883	212,044	212,044	212,044
3.	2015	X X X	169,697	189,876	189,876	189,876
4.	2016	X X X	X X X	142,633	156,612	156,612
5.	2017	X X X	X X X	X X X	133,252	149,776
6.	2018	X X X	X X X	X X X	X X X	136,504

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	21,484	21,383	21,382	21,382	21,382
2.	2014	212,086	212,043	212,044	212,044	212,044
3.	2015	X X X	191,415	189,876	189,876	189,876
4.	2016	X X X	X X X	159,212	156,614	156,612
5.	2017	X X X	X X X	X X X	148,987	149,780
6.	2018	X X X	X X X	X X X	X X X	152,674

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2014	233,029	212,044	3,184	1.502	215,228	92.361			215,228	92.361
2.	2015	214,023	189,876	2,793	1.471	192,669	90.022			192,669	90.022
3.	2016	189,520	156,612	2,598	1.659	159,210	84.007			159,210	84.007
4.	2017	169,160	149,776	2,769	1.849	152,545	90.178	4		152,549	90.180
5.	2018	170,210	136,504	2,420	1.773	138,924	81.619	16,170	403	155,497	91.356

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)
Medicare Supplement
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	15	15	15	15	15
2.	2014	80	96	96	96	96
3.	2015	X X X	94	121	121	121
4.	2016	X X X	X X X	78	87	87
5.	2017	X X X	X X X	X X X	63	70
6.	2018	X X X	X X X	X X X	X X X	68

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	15	15	15	15	15
2.	2014	96	96	96	96	96
3.	2015	X X X	114	121	121	121
4.	2016	X X X	X X X	113	87	87
5.	2017	X X X	X X X	X X X	72	70
6.	2018	X X X	X X X	X X X	X X X	77

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2014	137	96	1	1.201	97	70.915			97	70.915
2.	2015	148	121	2	1.727	123	83.168			123	83.168
3.	2016	132	87	2	2.005	89	67.231			89	67.231
4.	2017	133	70	187	267.837	257	193.598			257	193.598
5.	2018	132	68	1,172	1,724.065	1,240	939.670	9		1,249	946.488

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)

Other

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior					
2.	2014	1,576	1,599	1,599	1,599	1,599
3.	2015	X X X	604	614	614	614
4.	2016	X X X	X X X	786	797	797
5.	2017	X X X	X X X	X X X	722	735
6.	2018	X X X	X X X	X X X	X X X	478

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior					
2.	2014	1,599	1,599	1,599	1,599	1,599
3.	2015	X X X	653	614	614	614
4.	2016	X X X	X X X	797	797	797
5.	2017	X X X	X X X	X X X	735	735
6.	2018	X X X	X X X	X X X	X X X	484

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2014	1,440	1,599	21	1.313	1,620	112.500			1,620	112.500
2.	2015	683	614	11	1.817	625	91.531			625	91.531
3.	2016	977	797	11	1.421	808	82.736			808	82.736
4.	2017	902	735	990	134.743	1,725	191.281			1,725	191.281
5.	2018	454	478	7,864	1,645.221	8,342	1,837.480	6		8,348	1,838.801

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

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income)									
5. Aggregate write-ins for other policy reserves									
6. TOTALS (Gross)									
7. Reinsurance ceded									
8. TOTALS (Net) (Page 3, Line 4)									
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. TOTALS (Gross)									
13. Reinsurance ceded									
14. TOTALS (Net) (Page 3, Line 7)									
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page									
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)									
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page ..									
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) ..									

(a) Includes \$.....0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)	26,469	26,469	388,211		441,149
2.	Salaries, wages and other benefits	373,030	596,451	9,116,037		10,085,518
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)			5,322,311		5,322,311
4.	Legal fees and expenses			2,698		2,698
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services	78,643	4,404	373,037		456,084
7.	Traveling expenses	69	1,729	18,119		19,917
8.	Marketing and advertising			381,374		381,374
9.	Postage, express and telephone	5,888	87,549	185,470		278,907
10.	Printing and office supplies	8,318	44	369,848		378,210
11.	Occupancy, depreciation and amortization			52,402		52,402
12.	Equipment			63,146		63,146
13.	Cost or depreciation of EDP equipment and software	1,224		780,405		781,629
14.	Outsourced services including EDP, claims, and other services	96,330	738,272	2,242,075		3,076,677
15.	Boards, bureaus and association fees			8,721		8,721
16.	Insurance, except on real estate			84,645		84,645
17.	Collection and bank service charges				69,475	69,475
18.	Group service and administration fees		800,000	1,947,954		2,747,954
19.	Reimbursements by uninsured plans					
20.	Reimbursements from fiscal intermediaries					
21.	Real estate expenses					
22.	Real estate taxes					
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes					
23.2	State premium taxes			1,046,230		1,046,230
23.3	Regulatory authority licenses and fees			3,391,345		3,391,345
23.4	Payroll taxes			628,232		628,232
23.5	Other (excluding federal income and real estate taxes)					
24.	Investment expenses not included elsewhere					
25.	Aggregate write-ins for expenses			44,322		44,322
26.	TOTAL Expenses Incurred (Lines 1 to 25)	589,971	2,254,918	26,446,582	69,475	(a) 29,360,947
27.	Less expenses unpaid December 31, current year		403,026	2,157,183		2,560,209
28.	Add expenses unpaid December 31, prior year		394,600	1,564,650		1,959,250
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	589,971	2,246,492	25,854,049	69,475	28,759,988
DETAILS OF WRITE-INS						
2501.	Miscellaneous Expenses			21,322		21,322
2502.	Donations			23,000		23,000
2503.	.....					
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			44,322		44,322

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 501,277	 464,299
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a).....	.....
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b).....	.....
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e)..... 420	 420
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	TOTAL gross investment income	 501,697	 464,718
11.	Investment expenses .....	.....	(g)..... 69,475
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g).....
13.	Interest expense .....	.....	(h).....
14.	Depreciation on real estate and other invested assets .....	.....	(i).....
15.	Aggregate write-ins for deductions from investment income .....	.....	.....
16.	TOTAL Deductions (Lines 11 through 15) .....	.....	..... 69,475
17.	Net Investment income (Line 10 minus Line 16) .....	.....	..... 395,243
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	.....	.....
(a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....	.....	.....	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	TOTAL Capital gains (losses) .....	.....	.....	.....	.....	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	184,287	163,667	(20,620)
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3	Accrued retrospective premiums and contracts subject to redetermination			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers			
16.2	Funds held by or deposited with reinsured companies			
16.3	Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans			
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset			
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets			
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable	1,642,769	1,199,276	(443,493)
25.	Aggregate write-ins for other than invested assets	43,243	16,744	(26,499)
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,870,299	1,379,687	(490,612)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	1,870,299	1,379,687	(490,612)
DETAILS OF WRITE-INS				
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	Prepaid Expenses	43,243	16,744	(26,499)
2502.	Deferred gain on bonds sold to SummaCare			
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	43,243	16,744	(26,499)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1.	Health Maintenance Organizations .....	.....	.....	.....	.....	.....	.....
2.	Provider Service Organizations .....	.....	.....	.....	.....	.....	.....
3.	Preferred Provider Organizations	 31,491	 31,737	 31,558	 30,753	 30,903	 376,361
4.	Point of Service .....	.....	.....	.....	.....	.....	.....
5.	Indemnity Only .....	.....	.....	.....	.....	.....	.....
6.	Aggregate write-ins for other lines of business .....	.....	.....	.....	.....	.....	.....
7.	TOTAL	 31,491	 31,737	 31,558	 30,753	 30,903	 376,361
DETAILS OF WRITE-INS							
0601.	.....	.....	.....	.....	.....	.....	.....
0602.	.....	.....	.....	.....	.....	.....	.....
0603.	.....	.....	.....	.....	.....	.....	.....
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	.....	.....	.....	.....	.....	.....
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	.....	.....	.....	.....	.....	.....

Notes to Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

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

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

	SSAP #	F/S Page	F/S Line	2018	2017
<u>Net Income</u>					
1) SIC state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	(11,897,506)	(5,029,001)
2) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
3) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
4) NAIC SAP	XXX	XXX	XXX	<u>(11,897,506)</u>	<u>(5,029,001)</u>
<u>Surplus</u>					
5) SIC state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	23,972,094	21,360,212
6) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
7) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
8) NAIC SAP	XXX	XXX	XXX	<u>23,972,094</u>	<u>21,360,212</u>

B. Use of Estimates

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

C. Accounting Policy

The Company uses the following accounting policies:

- 1) Cash and Short-Term Investments
- Cash and short-term investments include cash on hand, cash held in bank accounts (including overdrafts), interest bearing deposits, and money market instruments purchased with an original maturity of one year or less. Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans - None.
- 3) Common stocks – None.
- 4) Preferred stocks – None.
- 5) Mortgage loans on real estate – None.
- 6) Loan backed securities – None.
- 7) Investments in subsidiaries, controlled and affiliated entities - None.
- 8) Investments in joint ventures, partnerships and limited liability companies – None.
- 9) Accounting policy for derivatives – The Company does not invest in derivative instruments.
- 10) The Company anticipates investment income as a factor in premium deficiency calculation, in accordance with SSAP No. 54, Individual Group Accident and Health Contracts.
- 11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing liabilities are continually reviewed and any adjustments are reflected in the period determined.

Notes to Financial Statements

12) The Company’s capitalization policy and predefined thresholds have not changed from the prior period.

2. Accounting Changes and Corrections of Errors.

A. Accounting Changes – None.

B. Corrections of Errors

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

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

3. Business Combinations and Goodwill

A. Statutory Purchase Method – None.

B. Statutory Merger – None.

C. Assumption Reinsurance – None.

D. Impairment Loss – None.

4. Discontinued Operations – None.

5. Investments

- A.** Mortgage Loans – None.
- B.** Debt Restructuring – None.
- C.** Reverse Mortgages – None.
- D.** Loan backed securities – None.
- E.** Dollar Repurchase Agreements and/or Securities Lending Transactions – None.
- F.** Repurchase Agreements Transactions Accounted for as Secured Borrowings – None.
- G.** Reverse Repurchase Agreements Transactions Accounted for a Secured Borrowings – None.
- H.** Repurchase Agreements Transactions Accounted for as a Sale – None.
- I.** Reverse Repurchase Agreements Transactions Accounted for as a Sale – None.
- J.** Real Estate – None.
- K.** Low Income Housing Tax Credits – None.
- L.** Restricted Assets - None
- M.** Working Capital Finance Investments – None.
- N.** Offsetting and Netting of Assets and Liabilities – None.
- O.** Structured Notes – None.
- P.** 5* Securities – None.
- Q.** Q. Short Sales – None.
- R.** Prepayment Penalty and Acceleration Fees – None.

6. Joint Ventures, Partnerships and Limited Liability Companies

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

B. Impaired investments in joint ventures, partnerships and limited liability companies – None.

7. Investment Income

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

B. The total amount excluded was \$0.

8. Derivative Instruments – None.

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

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

	12/31/18			12/31/2017			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1.									
(a) Gross Deferred Tax Assets	\$4,486,267	\$0	\$4,486,267	\$2,667,460	\$0	\$2,667,460	\$1,818,807	\$0	\$1,818,807
(b) Statutory Valuation Allowance Adjustments	\$4,462,115	\$0	\$4,462,115	\$2,621,659	\$0	\$2,621,659	\$1,840,456	\$0	\$1,840,456
(c) Adjusted Gross DTA's (1a-1b)	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801	(\$21,649)	\$0	(\$21,649)
(d) DTA's Nonadmitted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(e) Subtotal Net DTA's (1c-1d)	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801	(\$21,649)	\$0	(\$21,649)
(f) Deferred Tax Liabilities	(\$24,152)	\$0	(\$24,152)	(\$45,801)	\$0	(\$45,801)	\$21,649	\$0	\$21,649
(g) Net Admitted DTA / Net DTL (1e-1f)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)
2.									
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(b) Adjusted Gross DTA's Expected to be Realized (Excluding The Amount of DTA's From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2 (b) 1 and 2 (b) 2 Below)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1. Adjusted Gross DTA's Expected to be Realized Following the Balance Sheet Date.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Adjusted Gross DTA's Allowed Per Limitation Threshold.	XXX	XXX	\$3,595,814	XXX	XXX	\$3,204,032	XXX	XXX	\$391,782
(c) Adjusted Gross DTA's (Excluding The Amount of DTA's from 2 (a) and 2 (b) above) Offset by Gross DTL's.	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801	(\$21,649)	\$0	(\$21,649)
(d) DTA's Admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801	(\$21,649)	\$0	(\$21,649)
3.									
	2018	2017							
(a) Ratio Percentage used To Determine Recovery Period And Threshold Limitation Amount.	358%	343%							
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2 (b) 2 Above.	\$23,972,094	\$21,360,212							
4.									
Impact of Tax-Planning Strategies									
(a) Determination of Adjusted Gross DTA's and Net Admitted DTA's By Tax Character as a percentage.									
1. Adjusted Gross DTA's from 9A1c	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801			
2. Percentage of Adjusted Gross DTA's	0%	0%	0%	0%	0%	0%			
3. Net Admitted Gross DTA's 9A1e	\$24,152	\$0	\$24,152	\$45,801	\$0	\$45,801			
4. Percentage of Net Admitted Adjusted Gross DTA's because of tax planning.	0%	0%	0%	0%	0%	0%			
(b) Does the Company's tax planning strategies include reinsurance?	Yes	No	X						

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

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

Notes to Financial Statements

	12/31/2018	12/31/2017	Change
1. Current Income Tax			
(a) Federal	(\$226,037)	\$119,874	(\$345,911)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	(\$226,037)	\$119,874	(\$345,911)
(d) Federal Income Tax on Net Capital Gains	\$0	\$0	\$0
(e) Utilization of Capital Loss Carry Forwards	\$0	\$0	\$0
(f) Other	\$0	\$0	\$0
(g) Federal and Foreign Income Taxes Incurred	(\$226,037)	\$119,874	(\$345,911)
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Unpaid Losses	\$47,895	\$57,847	(\$9,952)
(2) Unearned Premium Reserve	\$202,464	\$249,491	(\$47,027)
(3) Policyholder Reserves	\$0	\$0	\$0
(4) Investments	\$0	\$0	\$0
(5) Deferred Acquisition Costs	\$0	\$0	\$0
(6) Policyholder Dividends Accrual	\$0	\$0	\$0
(7) Fixed Assets	\$9,531	\$9,905	(\$374)
(8) Compensation and Benefits Accrual	\$219,812	\$216,854	\$2,958
(9) Pension Accrual	\$0	\$0	\$0
(10) Receivables - Nonadmitted	\$365,237	\$289,734	\$75,503
(11) Net Operating Loss Carry-Forward	\$3,264,428	\$1,503,905	\$1,760,523
(12) Tax credit carryforward	\$0	\$0	\$0
(13) Other (Including items < 5% of total ordin.	376,900	\$339,724	\$37,176
Subtotal	\$4,486,267	\$2,667,460	\$1,818,807
(b) Statutory Valuation Allowance	\$4,462,115	\$2,621,659	\$1,840,456
(c) Nonadmitted	\$0	\$0	\$0
(d) Admitted Ordinary Deferred Tax Assets	\$24,152	\$45,801	(\$21,649)
(e) Capital			
(1) Investments	\$0	\$0	\$0
(2) Net Capital Loss Carry-Forward	\$0	\$0	\$0
(3) Real Estate	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(f) Statutory Valuation Allowance Adjustment	\$0	\$0	\$0
(g) Nonadmitted	\$0	\$0	\$0
(h) Admitted Capital Deferred Tax Assets	\$0	\$0	\$0
(i) Admitted Deferred Tax Assets	\$24,152	\$45,801	(\$21,649)
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$544	\$606	(\$62)
(2) Fixed Assets	\$0	\$0	\$0
(3) Deferred and Uncollected Premium	\$0	\$0	\$0
(4) Policyholder Reserves	\$0	\$0	\$0
(5) Other	\$23,608	\$45,195	(\$21,587)
Subtotal	\$24,152	\$45,801	(\$21,649)
(b) Capital			
(1) Investments	\$0	\$0	\$0
(2) Real Estate	\$0	\$0	\$0
(3) Unrealized Gains/ Losses	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(c) Deferred Tax Liabilities	\$24,152	\$45,801	(\$21,649)
4. Net Deferred Tax Assets / Liabilities	\$0	\$0	(\$0)

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

Description	Amount	Tax Effect	Effective Tax Rate
Income (loss) before taxes	(12,123,542)	(2,545,944)	21.0%
Meals & Entertainment	21,441	4,503	0.0%
Nondeductible Club Dues	8,382	1,760	0.0%
Annual Fee for Health Insurers	2,661,467	558,908	-4.6%
Change in valuation allowance	5,413,105	1,840,456	-15.2%
Change in nonadmitted assets	(359,539)	(75,503)	0.6%
Other	(48,649)	(10,216)	0.1%
	(4,427,335)	(226,037)	1.9%
Federal income taxes incurred		(226,307)	
Change in net deferred income taxes		-	
Total statutory income taxes		(226,307)	

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

1. The company has \$16,622,836 in net operating loss or tax credit carry-forwards as of December 31, 2018.

Notes to Financial Statements

- 2. The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future net losses: \$0
- 3. The Company has no protective tax deposits reported as admitted assets under Section 6603 of the internal Revenue Service Code as of December 31, 2018 and December 31, 2017.

F. Consolidation of Federal Income Tax Return

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

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

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of the Relationships

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

B. & C. Transactions with Affiliated Organizations

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

Claims expense related to affiliated entities:

SHS	22,496,405	21,490,064
SPI	1,925,327	1,832,368
ACO	2,651,060	1,688,390
Directors' and officers' insurance premiums to MAC	12,362	7,645
Management fees charged to SIC from Apex	1,600,000	1,538,846
Management fees charged to SIC from SMSO	10,763,715	12,987,390
Corporate expense allocation paid to SHS	1,146,178	1,410,891

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

	Due from		Due to	
	2018	2017	2018	2017
SummaCare	2,261,775	256,404	—	—
Apex	—	—	1,549,745	309,632
ACO	—	—	—	1,078,000
SHS	81,352	—	—	—
SMSO	—	—	918,477	826,152
\$	2,343,127	256,404	2,468,222	2,213,784

E. Guarantees or undertakings – None.

F. In 2018 and 2017, the Company contracted with SMSO for general administrative services, which include but are not limited to claims processing, customer service, eligibility, human resources, computer support, programming, finance, and other general administrative services. Fees are based on actual expenses allocated from SMSO to the Company. The Company recognized expense of \$10,763,715 and \$12,987,390 in 2018 and 2017, respectively.

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

Notes to Financial Statements

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

- G.** All outstanding shares of common stock are owned by the parent, SummaCare, Inc.
- H.** Investments in upstream intermediate entities or ultimate parent – None.
- I.** Investments in SCA entities - None.
- J.** Investments in impaired SCA entities – None.
- K.** Investments in foreign insurance subsidiaries – None.
- L.** Investment in downstream noninsurance holding company – None.
- M.** All SCA investment – None.
- N.** Investments in insurance SCA’s – None.
- O.** SCA Loss Tracking – None.

11. Debt

SIC has no debt as of December 31, 2018.

12. Retirement Plans.

- A.** Defined Benefit Plan - None.
- B.** A narrative description of investment policy and strategies – Not applicable.
- C.** The fair value of each class of plan asset – Not applicable.
- D.** A narrative description of the basis used to determine the long-term rate of return – Not applicable.
- E.** Defined Contribution Plan – None.
- F.** Multiemployer Plan – None.
- G.** Consolidated / Holding Company Plan – None.
- H.** Postemployment Benefits and Compensated Absences – None.
- I.** Impact of Medicare Modernization Act on Postretirement Benefits – None.

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

- 1) As of December 31, 2018, SC owned all of the 100 authorized and outstanding shares of SIC Class A common stock. SC also owns all of the 606,463 outstanding shares of SIC Class C common stock with a par value of \$.0001 per share.
- 2) Dividend rate, liquidation value and redemption schedule of preferred stock issues - None
- 3) Dividend restrictions – In accordance with the Ohio Revised Code, the Company must receive approval from ODI to pay a dividend or distribution during 2019, which when combined with the dividends or distributions paid within the preceding 12 months exceeds the greater of either (a) 10% of the Company’s capital and surplus as of December 31, 2018, or (b) the Company’s net gain from operations for the year ended December 31, 2018. Accordingly, during 2019, prior approval from the ODI is required for any dividend or distribution payment which exceeds \$2,397,209.
- 4) Dates and amounts of dividends paid – None.
- 5) Portion of reporting entities profits that may be paid as ordinary dividends - Reference number 3 above.
- 6) Restrictions on unassigned funds – None.
- 7) Mutual Reciprocals - None.
- 8) Stock held by the Company for special purposes – None.
- 9) Changes in the balances of special surplus funds – None.
- 10) The portion of unassigned funds represented or reduced by :

Nonadmitted Asset Values – \$1,870,299

Notes to Financial Statements

Unrealized Gains (Losses) – (\$157,379)

- 11) Surplus notes - None.
- 12) Restatement in a quasi-reorganization – Not applicable
- 13) Quasi-reorganization – Not applicable.

14. Liabilities, Contingencies and Assessments

- A. Contingent commitments – None.
- B. Assessments

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

- C. Gain contingencies – None.
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None.
- E. Joint and several liabilities – None.
- F. All other contingencies – None.

15. Leases – None.

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

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

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

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators -
Not applicable.

20. Fair Value Measurement

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

1) Fair value measurements at the reporting date.

Notes to Financial Statements

Description for each class of asset or liability	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Cash and short-term investments	\$21,801,491	\$0	\$0	\$21,801,491
Perpetual referred stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total perpetual and preferred stock	\$0	\$0	\$0	\$0
Bonds				
U.S. Governments	\$0	\$0	\$0	\$0
Industrial and misc	\$0	\$0	\$0	\$0
Hybrid securities	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total Bonds	\$0	\$0	\$0	\$0
Common stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total common stock	\$0	\$0	\$0	\$0
Derivative assets				
Interest rate contracts				
Foreign exchange contracts	\$0	\$0	\$0	\$0
Credit contracts	\$0	\$0	\$0	\$0
Commodity futures contracts	\$0	\$0	\$0	\$0
Commodity forwards contracts	\$0	\$0	\$0	\$0
Total derivatives	\$0	\$0	\$0	\$0
Separate account assets	\$0	\$0	\$0	\$0
Total assets at fair value	\$21,801,491	\$0	\$0	\$21,801,491
b. Liabilities at fair value				
Derivative liabilities	\$0	\$0	\$0	\$0
Total liabilities at fair value	\$0	\$0	\$0	\$0

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

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

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

5) Derivative assets and liabilities – None.

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

Notes to Financial Statements

December 31, 2018								
Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)		
U.S. Treasury securities	\$ 17,596,289	\$ 17,763,953	\$ 17,596,289	\$ -	\$ -	\$ -		
U.S. government agency securities	\$ 756,332	\$ 746,047	\$ -	\$ 756,332	\$ -	\$ -		
Short-term investments	\$ 6,854,317	\$ 6,854,317	\$ 6,854,317	\$ -	\$ -	\$ -		

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

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

21. Other Items

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

22. Events Subsequent

Type I – Recognized Subsequent Events – None.

Type II – Nonrecognized Subsequent Events

The Company is subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). The fee is allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The Consolidated Appropriation Act of 2018 placed a moratorium on this fee for 2019. Due to the moratorium put in place, no fee was assessed for 2019 on the Company’s net premiums written during 2018.

	2018	2017
A. ACA fee assessment payable for the upcoming year	\$ -	\$ 4,000,000
B. ACA fee assessment paid	2,661,467	-
C. Premium written subject to ACA 9010 assessment	170,796,083	170,195,348
D. Total adjusted capital before surplus adjustment	23,972,094	21,360,212
E. Authorized control level before surplus adjustment	6,703,222	6,222,333
F. Total adjusted capital after surplus adjustment	23,972,094	17,360,212
G. Authorized control level after surplus adjustment	6,703,222	6,222,333
H. Would reporting the upcoming year ACA assessment have triggered an RBC action (YES/NO)?	No	No

Notes to Financial Statements

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

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

Yes () No (X)

If yes, give full details.

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$_____
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$_____

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

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of the reinsurance credits, whether an asset or a reduction of a liability, taken for such new agreements or amendments? \$_____

- B. Uncollectible Reinsurance – None.**
- C. Commutation of Ceded Reinsurance – None.**
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – None.**

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. Method used by reporting entity to estimate accrued retrospective premium adjustments – None.**
- B. Accrued retrospective premiums are recorded through written premium or earned premium – None.**
- C. Amount of net written premiums that are subject to retrospective rating features – None.**
- D. Amount of medical loss ratio rebates required pursuant to the Public Health Service Act – None.**

Notes to Financial Statements

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

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

1. Premium adjustments receivable due to ACA Risk Adjustment (2)	\$3,112,073
Liabilities	
2. Risk adjustment user fee payable for ACA Risk Adjustment	\$11,731
3. Premium adjustments payable due to ACA Risk Adjustment (2)	\$0
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment (2)	\$2,953,328
5. Reported in expense as ACA risk adjustment user fees (incurred/paid)	\$10,286
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$0
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) (1)	\$0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance (1)	\$0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance (Not reported as ceded resinruance premium)	\$0
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance (1)	\$0
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$0
8. Reinsurance recoveries due to ACA Reinsurance payments or expected payments	(\$9,785)
9. ACA reinsurance contributions - not reported as ceded premium	\$0
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors (2)	\$0
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors (1)	\$0
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received) (2)	\$18,849
4. Effect of ACA Risk Corridors on change in reserves for rate credits (1)	\$0

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

Notes to Financial Statements

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances - Report Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Prior Year Accrued Less Payments (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivables	\$2,634,328	\$0	\$2,408,376	\$0	\$225,953	\$0	(\$225,953)	\$0	A	(\$0)	\$0
2. Premium adjustments (payable)	\$0	(\$1,100,000)	\$0	(\$1,032,792)	\$0	(\$67,208)	\$0	\$67,208	B	\$0	\$0
3. Subtotal ACA Permanent Risk Adjustment Program	\$2,634,328	(\$1,100,000)	\$2,408,376	(\$1,032,792)	\$225,953	(\$67,208)	(\$225,953)	\$67,208		(\$0)	\$0
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$340,655	\$0	\$330,870	\$0	\$9,785	\$0	(\$9,785)	\$0	C	\$0	\$0
2. Amounts recoverable for claims unpaid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	D	\$0	\$0
3. Amounts receivable relating to uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	E	\$0	\$0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	F	\$0	\$0
5. Ceded reinsurance premiums payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	G	\$0	\$0
6. Liability for amounts held under uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	H	\$0	\$0
7. Subtotal ACA Transitional Reinsurance Program	\$340,655	\$0	\$330,870	\$0	\$9,785	\$0	(\$9,785)	\$0		\$0	\$0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0	I	\$0	\$0
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	J	\$0	\$0
3. Subtotal ACA Risk Corridors Program	\$0	\$0	\$18,849	\$0	(\$18,849)	\$0	\$18,849	\$0		\$0	\$0
d. Total for ACA Risk Sharing Provisions	\$2,974,983	(\$1,100,000)	\$2,758,094	(\$1,032,792)	\$216,889	(\$67,208)	(\$216,889)	\$67,208		(\$0)	\$0
Explanations of Adjustments											
A	The receivable was adjusted to true-up to an estimate performed by an outside actuarial firm.										
B	The payable was adjusted to true-up to an estimate performed by an outside actuarial firm.										
C											
D											
E											
F											
G											
H											
I	Recorded the actual amount of risk corridor payments received during 2018.										
J											

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

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

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

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

25. Changes in Incurred Claims and Claims Adjustment Expenses

Activity in claims unpaid is summarized as follows:

Notes to Financial Statements

	2018	2017
Balance at January 1	\$ 15,758,920	\$ 16,625,124
Provisions for claims incurred in:		
Current year	153,235,145	149,793,907
Prior years	789,565	(2,623,835)
Total incurred	154,024,710	147,170,072
Claims paid related to:		
Current year	137,050,154	134,036,987
Prior years	16,544,485	13,999,289
Total paid	153,594,639	148,036,276
Balance at December 31	\$ 16,188,991	\$ 15,758,920

Reserves as of December 31, 2017 were \$15,758,920. As of December 31, 2018, \$16,544,485 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are \$4,000. Therefore, there has been \$789,565 in unfavorable experience from December 31, 2017 to December 31, 2018. This unfavorable experience is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements – None.

27. Structured Settlements – None.

28. Healthcare Receivables

The company receives pharmacy rebates on a quarterly basis. As of December 31, 2018, a receivable was recorded equal to three quarters of rebates. Pharmacy rebates receivable are estimated by multiplying the most recent rebate received by three (three quarters). The admission of pharmacy rebates receivable are subject to the terms stated within SSAP No. 84 (Certain Healthcare Receivables).

Quarter	Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Rebates Received Within 90 Days of Billing	Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2018	\$3,247,831	\$698,308	\$0	\$0	\$698,308
9/30/2018	\$3,726,953	\$1,396,616	\$0	\$0	\$1,396,616
6/30/2018	\$3,348,848	\$2,067,059	\$0	\$0	\$2,067,059
3/31/2018	\$2,751,408	\$1,991,614	\$0	\$0	\$1,991,614
12/31/2017	\$2,088,596	\$1,788,897	\$0	\$0	\$1,788,897
9/30/2017	\$663,530	\$1,336,330	\$0	\$0	\$1,336,330
6/30/2017	\$530,520	\$953,559	\$0	\$0	\$953,559
3/31/2017	\$465,548	\$457,968	\$0	\$0	\$457,968
12/31/2016	\$498,800	\$498,344	\$0	\$0	\$498,344
9/30/2016	\$453,128	\$488,221	\$0	\$0	\$488,221
6/30/2016	\$632,603	\$745,433	\$0	\$0	\$745,433
3/31/2016	\$640,862	\$793,539	\$0	\$0	\$793,539

29. Participating Policies – None.

30. Premium Deficiency Reserves

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

1. Liability carried for premium deficiency reserve:

\$0
2. Date of the most recent evaluation of this liability:

December 31, 2018
3. Was anticipated investment income utilized in the calculation?

YES

31. Anticipated Salvage Value and Subrogation – Not applicable.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1, 1A and 2.
1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[] N/A[]
1.3 State Regulating? Ohio
1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[] No[X]
1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. N/A
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: 02/01/2018
3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 02/01/2018
3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2017
3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/02/2013
3.4 By what department or departments? Ohio Department of Insurance
3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[] No[] N/A[X]
3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes[] No[X]
4.12 renewals? Yes[] No[X]
4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes[] No[X]
4.22 renewals? Yes[] No[X]
5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
If yes, complete and file the merger history data file with the NAIC.
5.2 If yes, provide the name of the 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.

Table with 3 columns: 1 Name of Entity, 2 NAIC Company Code, 3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
6.2 If yes, give full information:
7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[] No[X]
7.2 If yes,
7.21 State the percentage of foreign control 0.000%
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

Table with 2 columns: 1 Nationality, 2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

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

- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? RSM US LLP, 801 Nicollett Mall, West Tower, Suite 1100, Minneapolis, MN 55402-2526
10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[] No[X]
10.2 If response to 10.1 is yes, provide information related to this exemption:
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
10.4 If response to 10.3 is yes, provide information related to this exemption:
10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[] N/A[]
10.6 If the response to 10.5 is no or n/a please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? Shumei Kuo, Risk & Regulatory Consulting (associated with RSM US LLP), 20 Batterson Park Rd, Suite 380, Farmington CT 06032

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[] No[X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved

\$ 0
- 12.13 Total book/adjusted carrying value

\$ 0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[] No[] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?

Yes[] No[] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

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

Yes[X] No[]
- 14.1a Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- 14.1b Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- 14.1c Compliance with applicable governmental laws, rules and regulations;
- 14.1d The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- 14.1e Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes[] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount
.....			

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

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

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

Yes[X] No[]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers

\$ 0
- 20.12 To stockholders not officers

\$ 0
- 20.13 Trustees, supreme or grand (Fraternal only)

\$ 0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers

\$ 0
- 20.22 To stockholders not officers

\$ 0
- 20.23 Trustees, supreme or grand (Fraternal only)

\$ 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others

\$ 0
- 21.22 Borrowed from others

\$ 0
- 21.23 Leased from others

\$ 0
- 21.24 Other

\$ 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[] No[X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment

\$ 0
- 22.22 Amount paid as expenses

\$ 0
- 22.23 Other amounts paid

\$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 2,261,775

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)

Yes[] No[X]
- 24.02 If no, give full and complete information, relating thereto
- 24.02a All securities are in the possession of Huntington Bank
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes[] No[] N/A[X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

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

\$ 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

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

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

Yes[] No[] N/A[X]

GENERAL INTERROGATORIES (Continued)

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

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

\$ 0

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

\$ 0

24.103 Total payable for securities lending reported on the liability page.

\$ 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes[] No[X]

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

25.21 Subject to repurchase agreements

\$ 0

25.22 Subject to reverse repurchase agreements

\$ 0

25.23 Subject to dollar repurchase agreements

\$ 0

25.24 Subject to reverse dollar repurchase agreements

\$ 0

25.25 Placed under option agreements

\$ 0

25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock

\$ 0

25.27 FHLB Capital Stock

\$ 0

25.28 On deposit with states

\$ 0

25.29 On deposit with other regulatory bodies

\$ 0

25.30 Pledged as collateral - excluding collateral pledged to an FHLB

\$ 0

25.31 Pledged as collateral to FHLB - including assets backing funding agreements

\$ 0

25.32 Other

\$ 0

25.3 For category (25.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
.....		

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[] No[X]

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

Yes[] No[] N/A[X]

If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[] No[X]

27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0

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

Yes[X] No[]

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

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

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes[] No[X]

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

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

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

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

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes[X] No[]

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

Yes[] No[X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

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

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

Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 Total		

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

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

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	18,510,000	18,352,621	(157,379)
30.2 Preferred stocks			
30.3 Totals	18,510,000	18,352,621	(157,379)

30.4 Describe the sources or methods utilized in determining the fair values:
The values are based on the prices of assets at the close of the stock market on 12/31/2018 as determined by Thomson Reuters

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

Yes[] No[X]

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

Yes[] No[] N/A[X]

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

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

Yes[X] No[]

32.2 If no, list exceptions:

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

a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.

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 5GI securities?

Yes[] No[X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a. The security was purchased prior to January 1, 2018.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security

c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes[] No[X]

OTHER

35.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$ 0

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid

36.1 Amount of payments for legal expenses, if any?

\$ 2,698

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

1	2
Name	Amount Paid

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

\$ 0

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

GENERAL INTERROGATORIES (Continued)

1	2
Name	Amount Paid
.....	

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

1.2 If yes, indicate premium earned on U.S. business only:

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

1.6 Individual policies - Most current three years:

1.61 TOTAL Premium earned

1.62 TOTAL Incurred claims

1.63 Number of covered lives

All years prior to most current three years:

1.64 TOTAL Premium earned

1.65 TOTAL Incurred claims

1.66 Number of covered lives

1.7 Group policies - Most current three years:

1.71 TOTAL Premium earned

1.72 TOTAL Incurred claims

1.73 Number of covered lives

All years prior to most current three years:

1.74 TOTAL Premium earned

1.75 TOTAL Incurred claims

1.76 Number of covered lives

Yes[X] No[]

\$ 131,505

\$ 0

\$ 0

\$ 74,451

\$ 131,505

\$ 74,451

..... 44

\$ 0

\$ 0

..... 0

\$ 0

\$ 0

..... 0

\$ 0

\$ 0

..... 0

2. Health Test

		1	2
		Current Year	Prior Year
2.1	Premium Numerator	170,796,083	170,195,348
2.2	Premium Denominator	170,796,083	170,195,348
2.3	Premium Ratio (2.1 / 2.2)	1.000	1.000
2.4	Reserve Numerator	16,188,991	16,858,920
2.5	Reserve Denominator	16,188,991	16,858,920
2.6	Reserve Ratio (2.4 / 2.5)	1.000	1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

5.1 Does the reporting entity have stop-loss reinsurance?

5.2 If no, explain:

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive Medical

5.32 Medical Only

5.33 Medicare Supplement

5.34 Dental & Vision

5.35 Other Limited Benefit Plan

5.36 Other

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
The Company's provider contracts include insolvency provisions, continuity of care provisions and hold harmless language.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

8.2 Number of providers at end of reporting year

9.1 Does the reporting entity have business subject to premium rate guarantees?

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

9.22 Business with rate guarantees over 36 months

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

10.2 If yes:

10.21 Maximum amount payable bonuses

10.22 Amount actually paid for year bonuses

10.23 Maximum amount payable withholds

10.24 Amount actually paid for year withholds

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above)?

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

11.3 If yes, show the name of the state requiring such minimum capital and surplus.
Ohio

11.4 If yes, show the amount required.

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

11.6 If the amount is calculated, show the calculation.

12. List service areas in which the reporting entity is licensed to operate:

Yes[] No[X]

Yes[X] No[]

Yes[] No[X] N/A[]

Yes[X] No[]

\$ 600,000

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

..... 10,000

..... 0

Yes[] No[X]

..... 0

..... 0

Yes[] No[X]

\$ 0

\$ 0

\$ 0

\$ 0

Yes[] No[X]

Yes[] No[X]

Yes[X] No[]

Yes[X] No[]

\$ 2,500,000

Yes[] No[X]

1
Name of Service Area
Summit
Portage
Cuyahoga
Geauga
Stark
Medina
Wayne
Ashtabula
Carroll
Lorain
Mahoning

GENERAL INTERROGATORIES (Continued)

1
Name of Service Area
Trumbull
Ottawa
Sandusky
Erie
Huron
Lake
Ashland
Holmes
Tuscarawas

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

Yes[] No[X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date:

\$..... 0

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

Yes[] No[X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date:

\$..... 0

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers?

Yes[] No[] N/A[X]

14.2 If the answer to 14.1 is yes, please provide the following:

1	2	3	4	Assets Supporting Reserve Credit		
				5	6	7
Company Name	NAIC Company Code	Domiciliary Jurisdiction	Reserve Credit	Letters of Credit	Trust Agreements	Other
.....						

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)

15.1 Direct Premium Written

\$..... 0

15.2 Total incurred claims

\$..... 0

15.2 Number of covered lives

..... 0

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without Secondary Guarantee)
Universal Life (with or without Secondary Guarantee)
Variable Universal Life (with or without Secondary Guarantee)

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

Yes[] No[X]

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

Yes[] No[X]

FIVE-YEAR HISTORICAL DATA

	1 2018	2 2017	3 2016	4 2015	5 2014
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	50,010,096	48,332,431	54,884,384	59,694,266	71,513,629
2. TOTAL Liabilities (Page 3, Line 24)	26,038,002	26,972,219	26,488,024	35,311,905	40,054,539
3. Statutory minimum capital and surplus requirement	2,500,000	2,500,000	2,500,000	2,500,000	1,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	23,972,094	21,360,212	28,396,360	24,382,361	31,459,090
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	170,796,083	170,195,348	190,629,097	214,854,062	234,605,565
6. TOTAL Medical and Hospital Expenses (Line 18)	154,024,710	147,170,072	158,551,600	192,038,506	211,943,421
7. Claims adjustment expenses (Line 20)	2,844,889	2,785,411	2,597,754	2,785,953	3,223,020
8. TOTAL Administrative Expenses (Line 21)	26,446,582	25,715,951	24,787,115	28,857,955	34,892,476
9. Net underwriting gain (loss) (Line 24)	(12,520,098)	(5,476,086)	4,692,628	(8,828,352)	(15,453,352)
10. Net investment gain (loss) (Line 27)	395,243	415,300	450,831	474,461	264,025
11. TOTAL Other Income (Lines 28 plus 29)	1,312	151,659	1,730	973	4,149
12. Net income or (loss) (Line 32)	(11,897,506)	(5,029,001)	4,029,637	(7,620,469)	(13,508,684)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(12,113,446)	(4,602,263)	(2,395,668)	(12,554,299)	(8,162,952)
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	23,972,094	21,360,212	28,396,360	24,382,361	31,459,090
15. Authorized control level risk-based capital	6,703,222	6,222,333	6,631,342	7,942,274	8,695,175
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	30,903	31,491	36,003	43,383	51,835
17. TOTAL Members Months (Column 6, Line 7)	376,361	397,460	453,682	548,129	668,877
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	90.2	86.5	83.2	89.4	90.3
20. Cost containment expenses	0.3	0.3	0.2	0.3	0.2
21. Other claims adjustment expenses	1.3	1.3	1.2	1.0	1.2
22. TOTAL Underwriting Deductions (Line 23)	107.3	103.2	97.5	104.1	106.6
23. TOTAL Underwriting Gain (Loss) (Line 24)	(7.3)	(3.2)	2.5	(4.1)	(6.6)
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	16,548,485	14,001,289	20,377,348	25,746,708	21,523,043
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	15,758,920	16,625,124	21,947,831	25,890,498	23,360,138
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. TOTAL of Above Lines 26 to 31					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above					

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

If no, please explain:

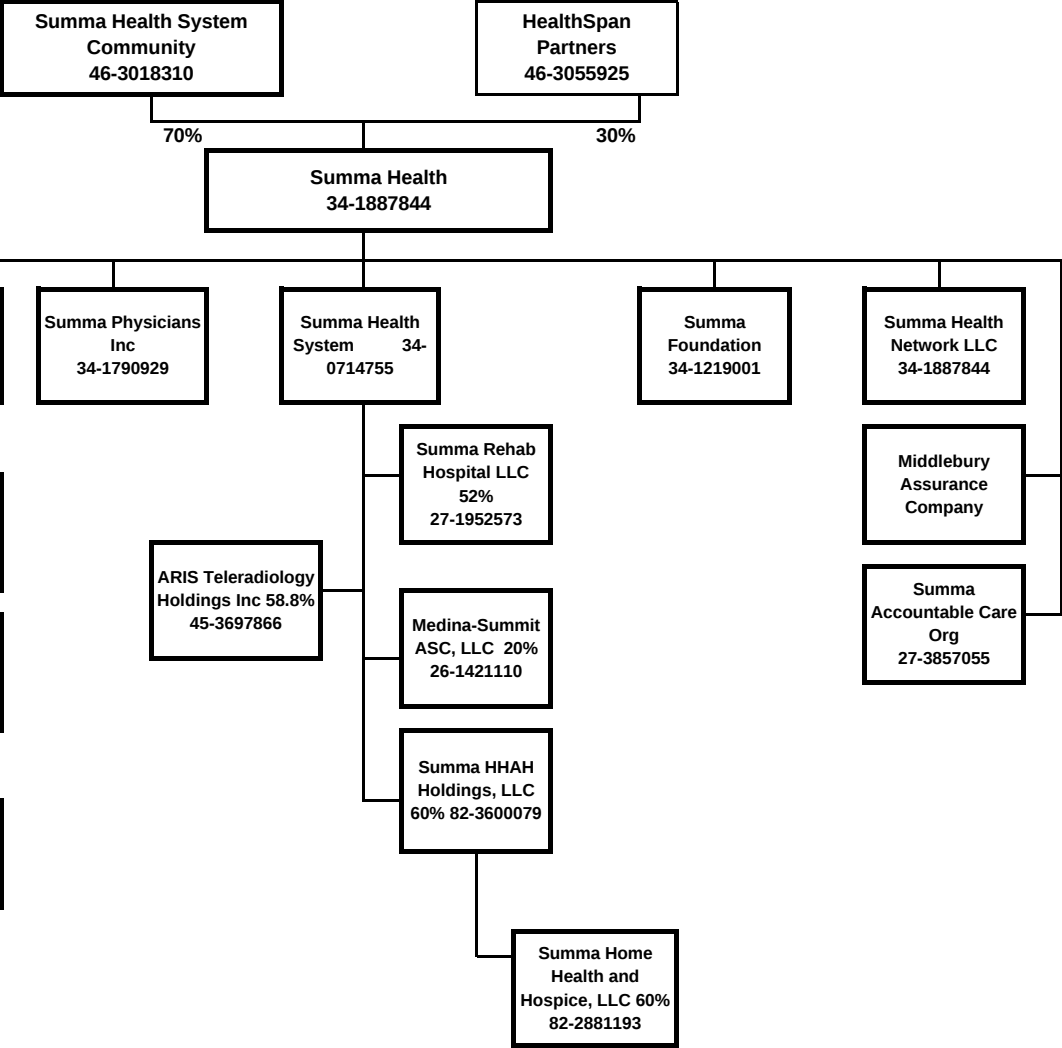
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
ALLOCATED BY STATES AND TERRITORIES

		1	Direct Business Only							
State, Etc.		Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit - Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	171,921,680						171,921,680	
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	171,921,680						171,921,680	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	TOTAL (Direct Business)	X X X	171,921,680						171,921,680	
DETAILS OF WRITE-INS										
58001.		X X X								
58002.		X X X								
58003.		X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

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

Explanation of basis of allocation by state, premiums by state, etc.: The Company only has business in the State of Ohio.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



**INDEX TO HEALTH
ANNUAL STATEMENT**

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