

ANNUAL STATEMENT

RECEIVED
APR 01 2019
**OFFICE OF RISK
ASSESSMENT**

OF THE

Canton Regional Chamber Health Fund

of
Canton
in the state of
Ohio

TO THE
Insurance Department
OF THE STATE OF
Ohio

For the Year Ending
DECEMBER 31, 2018

2018

ANNUAL STATEMENT

For the Year Ending DECEMBER 31, 2018

OF THE CONDITION AND AFFAIRS OF THE

Canton Regional Chamber Health Fund

| | | | | | |
|---------------------------------------|---|--|--|----------------------|------------|
| NAIC Group Code | 0000 | 0000 | NAIC Company Code | Employer's ID Number | 82-6483792 |
| | (Current Period) | (Prior Period) | | | |
| 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[X] | Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[] | Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[] | | |
| Incorporated/Organized | 12/01/2017 | Commenced Business | 12/07/2017 | | |
| Statutory Home Office | 2600 Sixth Street SW | Canton, OH, US 44710 | | | |
| | (Street and Number) | (City or Town, State, Country and Zip Code) | | | |
| Main Administrative Office | 2600 Sixth Street SW | | | | |
| | (Street and Number) | | | | |
| | Canton, OH, US 44710 | (330)363-4057 | | | |
| | (City or Town, State, Country and Zip Code) | (Area Code) (Telephone Number) | | | |
| Mail Address | 2600 Sixth Street SW | Canton, OH, US 44710 | | | |
| | (Street and Number or P.O. Box) | (City or Town, State, Country and Zip Code) | | | |
| Primary Location of Books and Records | 2600 Sixth Street SW | | | | |
| | (Street and Number) | | | | |
| | Canton, OH, US 44710 | (330)363-4057 | | | |
| | (City or Town, State, Country and Zip Code) | (Area Code) (Telephone Number) | | | |
| Internet Website Address | | | | | |
| Statutory Statement Contact | Jeffrey Alan Scheatzle | (330)363-4057 | | | |
| | (Name) | (Area Code)(Telephone Number)(Extension) | | | |
| | jscheatzle@aaltcare.com | (330)363-5012 | | | |
| | (E-Mail Address) | (Fax Number) | | | |

OFFICERS

| Name | Title |
|------------------|---------------|
| Geoffrey Karcher | Chairman |
| Todd Hawke | Vice Chairman |
| Frank Monaco | Treasurer |
| Robert Mullen | Secretary |

OTHERS

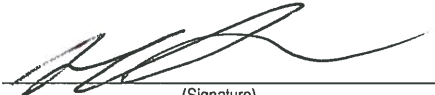
DIRECTORS OR TRUSTEES

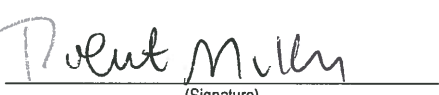
Brian Belden
Francis Hayden
Judith Barnes Lancaster
Frank Manaco
Robert Mullen


Todd Hawke
Geoffrey Karcher
Steven Meeks
Michael Moore
Mark Rosneck

State of Ohio
County of Stark 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)
Geoffrey Karcher
(Printed Name)
1.
Chairman
(Title)


(Signature)
Robert Mullen
(Printed Name)
2.
Secretary
(Title)


(Signature)
Frank Monaco
(Printed Name)
3.
Treasurer
(Title)

Subscribed and sworn to before me this 28 day of MARCH, 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[]


(Notary Public Signature)



Chris Berezik
Notary Public, State of Ohio
My Commission Expires 05-19-2019

DIRECTORS OR TRUSTEES (continued)

Dennis Saunier
Joseph Feltes#

Amanda Sterling

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) | | | | |
| 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 (\$.....786,053, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) | 786,053 | | 786,053 | 749,862 |
| 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) | 786,053 | | 786,053 | 749,862 |
| 13. | Title plants less \$.....0 charged off (for Title insurers only) | | | | |
| 14. | Investment income due and accrued | | | | |
| 15. | Premiums and considerations: | | | | |
| 15.1 | Uncollected premiums and agents' balances in the course of collection | 122,630 | | 122,630 | |
| 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 | | | | |
| 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 | 36,052 | | 36,052 | |
| 18.2 | Net deferred tax asset | | | | |
| 19. | Guaranty funds receivable or on deposit | | | | |
| 20. | Electronic data processing equipment and software | | | | |
| 21. | Furniture and equipment, including health care delivery assets (\$.....0) | | | | |
| 22. | Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. | Receivables from parent, subsidiaries and affiliates | | | | |
| 24. | Health care (\$.....0) and other amounts receivable | 96,092 | 96,092 | | |
| 25. | Aggregate write-ins for other than invested assets | 750,000 | | 750,000 | |
| 26. | TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 1,790,827 | 96,092 | 1,694,735 | 749,862 |
| 27. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. | TOTAL (Lines 26 and 27) | 1,790,827 | 96,092 | 1,694,735 | 749,862 |
| 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. | Surplus Note Receivable | 750,000 | | 750,000 | |
| 2502. | | | | | |
| 2503. | | | | | |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | 750,000 | | 750,000 | |

LIABILITIES, CAPITAL AND SURPLUS

| | | Current Year | | | Prior Year |
|----------------------|---|--------------|----------------|------------|------------|
| | | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. | Claims unpaid (less \$.....0 reinsurance ceded) | 194,000 | | 194,000 | |
| 2. | Accrued medical incentive pool and bonus amounts | | | | |
| 3. | Unpaid claims adjustment expenses | | | | |
| 4. | Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act | | | | |
| 5. | Aggregate life policy reserves | | | | |
| 6. | Property/casualty unearned premium reserves | | | | |
| 7. | Aggregate health claim reserves | | | | |
| 8. | Premiums received in advance | 224,135 | | 224,135 | |
| 9. | General expenses due or accrued | | | | |
| 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 | 8,455 | | 8,455 | |
| 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 | | | | |
| 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) | 426,591 | | 426,591 | |
| 25. | Aggregate write-ins for special surplus funds | X X X | X X X | | |
| 26. | Common capital stock | X X X | X X X | | |
| 27. | Preferred capital stock | X X X | X X X | | |
| 28. | Gross paid in and contributed surplus | X X X | X X X | | |
| 29. | Surplus notes | X X X | X X X | 1,500,000 | 750,000 |
| 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 | (231,855) | (138) |
| 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 | 1,268,145 | 749,862 |
| 34. | TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) | X X X | X X X | 1,694,735 | 749,862 |
| DETAILS OF WRITE-INS | | | | | |
| 2301. | | | | | |
| 2302. | | | | | |
| 2303. | | | | | |
| 2398. | Summary of remaining write-ins for Line 23 from overflow page | | | | |
| 2399. | TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) | | | | |
| 2501. | | X X X | X X X | | |
| 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 | | |
| 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 | 2 | 3 |
| | | Uncovered | Total | Total |
| 1. | Member Months | X X X | 10,412 | |
| 2. | Net premium income (including \$.....0 non-health premium income) | X X X | 1,591,978 | |
| 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 | 1,591,978 | |
| Hospital and Medical: | | | | |
| 9. | Hospital/medical benefits | | 1,697,204 | |
| 10. | Other professional services | | | |
| 11. | Outside referrals | | | |
| 12. | Emergency room and out-of-area | | 103,974 | |
| 13. | Prescription drugs | | 537,508 | |
| 14. | Aggregate write-ins for other hospital and medical | | | |
| 15. | Incentive pool, withhold adjustments and bonus amounts | | | |
| 16. | Subtotal (Lines 9 to 15) | | 2,338,686 | |
| Less: | | | | |
| 17. | Net reinsurance recoveries | | 1,049,903 | |
| 18. | TOTAL Hospital and Medical (Lines 16 minus 17) | | 1,288,783 | |
| 19. | Non-health claims (net) | | | |
| 20. | Claims adjustment expenses, including \$.....0 cost containment expenses | | | |
| 21. | General administrative expenses | | 474,873 | 138 |
| 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) | | 1,763,656 | 138 |
| 24. | Net underwriting gain or (loss) (Lines 8 minus 23) | X X X | (171,678) | (138) |
| 25. | Net investment income earned (Exhibit of Net Investment Income, Line 17) | | | |
| 26. | Net realized capital gains (losses) less capital gains tax of \$.....0 | | | |
| 27. | Net investment gains (losses) (Lines 25 plus 26) | | | |
| 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 | | | |
| 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 | (171,678) | (138) |
| 31. | Federal and foreign income taxes incurred | X X X | (36,052) | |
| 32. | Net income (loss) (Lines 30 minus 31) | X X X | (135,626) | (138) |
| 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. | | | | |
| 2902. | | | | |
| 2903. | | | | |
| 2998. | Summary of remaining write-ins for Line 29 from overflow page | | | |
| 2999. | TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) | | | |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | | 1 | 2 |
|---------------------------|---|--------------|------------|
| | | Current Year | Prior Year |
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. | Capital and surplus prior reporting year | 749,862 | |
| 34. | Net income or (loss) from Line 32 | (135,626) | (138) |
| 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 | (96,092) | |
| 40. | Change in unauthorized and certified reinsurance | | |
| 41. | Change in treasury stock | | |
| 42. | Change in surplus notes | 750,000 | 750,000 |
| 43. | Cumulative effect of changes in accounting principles | | |
| 44. | Capital Changes: | | |
| 44.1 | Paid in | | |
| 44.2 | Transferred from surplus (Stock Dividend) | | |
| 44.3 | Transferred to surplus | | |
| 45. | Surplus adjustments: | | |
| 45.1 | Paid in | | |
| 45.2 | Transferred to capital (Stock Dividend) | | |
| 45.3 | Transferred from capital | | |
| 46. | Dividends to stockholders | | |
| 47. | Aggregate write-ins for gains or (losses) in surplus | | |
| 48. | Net change in capital and surplus (Lines 34 to 47) | 518,283 | 749,862 |
| 49. | Capital and surplus end of reporting year (Line 33 plus 48) | 1,268,145 | 749,862 |
| DETAILS OF WRITE-INS | | | |
| 4701. | | | |
| 4702. | | | |
| 4703. | | | |
| 4798. | Summary of remaining write-ins for Line 47 from overflow page | | |
| 4799. | TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) | | |

CASH FLOW

| | | 1 | 2 |
|---|---|--------------|------------|
| | | Current Year | Prior Year |
| Cash from Operations | | | |
| 1. | Premiums collected net of reinsurance | 1,701,938 | |
| 2. | Net investment income | | |
| 3. | Miscellaneous income | | |
| 4. | TOTAL (Lines 1 through 3) | 1,701,938 | |
| 5. | Benefit and loss related payments | 1,190,874 | |
| 6. | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | |
| 7. | Commissions, expenses paid and aggregate write-ins for deductions | 474,873 | 138 |
| 8. | Dividends paid to policyholders | | |
| 9. | Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) | | |
| 10. | TOTAL (Lines 5 through 9) | 1,665,747 | 138 |
| 11. | Net cash from operations (Line 4 minus Line 10) | 36,191 | (138) |
| Cash from Investments | | | |
| 12. | Proceeds from investments sold, matured or repaid: | | |
| 12.1 | Bonds | | |
| 12.2 | Stocks | | |
| 12.3 | Mortgage loans | | |
| 12.4 | Real estate | | |
| 12.5 | Other invested assets | | |
| 12.6 | Net gains or (losses) on cash, cash equivalents and short-term investments | | |
| 12.7 | Miscellaneous proceeds | | |
| 12.8 | TOTAL Investment proceeds (Lines 12.1 to 12.7) | | |
| 13. | Cost of investments acquired (long-term only): | | |
| 13.1 | Bonds | | |
| 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) | | |
| 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) | | |
| 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 | | 750,000 |
| 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) | | |
| 17. | Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | | 750,000 |
| 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) | 36,191 | 749,862 |
| 19. | Cash, cash equivalents and short-term investments: | | |
| 19.1 | Beginning of year | 749,862 | |
| 19.2 | End of year (Line 18 plus Line 19.1) | 786,053 | 749,862 |

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

| | | | |
|---------|--|--|--|
| 20.0001 | | | |
|---------|--|--|--|

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 | 1,591,978 | 1,591,978 | | | | | | | | |
| 2. Change in unearned premium reserves and reserve for rate credit | | | | | | | | | | |
| 3. Fee-for-service (net of \$.00 medical expenses) | | | | | | | | | | XXX |
| 4. Risk revenue | | | | | | | | | | XXX |
| 5. Aggregate write-ins for other health care related revenues | | | | | | | | | | XXX |
| 6. Aggregate write-ins for other non-health care related revenues | | | | | | | | | XXX | |
| 7. TOTAL Revenues (Lines 1 to 6) | 1,591,978 | 1,591,978 | XXX | XXX | XXX | XXX | XXX | XXX | | |
| 8. Hospital/medical benefits | 1,697,204 | 1,697,204 | | | | | | | | |
| 9. Other professional services | | | | | | | | | | |
| 10. Outside referrals | | | | | | | | | | |
| 11. Emergency room and out-of-area | 103,974 | 103,974 | | | | | | | | |
| 12. Prescription drugs | 537,508 | 537,508 | | | | | | | | |
| 13. Aggregate write-ins for other hospital and medical | | | | | | | | | | |
| 14. Incentive pool, withhold adjustments and bonus amounts | | | | | | | | | | |
| 15. Subtotal (Lines 8 to 14) | | | | | | | | | | |
| 16. Net reinsurance recoveries | 2,338,686 | 2,338,686 | | | | | | | | |
| 17. TOTAL Hospital and Medical (Lines 15 minus 16) | 1,049,903 | 1,049,903 | | | | | | | | |
| 18. Non-health claims (net) | 1,288,783 | 1,288,783 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 19. Claims adjustment expenses including \$.00 cost | | | | | | | | | | |
| 20. General administrative expenses | 474,873 | 474,873 | | | | | | | | |
| 21. Increase in reserves for accident and health contracts | | | | | | | | | | |
| 22. Increase in reserves for life contracts | | | | | | | | | | XXX |
| 23. TOTAL Underwriting Deductions (Lines 17 to 22) | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23) | 1,763,656 | 1,763,656 | | | | | | | | |
| (171,678) | (171,678) | (171,678) | | | | | | | | |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 0501. | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | | | | | | | | | | XXX |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) | | | | | | | | | | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 1301. | | | | | | | | | | |
| 1302. | | | | | | | | | | |
| 1303. | | | | | | | | | | XXX |
| 1398. Summary of remaining write-ins for Line 13 from overflow page | | | | | | | | | | XXX |
| 1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) | | | | | | | | | | XXX |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

| | 1 | 2 | 3 | 4 |
|---|-----------------|---------------------|-------------------|--|
| Line of Business | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Premium Income (Columns 1 + 2 - 3) |
| 1. Comprehensive (hospital and medical) | 4,090,628 | | 2,498,650 | 1,591,978 |
| 2. Medicare Supplement | | | | |
| 3. Dental only | | | | |
| 4. Vision only | | | | |
| 5. Federal Employees Health Benefits Plan | | | | |
| 6. Title XVIII - Medicare | | | | |
| 7. Title XIX - Medicaid | | | | |
| 8. Other health | | | | |
| 9. Health subtotal (Lines 1 through 8) | 4,090,628 | | 2,498,650 | 1,591,978 |
| 10. Life | | | | |
| 11. Property/casualty | | | | |
| 12. TOTALS (Lines 9 to 11) | 4,090,628 | | 2,498,650 | 1,591,978 |

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 | 2,144,686 | 2,144,686 | | | | | | | | |
| 1.2 Reinsurance assumed | | | | | | | | | | |
| 1.3 Reinsurance ceded | 1,049,903 | 1,049,903 | | | | | | | | |
| 1.4 Net | 1,094,783 | 1,094,783 | | | | | | | | |
| 2. Paid medical incentive pools and bonuses | | | | | | | | | | |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | |
| 3.1 Direct | 194,000 | 194,000 | | | | | | | | |
| 3.2 Reinsurance assumed | | | | | | | | | | |
| 3.3 Reinsurance ceded | | | | | | | | | | |
| 3.4 Net | | | | | | | | | | |
| 4. Claim reserve December 31, current year from Part 2D: | 194,000 | 194,000 | | | | | | | | |
| 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 | | | | | | | | | | |
| 8. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | |
| 8.1 Direct | | | | | | | | | | |
| 8.2 Reinsurance assumed | | | | | | | | | | |
| 8.3 Reinsurance ceded | | | | | | | | | | |
| 8.4 Net | | | | | | | | | | |
| 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 | | | | | | | | | | |
| 12. Incurred benefits: | | | | | | | | | | |
| 12.1 Direct | 2,338,686 | 2,338,686 | | | | | | | | |
| 12.2 Reinsurance assumed | | | | | | | | | | |
| 12.3 Reinsurance ceded | 1,049,903 | 1,049,903 | | | | | | | | |
| 12.4 Net | 1,288,783 | 1,288,783 | | | | | | | | |
| 13. Incurred medical incentive pools and bonuses | | | | | | | | | | |

(a) Excludes \$.00 bars 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 | 194,000 | 194,000 | | | | | | | | |
| 2.2 Reinsurance assumed | | | | | | | | | | |
| 2.3 Reinsurance ceded | | | | | | | | | | |
| 2.4 Net | | | | | | | | | | |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | |
| 3.1 Direct | 194,000 | 194,000 | | | | | | | | |
| 3.2 Reinsurance assumed | | | | | | | | | | |
| 3.3 Reinsurance ceded | | | | | | | | | | |
| 3.4 Net | | | | | | | | | | |
| 4. TOTALS | | | | | | | | | | |
| 4.1 Direct | 194,000 | 194,000 | | | | | | | | |
| 4.2 Reinsurance assumed | | | | | | | | | | |
| 4.3 Reinsurance ceded | | | | | | | | | | |
| 4.4 Net | 194,000 | 194,000 | | | | | | | | |

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

| Line of Business | Claims Paid During the Year | | Claim Reserve and Claim Liability December 31 of Current Year | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|--|---|--|---|--|---|--|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid December 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | | | | | | |
| 2. Medicare Supplement | | 1,094,783 | | 194,000 | | |
| 3. Dental only | | | | | | |
| 4. Vision only | | | | | | |
| 5. Federal Employees Health Benefits Plan | | | | | | |
| 6. Title XVIII - Medicare | | | | | | |
| 7. Title XIX - Medicaid | | | | | | |
| 8. Other health | | | | | | |
| 9. Health subtotal (Lines 1 to 8) | | 1,094,783 | | 194,000 | | |
| 10. Healthcare receivables (a) | | | | | | |
| 11. Other non-health | | | | | | |
| 12. Medical incentive pool and bonus amounts | | | | | | |
| 13. TOTALS (Lines 9 - 10 + 11 + 12) | | 1,094,783 | | 194,000 | | |

(a) Excludes \$.....0 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 | | | | | | |
| 2. 2014 | | | | | | |
| 3. 2015 | | XXX | | | | |
| 4. 2016 | | XXX | XXX | | | |
| 5. 2017 | | XXX | XXX | XXX | | |
| 6. 2018 | | XXX | XXX | XXX | XXX | 1,095 |

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 | | | | | | |
| 3. 2015 | | XXX | | | | |
| 4. 2016 | | XXX | XXX | | | |
| 5. 2017 | | XXX | XXX | XXX | | |
| 6. 2018 | | XXX | XXX | XXX | XXX | 1,289 |

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

| Years in Which Premiums were Earned and Claims were Incurred | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|--|-----------------|-----------------|-----------------------------------|--------------------|--|--------------------|---------------|-----------------------------------|--|--------------------|
| | | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8) | (Col. 9/1) Percent |
| 1. 2014 | | | | | | | | | | | |
| 2. 2015 | | | | | | | | | | | |
| 3. 2016 | | | | | | | | | | | |
| 4. 2017 | | | | | | | | | | | |
| 5. 2018 | | 1,592 | 1,095 | | | 1,095 | 68.768 | 194 | | 1,289 | 80.955 |

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 | | | | | | |
| 2. 2014 | | | | | | |
| 3. 2015 | | XXX | | | | |
| 4. 2016 | | XXX | XXX | | | |
| 5. 2017 | | XXX | XXX | XXX | | |
| 6. 2018 | | XXX | XXX | XXX | XXX | 1,095 |

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 | | | | | | |
| 3. 2015 | | XXX | | | | |
| 4. 2016 | | XXX | XXX | | | |
| 5. 2017 | | XXX | XXX | XXX | | |
| 6. 2018 | | XXX | XXX | XXX | XXX | 1,289 |

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

| Years in Which Premiums were Earned and Claims were Incurred | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|--|--------------------|--------------------|--|-----------------------|--|-----------------------|------------------|---|--|-----------------------|
| | | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8) | (Col. 9/1) Percent |
| 1. 2014 | | | | | | | | | | | |
| 2. 2015 | | | | | | | | | | | |
| 3. 2016 | | | | | | | | | | | |
| 4. 2017 | | | | | | | | | | | |
| 5. 2018 | | 1,592 | 1,095 | | | 1,095 | 68.768 | 194 | | 1,289 | 80.955 |

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE
- 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
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other NONE
- 13 Underwriting Invest Exh Pt 2D - A & H Reserve NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

| | | Claim Adjustment Expenses | | 3 General Administrative Expenses | 4 Investment Expenses | 5 Total |
|----------------------|--|--------------------------------------|--|--|-----------------------------|-------------|
| | | 1 Cost Containment Expenses | 2 Other Claim Adjustment Expenses | | | |
| 1. | Rent (\$.....0 for occupancy of own building) | | | | | |
| 2. | Salaries, wages and other benefits | | | | | |
| 3. | Commissions (less \$.....0 ceded plus \$.....0 assumed) | | | | | |
| 4. | Legal fees and expenses | | | | | |
| 5. | Certifications and accreditation fees | | | | | |
| 6. | Auditing, actuarial and other consulting services | | | | | |
| 7. | Traveling expenses | | | | | |
| 8. | Marketing and advertising | | | | | |
| 9. | Postage, express and telephone | | | | | |
| 10. | Printing and office supplies | | | | | |
| 11. | Occupancy, depreciation and amortization | | | | | |
| 12. | Equipment | | | | | |
| 13. | Cost or depreciation of EDP equipment and software | | | | | |
| 14. | Outsourced services including EDP, claims, and other services | | | 474,165 | | 474,165 |
| 15. | Boards, bureaus and association fees | | | | | |
| 16. | Insurance, except on real estate | | | | | |
| 17. | Collection and bank service charges | | | 708 | | 708 |
| 18. | Group service and administration fees | | | | | |
| 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 | | | | | |
| 23.3 | Regulatory authority licenses and fees | | | | | |
| 23.4 | Payroll taxes | | | | | |
| 23.5 | Other (excluding federal income and real estate taxes) | | | | | |
| 24. | Investment expenses not included elsewhere | | | | | |
| 25. | Aggregate write-ins for expenses | | | | | |
| 26. | TOTAL Expenses Incurred (Lines 1 to 25) | | | 474,873 | | (a) 474,873 |
| 27. | Less expenses unpaid December 31, current year | | | | | |
| 28. | Add expenses unpaid December 31, prior year | | | | | |
| 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) | | | 474,873 | | 474,873 |
| DETAILS OF WRITE-INS | | | | | | |
| 2501. | | | | | | |
| 2502. | | | | | | |
| 2503. | | | | | | |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | | | | | |
| 2599. | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | | | | | |

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

EXHIBIT OF NET INVESTMENT INCOME

| | | 1 Collected During Year | 2 Earned During Year |
|---|---|-------------------------------|----------------------------|
| 1. | U.S. Government bonds | (a) | |
| 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) | |
| 7. | Derivative instruments | (f) | |
| 8. | Other invested assets | | |
| 9. | Aggregate write-ins for investment income | | |
| 10. | TOTAL gross investment income | | |
| 11. | Investment expenses | | (g) |
| 12. | Investment taxes, licenses and fees, excluding federal income taxes | | (g) |
| 13. | Interest expense | | (h) |
| 14. | Depreciation on real estate and other invested assets | | (i) |
| 15. | Aggregate write-ins for deductions from investment income | NONE | |
| 16. | TOTAL Deductions (Lines 11 through 15) | | |
| 17. | Net Investment income (Line 10 minus Line 16) | | |
| 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 | NONE | | | | |
| 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 | | | |
| | 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 | 96,092 | | (96,092) |
| 25. | Aggregate write-ins for other than invested assets | | | |
| 26. | TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 96,092 | | (96,092) |
| 27. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 28. | TOTAL (Lines 26 and 27) | 96,092 | | (96,092) |
| 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. | | | | |
| 2502. | | | | |
| 2503. | | | | |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | | | |
| 2599. | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | | | |

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| | Total Members at End of | | | | | 6 Current Year Member Months |
|--|-------------------------|-----------------------|------------------------|-----------------------|----------------------|---------------------------------------|
| | 1 Prior Year | 2 First Quarter | 3 Second Quarter | 4 Third Quarter | 5 Current Year | |
| Source of Enrollment | | | | | | |
| 1. Health Maintenance Organizations | | | | | | |
| 2. Provider Service Organizations | | | | | | |
| 3. Preferred Provider Organizations | | | | | | |
| 4. Point of Service | | | | | | |
| 5. Indemnity Only | | | | | | |
| 6. Aggregate write-ins for other lines of business | | 271 | 665 | 1,396 | 1,680 | 10,412 |
| 7. TOTAL | | 271 | 665 | 1,396 | 1,680 | 10,412 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. Multiple Employer Welfare Arrangement | | 271 | 665 | 1,396 | 1,680 | 10,412 |
| 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) | | 271 | 665 | 1,396 | 1,680 | 10,412 |

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

| 1 | | 2 | 3 | 4 | 5 | 6 | 7 |
|---|--|-------------|--------------|--------------|--------------|-------------|----------|
| Name of Debtor | | 1 - 30 Days | 31 - 60 Days | 61 - 90 Days | Over 90 Days | Nonadmitted | Admitted |
| 0199999 TOTAL Individuals | | | | | | | |
| 0299998 Premiums due and unpaid not individually listed | | 122,630 | | | | | 122,630 |
| 0299999 TOTAL Group | | 122,630 | | | | | 122,630 |
| 0399999 Premiums due and unpaid from Medicare entities | | | | | | | |
| 0499999 Premiums due and unpaid from Medicaid entities | | | | | | | |
| 0599999 Accident and health premiums due and unpaid (Page 2, Line 15) | | 122,630 | | | | | 122,630 |

EXHIBIT 3 - HEALTH CARE RECEIVABLES

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--|-------------|--------------|--------------|--------------|-------------|----------|
| Name of Debtor | 1 - 30 Days | 31 - 60 Days | 61 - 90 Days | Over 90 Days | Nonadmitted | Admitted |
| 0199998 Pharmaceutical Rebate Receivables - Not Individually Listed | | | | 96,092 | 96,092 | |
| 0199999 Subtotal - Pharmaceutical Rebate Receivables | | | | | | |
| 0299998 Claim Overpayment Receivables - Not Individually Listed | | | | 96,092 | 96,092 | |
| 0299999 Subtotal - Claim Overpayment Receivables | | | | | | |
| 0399998 Loans and Advances to Providers - Not Individually Listed | | | | | | |
| 0399999 Subtotal - Loans and Advances to Providers | | | | | | |
| 0499998 Capitation Arrangement Receivables - Not Individually Listed | | | | | | |
| 0499999 Subtotal - Capitation Arrangement Receivables | | | | | | |
| 0599998 Risk Sharing Receivables - Not Individually Listed | | | | | | |
| 0599999 Subtotal - Risk Sharing Receivables | | | | | | |
| 0699998 Other Receivables - Not Individually Listed | | | | | | |
| 0699999 Subtotal - Other Receivables | | | | | | |
| 0799999 Gross health care receivables | | | | 96,092 | 96,092 | |

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

| | Health Care Receivables Collected During the Year | | Health Care Receivables Accrued as of December 31 of Current Year | | 5 Health Care Receivables in Prior Years (Columns 1 + 3) | 6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year |
|---------------------------------------|--|---|---|---|---|--|
| | 1 On Amounts Accrued Prior to January 1 of Current Year | 2 On Amounts Accrued During the Year | 3 On Amounts Accrued December 31 of Prior Year | 4 On Amounts Accrued During the Year | | |
| Type of Health Care Receivable | | | | | | |
| 1. Pharmaceutical rebate receivables | | | | 96,092 | | |
| 2. Claim overpayment receivables | | | | | | |
| 3. Loans and advances to providers | | | | | | |
| 4. Capitation arrangement receivables | | | | | | |
| 5. Risk sharing receivables | | | | | | |
| 6. Other health care receivables | | | | | | |
| 7. TOTALS (Lines 1 through 6) | | | | 96,092 | | |

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)
Aging Analysis of Unpaid Claims

| 1 Account | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 91 - 120 Days | 6 Over 120 Days | 7 Total |
|--|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered | | | | | | |
| 0399999 Aggregate Accounts Not Individually Listed - Covered | | | | | | |
| 0499999 Subtotals | | | | | | |
| 0599999 Unreported claims and other claim reserves | | | | | | |
| 0699999 TOTAL Amounts Withheld | | | | | | 194,000 |
| 0799999 TOTAL Claims Unpaid | | | | | | |
| 0899999 Accrued Medical Incentive Pool and Bonus Amounts | | | | | | 194,000 |

22 Exhibit 5 - Amounts Due From Parent NONE

23 Exhibit 6 - Amounts Due to Parent NONE

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

| | 1 | 2 | 3 | 4 | 5 | 6 |
|---|--------------------------------|-----------------------------------|-----------------------|----------------------------------|--|--|
| | Direct Medical Expense Payment | Column 1 as a % of Total Payments | Total Members Covered | Column 3 as a % of Total Members | Column 1 Expenses Paid to Affiliated Providers | Column 1 Expenses Paid to Non-Affiliated Providers |
| Capitation Payments: | | | | | | |
| 1. Medical groups | | | | | | |
| 2. Intermediaries | | | | | | |
| 3. All other providers | | | | | | |
| 4. TOTAL Capitation Payments | | | | | | |
| Other Payments: | | | | | | |
| 5. Fee-for-service | | | | | | |
| 6. Contractual fee payments | | | XXX | XXX | | |
| 7. Bonus/withhold arrangements - fee-for-service | 1,094,783 | 100.000 | XXX | XXX | | 1,094,783 |
| 8. Bonus/withhold arrangements - contractual fee payments | | | XXX | XXX | | |
| 9. Non-contingent salaries | | | XXX | XXX | | |
| 10. Aggregate cost arrangements | | | XXX | XXX | | |
| 11. All other payments | | | XXX | XXX | | |
| 12. TOTAL Other Payments | 1,094,783 | 100.000 | XXX | XXX | | 1,094,783 |
| 13. TOTAL (Line 4 plus Line 12) | 1,094,783 | 100.000 | XXX | XXX | | 1,094,783 |

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

| 1 | 2 | 3 | 4 | 5 | 6 |
|----------------|----------------------|-----------------|----------------------------|---------------------------------------|---|
| NAIC Code | Name of Intermediary | Capitation Paid | Average Monthly Capitation | Intermediary's Total Adjusted Capital | Intermediary's Authorized Control Level RBC |
| NONE | | | | | |
| 9999999 TOTALS | | | XXX | XXX | XXX |

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

| | | 1 | 2 | 3 | 4 | 5 | 6 |
|----|---|------|--------------|--------------------------|------------------------------|---------------------|---------------------|
| | Description | Cost | Improvements | Accumulated Depreciation | Book Value Less Encumbrances | Assets Not Admitted | Net Admitted Assets |
| 1. | Administrative furniture and equipment | NONE | | | | | |
| 2. | Medical furniture, equipment and fixtures | | | | | | |
| 3. | Pharmaceuticals and surgical supplies | | | | | | |
| 4. | Durable medical equipment | | | | | | |
| 5. | Other property and equipment | | | | | | |
| 6. | TOTAL | | | | | | |

Notes to Financial Statements
Notes to Financial Statement

The Canton Regional Chamber Health Fund Trust was licensed effective December 7, 2017. The Fund began full operations February 1, which reflects 2018 as the first full year of operations.

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES AND GOING CONCERN

A. Accounting Practices

Canton Regional Chamber Health Fund Trust's (the Company or CRC Health Fund Trust) 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 and reporting the financial condition and results of operations of a MEWA for determining its solvency under Ohio Insurance Law. The state prescribes the use of the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) in effect for the accounting periods covered in the statutory basis financial statements.

No significant differences exist between the practices prescribed and permitted by the State of Ohio and those prescribed and permitted by the NAIC SAP which materially affect the statutory basis net income and capital and surplus, as illustrated in the table below:

| Note 1A | SSAP # | F/S Page # | F/S Line # | 2018 | 2017 |
|--|--------|------------|------------|--------------|------------|
| Net Income | | | | | |
| (1) Company state basis (Page 4, Line 34, Columns 1 & 2) | xxx | xxx | xxx | \$ (135,626) | \$ (138) |
| (2) State prescribed practices that increase/(decrease) NAIC SAP Not Applicable | | | | \$ - | \$ - |
| (3) State permitted practices that increase/(decrease) NAIC SAP Not Applicable | | | | \$ - | \$ - |
| (4) NAIC SAP (1-2-3=4) | xxx | xxx | xxx | \$ (135,626) | \$ (138) |
| Capital and Surplus | | | | | |
| (5) Company state basis (Page3, Line 33, Columns 1 & 2) | xxx | xxx | xxx | \$ 518,145 | \$ 749,862 |
| (6) State prescribed practices that increase/(decrease) NAIC SAP Not Applicable | | | | \$ - | \$ - |
| (7) State permitted practices that increase/(decrease) NAIC SAP Not Applicable | 72 | | | \$ 750,000 | \$ - |
| (8) NAIC SAP (5-6-7=8) | xxx | xxx | xxx | \$ 1,268,145 | \$ 749,862 |

B. Use of Estimates in the Preparation of the Statutory Basis Financial Statements

The preparation of these statutory basis financial statements in conformity with the NAIC Annual Statement Instructions and the NAIC SAP include certain amounts that are based on the Company's estimates and judgments. These estimates require the Company to apply complex assumptions and judgments, often because the Company must make estimates about the effects of matters that are inherently uncertain and will change in subsequent periods.

C. Accounting Policy

The Company uses the following accounting policies:

- 1) Cash and Short-Term Investments
Cash and short-term investments include cash held in a bank account.
- 2) The Company holds no bonds
- 3) The Company holds no Common Stock
- 4) The Company holds no Preferred Stock
- 5) The Company holds no Mortgage Loans on real estate
- 6) The Company holds no Loan backed securities
- 7) The Company holds no investments in subsidiaries, controlled or affiliated entities
- 8) The Company has no investment interests with respect to joint ventures, partnerships or limited liability companies
- 9) The Company holds no derivatives
- 10) The Company has no Premium Deficiency Reserves
- 11) The Company has estimated claims reserve based on actuarial projections and anticipated enrollment.
- 12) The Company does not carry any fixed assets on the statutory basis financial statements.

Notes to Financial Statements

13) The Company uses current year received pharmacy rebate as a percentage of current year claims expense to estimate current rebate receivable off of the annual (qtr) claims in accordance with SSAP 84.

D. Going Concern

The Company has the ability and will continue to operate for a period of time sufficient to carry out its commitments, obligations and business objectives.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No changes in accounting principles or correction of errors have been recorded during the year ended December 31, 2018.

3. BUSINESS COMBINATIONS AND GOODWILL

A-D The Company was not party to a business combination during the year ended December 31, 2018, and does not carry goodwill in its statutory basis statements of admitted assets, liabilities, and capital and surplus.

4. DISCONTINUED OPERATIONS

A. Discontinued Operations Disposed of or Classified as Held for Sale

(1-4) The Company did not have any discontinued operations disposed of or classified as held for sale during 2018.

B. Change in Plan of Sale of Discontinued Operation – Not applicable.

C. Nature of any Significant Continuing involvement with Discontinued Operations after Disposal - Not applicable.

D. Equity Interest Retained in the Discontinued Operation after Disposal - Not applicable.

5. INVESTMENTS AND OTHER INVESTED ASSETS

A. Mortgage Loans

The Company has no investments in Mortgage Loans

B. Debt Restructuring

The Company has no Debt Restructuring investments

C. Reverse Mortgages

The Company has no investments in Reverse Mortgage

D. Loan Backed Securities

The Company has no investments in Loan Backed Securities

E-I. Repurchase Agreements

The Company has no investments in Repurchase Agreements

J. Real Estate

The Company has no Real Estate investments

K. Investments in low-income housing tax credits

The Company has no investments in low-income housing tax credits

L. Restricted Assets

The Company has no investments in Restricted Assets

M. Working Capital Finance Investments – Not applicable

N. Offsetting and Netting of Assets and Liabilities

The Company does not have any offsetting or netting of assets and liabilities as it relates to derivative, repurchase and reverse repurchase agreements, and securities borrowing and securities lending activities.

O. Structured Notes

The Company does not have any Structured Notes

P. 5* Securities

The Company does not have any investments with an NAIC designation of 5* as of December 31, 2018.

Q. Short Sales

The Company has no Short Sale investments

R. Prepayment Penalty and Acceleration Fees

The Company did not sell, redeem or dispose of any assets.

6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

Notes to Financial Statements

A-B The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of admitted assets and did not recognize any impairment write-down for its investments in joint venture, partnerships, and limited liability companies during the statement periods.

7. INVESTMENT INCOME

- A. The basis, by category of investment income, for excluding (nonadmitting) any investment income due and accrued – Not applicable.
- B. There were no investment income amounts excluded from the statutory basis financial statements

8. DERIVATIVE INSTRUMENTS

A-F The Company has no derivative instruments.

9. INCOME TAXES

- A. **Deferred Tax Asset/Liability**
The Company does not have Deferred Tax Asset/Liability
- B. **Unrecognized Deferred Tax Liabilities**
(1-4) There are no unrecognized deferred tax liabilities for the year ended December 31, 2018.

C. Significant Components of Income Taxes

- (1) The current federal income taxes incurred for the year ended December 31, 2018

| Note 1C | 2018 | 2017 | (Col 1-2) Change |
|---|-----------------------|-------------|-----------------------|
| 1. Current income tax | | | |
| (a) Federal | \$ (36,052.00) | \$ - | \$ (36,052.00) |
| (b) Foreign | \$ - | \$ - | \$ - |
| (c) Subtotal | <u>\$ (36,052.00)</u> | <u>\$ -</u> | <u>\$ (36,052.00)</u> |
| (d) Federal income tax on net capital gains | | | |
| (e) Utilization of capital loss carry forwards | \$ - | \$ - | \$ - |
| (f) Other | \$ - | \$ - | \$ - |
| (g) Total federal and foreign income taxes incurred | <u>\$ (36,052.00)</u> | <u>\$ -</u> | <u>\$ (36,052.00)</u> |

- D. The provision for federal income taxes incurred is different than that which would be obtained by applying the statutory federal income tax rate to income before taxes.

The Company has no tax liability as of December 31, 2018.

| | <u>December 31, 2018</u> | <u>Effective Tax Rate</u> |
|---------------------------------------|--------------------------|-------------------------------|
| Provision computed at statutory rate | \$ - | 0% |
| Permanent Adjustments | \$ - | 0% |
| Change in valuation allowance | \$ - | 0% |
| Change in nonadmitted assets | <u>\$ -</u> | <u>0%</u> |
| Total statutory income taxes incurred | | |
| Federal income taxes incurred | \$ - | 0% |
| Change in net deferred income taxes | \$ - | 0% |
| Total statutory income taxes | <u>\$ -</u> | <u>0%</u> |

- E. **Amounts of operating loss and tax credit carry-forwards available for tax purposes**
The Company has an operating loss of (\$36,052) and tax credit carry-forwards as of December 31, 2018.
- F. **Consolidated of Federal Income Tax Return**

Notes to Financial Statements

Canton Regional Chamber Health Fund Trust is a taxable trust which does not file or is part of a consolidated tax return.

G. Federal and foreign loss contingencies as determined in accordance with SSAP 5R – Not applicable

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. Nature of the Relationship

The Canton Regional Chamber Health Fund Trust, is sponsored by the Canton Regional Chamber of Commerce.

The trust is licensed in Ohio as Multiple Employer Welfare Arrangement under Chapter 1739 of the Ohio Revised Code. The Canton Regional Chamber Health Fund Trust is established or maintained for the purpose of offering or providing, through group self-insurance, medical benefits to the employees and their dependents of two or more employers. The population from which the Company draws its membership is predominately located in Northeast Ohio. The Company is subject to regulations of the Ohio Department of Insurance and the National Association of Insurance Commissioners – subject to periodic financial examinations by the Ohio Department of Insurance.

B&C. Transactions with Affiliated Organizations

The Company has no transactions with Affiliated Organizations

D. Amounts Due to/from to related parties

The Company has no balances due to/from related parties

E. Guarantees or undertakings –None

F. Material Management, Service Contracts and Cost-Sharing arrangements - None

G. Control Relationship

The Company’s is sponsored by the Canton Regional Chamber of Commerce

H. Investments in upstream intermediate entities or ultimate parent - None

I. Investment in SCA entity - None

J. Investment in impaired SCA entity - None

K. Investments in foreign insurance subsidiaries - None

L. Investments in downstream noninsurance holding company - None

M. All SCA investment – None

N. Investment in insurance SCAs - None

11. DEBT

A.-B. The Company had no outstanding debt with third parties or outstanding Federal Home Loan Bank agreements during 2018.

12. RETIREMENT PLANS

A.-I The Company has no defined benefit, defined contribution, multiemployer, compensated absences or consolidated/holding company plans. There are no postemployment benefits and the company is not impacted by the Medicare Modernization Act.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. The Canton Regional Chamber Health Fund Trust is solely owned by the Canton Regional Chamber of Commerce.

2. Dividend rate, liquidation value – Not applicable.

3. Dividend Restrictions – Not applicable.

4. Date and amounts of dividends paid – Not applicable.

5. Portion of reporting entity’s profits that can be paid as ordinary dividends – Not applicable.

6. Restrictions on unassigned funds – None

7. Mutual Reciprocals – None

8. Stock held by the Company for special purposes – None

9. Special surplus funds – None

Notes to Financial Statements

- 10. The portion of unassigned surplus represented or reduced - None
- 11. Surplus Notes:

Note 11

| Date Issued | Interest Rate | Par Value (Face Amount of Notes) | Carrying Value of Note | Interest And/Or Principal Paid Current Year | Total Interest And/Or Principal Paid | Unapproved Interest And/Or Principal | Date of Maturity |
|---------------|---------------|----------------------------------|------------------------|---|--------------------------------------|--------------------------------------|------------------|
| 11/15/2017 | 0% | \$750,000 | \$750,000 | \$0 | \$0 | N/A | N/A |
| 3/15/2019 | 0% | \$750,000 | \$750,000 | \$0 | \$0 | N/A | N/A |
| 1311999 Total | | \$1,500,000 | * | \$0 | \$0 | \$0 | XXX |

The surplus notes, totaling \$1,500,000, listed in the above table, was issued pursuant to Rule 144A under the Securities Act of 1933, underwritten by AultCare Insurance Company.

The surplus note has the following repayment conditions and restrictions:

- 1. Regulatory Approval
 - a. Principal shall only be repaid out of the surplus earning of the Borrower
 - b. Principal may not be paid until the surplus of the Borrower (as determined in accordance with Chapter 1739 and Title 39 of the Ohio Revised Code as applicable to multiple employer welfare arrangements that offer or provide group self-insured programs) remaining after such repayment is no less in amount than the principal remaining after such repayment
 - c. Principal shall not be repaid without the prior written consent of the Superintendent of the Ohio Department of Insurance of the Ohio Department of Insurance
- 2. Forgiveness of Debt – To the extent that a payment of all or a portion of the principal is prohibited pursuant to the provisions under the Regulatory Approval section above shall not be considered to be a forgiveness of the indebtedness.
- 3. Acceleration -The Borrower covenants if:
 - a. Default is made in the payment of principal when such principal becomes due and payable, other than to the extent that such principal payment is prohibited under Regulatory Approval section above.
 - b. Borrower fails to
 - i. use its reasonable best efforts to obtain approval of the Superintendent of the Ohio Department of Insurance to pay principal on or prior to the date on which any such principal shall otherwise be due and payable or
 - ii. upon receipt of approval of the Superintendent of the Ohio Department of Insurance, promptly make payment to the holder hereof of amounts then past due and owing the portion thereof approved by the Superintendent of the Ohio Department of Insurance
 - c. Borrower fails to deliver to the holder
 - i. as soon as available after the end of each fiscal year, an annual financial statement of Borrower audited by an independent certified public accountant as filed with the Superintendent of the Ohio Department of Insurance
 - ii. as soon as available after the end of each fiscal year, a quarterly financial statement as filed with the Superintendent of the Ohio Department of Insurance

The liquidation preference to the insurer’s common and preferred shareholders are as follows:

- 4. Subordination – In the event of the liquidation of the Borrower, the claims under this Surplus Note shall be paid (consistent with the statutory accounting practices as required by the National Association of Insurance Commissioners or as otherwise required by the Ohio Department of Insurance) out of any assets remaining after the payment of all policy obligations and all other liabilities but before distribution of assets to members participating in the Canton Regional Chamber Health Fund.
 - 5. Prepayment – Subject to Regulatory approval, payments of principal on this Surplus Note may be repaid or prepaid by the Borrower, at its sole discretion, in whole or at any time or in part from time to time without premium or penalty.
 - 6. Impairment of Liability: No provision of the Surplus Note shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal except in the case of the Canton Regional Chamber Health Fund’s liquidation or by Regulatory authority.
 - 7. Liabilities and Offset: The obligation to pay the Surplus Note shall not form a part of the Canton Regional Chamber Health Fund’s legal liabilities until authorized for payment by the Superintendent of the Ohio Department of Insurance. The obligation may not be offset or be subject to recoupment with respect to any liability or obligation owed.
 - 8. Payment Day: Payment will be made on a business day.
 - 9. Obligation Unsecured: No agreement or interest securing any obligation of the Canton Regional Chamber Health Fund shall apply to or secure the obligation under the Surplus Note.
 - 10. Consolidation and Merger: In the event of consolidation or merger into another entity, the entity into which the Canton Regional Chamber Health Fund merges or consolidates into must assume the liability of the Borrower.
 - 11. Governing Law: The Surplus Note shall be deemed a contract made under and interpreted in accordance of the laws of the State of Ohio.
12. Restatement of quasi-reorganizations – Not applicable

Notes to Financial Statements

13. Quasi-reorganization effective date – Not applicable

14. CONTINGENCIES

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

- A. Lessee Operating Lease
The Company has not entered into any Lessee Operating Leases
- B. Lessor Leases
The Company has not entered into any Lessor Leases.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

(1-4) The Company does not hold any financial instruments with off-balance sheet risk or have any concentrations of credit risk.

17. SALE, TRANSFER, AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A-C The Company did not participate in any transfer of receivables, financial assets or wash sales.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A-B. The Company has no operations from Administrative Services Only Contracts or Administrative Services Contracts in 2018.

C. The Company did not have Medicare or Other Similarly Structured Cost Based Reimbursement Contracts.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD-PARTY ADMINISTRATORS

The Company did not have any direct premiums written or produced by managing general agents or third-party administrators in 2018.

20. FAIR VALUE MEASUREMENT

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

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

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

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

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

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

G. Fair value measurements at the reporting date.

1) Fair value measurements at the reporting date:

| A Fair Value | 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 | \$786,053 | \$0 | \$0 | \$786,053 |
| | Perpetual preferred stock | | | | |
| | Industrial and misc. | \$0 | \$0 | \$0 | \$0 |
| | Parent, subsidiaries and affiliates | \$0 | \$0 | \$0 | \$0 |

Notes to Financial Statements

| | | | | |
|-------------------------------------|-------------------------|-------------------|-------------------|-------------------------|
| 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 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | \$0 | \$0 | \$0 | \$0 |
| Common Stock | | | | |
| Industrial and misc. | \$0 | \$0 | \$0 | \$0 |
| Parent, subsidiaries and affiliates | \$0 | \$0 | \$0 | \$0 |
| Total Common Stock | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | \$0 | \$0 | \$0 | \$0 |
| Derivative assets | | | | |
| Interest rate contracts | \$0 | \$0 | \$0 | \$0 |
| 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 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | \$0 | \$0 | \$0 | \$0 |
| Separate account assets | | | | |
| | \$0 | \$0 | \$0 | \$0 |
| Total assets at fair value | <u><u>\$786,053</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$786,053</u></u> |
| b. Liabilities at fair value | | | | |
| Derivative liabilities | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Total liabilities at fair value | <u><u>\$426,591</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$426,591</u></u> |

The company had no Level 2 or Level 3 assets.

- 2) **Fair value measurements in (Level 3) of the Fair Value Hierarchy**
The Company does not have any financial assets with a fair value hierarchy of Level 3 that were measured and reported at fair value.
- 3) **Policy for determining when transfers between levels are recognized**
Transfers between fair value hierarchy levels, if any, are recorded as of the beginning of the reporting period in which the transfer occurs. There were no transfers between Levels 1, 2 or 3 of any financial assets or liabilities during the year ended December 31, 2018.
- 4) **Investments**

The Company has no investments in U.S. Treasury and U.S. Government Agency bond securities.
- 5) **Derivative asset and liabilities**
The Company has no derivative assets and liabilities to discuss.
- A. **Fair Value Combination** - Not applicable
- B. **Aggregate Fair Value Hierarchy** – Not applicable
- C. **Not practicable to estimate fair value** – Not applicable

21. OTHER ITEMS

- A. The Company did not encounter any unusual or infrequent items for the year ended December 31, 2018.
- B. The Company has no troubled debt restructurings as of December 31, 2018.
- C. The Company does not have any amounts not recorded in the statutory basis financial statements that represent segregated funds held for others. The Company also does not have any exposures related to forward commitments that are not derivative instruments.
- D. The Company has not received any business interruption insurance recoveries in 2018.
- E. The Company has no transferable or non-transferable state tax credits.
- F. The Company has no Subprime Mortgage Related Exposure.
- G. The Company does not have any retained asset accounts for beneficiaries
- H. The Company does not have Insurance-Linked Securities (ILS) Contracts

Notes to Financial Statements

22. EVENTS SUBSEQUENT

Subsequent events have been evaluated through March 31, 2019, which is the date these statutory basis financial statement were available for issuance.

TYPE I – Recognized Subsequent Events

The company secured an additional Surplus Note for \$750,000 recognized as capital for the December 31, 2018. The agreement and subsequent event was approved by the Ohio department of Insurance on March 14, 2019. The funds were deposited into the CRCHF’s bank account on March 14, 2019.

TYPE II – Non –Recognized Subsequent Events

There are no Non-Recognized events subsequent to December 31, 2018, that require recognition and disclosure.

23. REINSURANCE

Reinsurance Agreements – In the normal course of business, the Company seeks to reduce potential losses that may arise from catastrophic events that cause unfavorable underwriting results by reinsuring certain levels of such risk with reinsurers.

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 report entity may consider the current the current or anticipated experience of the business reinsurance in making the 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)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for 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 - During 2018, there were no uncollectible reinsurance recoverables.
- C. Commutation of Ceded Reinsurance - There was no commutation of reinsurance in 2018.

Notes to Financial Statements

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACT SUBJECT TO REDETERMINATION

A-E. None

25. CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

A-B. The Company did not have a change in incurred claims and claims adjustment expenses.

26. INTERCOMPANY POOLING ARRANGEMENTS

A-G. The Company did not have any intercompany pooling arrangements in 2018.

27. STRUCTURED SETTLEMENTS - None

28. HEALTH CARE AND OTHER AMOUNTS RECEIVABLE

A The Company has Pharmaceutical Rebates

| Quarter | Estimated Pharmacy Rebates as Reported on Financial Statements | Pharmacy Rebates as Invoiced | Actual Rebated Collected within 90 Days of Invoicing | Actual Rebates Collected within 91 to 180 Days of Invoicing | Actual Rebates Collected More than 180 Days After Invoicing |
|------------|--|------------------------------|--|---|---|
| 12/31/2018 | 96,092 | - | - | - | - |
| 9/30/2018 | 51,092 | 51,092 | - | - | - |
| 6/30/2018 | 9,291 | 9,291 | - | - | - |
| 3/31/2018 | - | - | - | - | - |
| 12/31/2017 | - | - | - | - | - |

B. The Company does not have any Risk-Sharing Receivables.

29. PARTICIPATING POLICIES

The Company did not have any participating contracts in 2018.

30. PREMIUM DEFICIENCY RESERVES

A. The Company does not have Premium Deficiency Reserves.

1. Liability carried for premium deficiency reserves

2. Date of the most recent evaluation of this liability

3. Was anticipated investment income utilized in the calculation? (Yes / No)

\$ 0
12/31/2018
No

31. ANTICIPATED SALVAGE AND SUBROGATION

Due to the type of business being written, the Company has no salvage. As of December 31, 2018, the Company had no specific accruals established for outstanding subrogation.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes[] No[X]
- 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[] No[] N/A[X]
Ohio
Yes[] No[X]
- 1.3 State Regulating?
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group?
- 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.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 3.4 By what department or departments?
- 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]
Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?
- 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:

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

Yes[] No[X]
- 4.12 renewals?
- 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:

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

Yes[] No[X]
- 4.22 renewals?
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC.

Yes[] No[X]
- 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.

| 1 | 2 | 3 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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).

| 1 | 2 |
|-------------|----------------|
| Nationality | 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.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Plante & Moran, PLLC, Suite 100, 1111 Michigan Ave, East Lansing, MI 48823
- 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[] No[X] N/A[]
- 10.6 If the response to 10.5 is no or n/a please explain:
The Chamber Health Fund will establish an Audit Committee in 2019
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?
Lee Benefits Consulting, 702 Saxony Drive, Seven Fields, PA 16046 - Acutary - Mr. Duane P. Lee

GENERAL INTERROGATORIES (Continued)

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

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

13.3 Have there been any changes made to any of the trust indentures during the year?

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
- 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?

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended?

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?

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?

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.
- Yes[] No[X]

\$ 0

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

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

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

Yes[X] No[]

Yes[] No[X]

Yes[] No[X]

Yes[] No[X]
- | 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?

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

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[]

Yes[X] No[]

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)?

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

20.11 To directors or other officers

20.12 To stockholders not officers

20.13 Trustees, supreme or grand (Fraternal only)

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

20.22 To stockholders not officers

20.23 Trustees, supreme or grand (Fraternal only)

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?

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

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

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

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

Yes[] No[X]

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

Yes[] No[X]

\$ 0

\$ 0

\$ 0

\$ 0

Yes[] No[X]

\$ 0

Yes[] No[X]

\$ 0

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)

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

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

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

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

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

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

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

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?

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

Yes[X] No[]

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

\$ 0

\$ 0

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

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

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

27.1

GENERAL INTERROGATORIES (Continued)

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.
24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.
24.103 Total payable for securities lending reported on the liability page.

\$ 0
\$ 0
\$ 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).
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements
 - 25.22 Subject to reverse repurchase agreements
 - 25.23 Subject to dollar repurchase agreements
 - 25.24 Subject to reverse dollar repurchase agreements
 - 25.25 Placed under option agreements
 - 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock
 - 25.27 FHLB Capital Stock
 - 25.28 On deposit with states
 - 25.29 On deposit with other regulatory bodies
 - 25.30 Pledged as collateral - excluding collateral pledged to an FHLB
 - 25.31 Pledged as collateral to FHLB - including assets backing funding agreements
 - 25.32 Other
- 25.3 For category (25.26) provide the following:

Yes [] No[X]
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0
\$ 0

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?
26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

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

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

Yes [] No[X]
\$ 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?
28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes [] No[X]

| 1 Name of Custodian(s) | 2 Custodian's Address |
|---------------------------|--------------------------|
| | |

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

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

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?
28.04 If yes, give full and complete information relating thereto:

Yes [] No[X]

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

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

| 1 Name of Firm or Individual | 2 Affiliation |
|---------------------------------|------------------|
| | |

- 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?
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?
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.

Yes [] No[X]

Yes [] No[X]

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

- 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)])?
29.2 If yes, complete the following schedule:

Yes [] No[X]

| 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 | | | |
| 30.2 Preferred stocks | | | |
| 30.3 Totals | | | |

30.4 Describe the sources or methods utilized in determining the fair values:
The company owned no securities at December 31, 2018

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
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?
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:
The company owned no securities at December 31, 2018

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

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?
32.2 If no, list exceptions:
The company had no investments as of December 31, 2018

Yes[] No[X]

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?
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.

Yes[] No[X]

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?
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.

\$ 0

| 1 | 2 |
|------|-------------|
| Name | Amount Paid |
| | |

36.1 Amount of payments for legal expenses, if any?
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.

\$ 0

| 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?
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.

\$ 0

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? | Yes [] No [X] | \$ | 0 |
| 1.2 If yes, indicate premium earned on U.S. business only: | | \$ | 0 |
| 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? | | \$ | 0 |
| 1.31 Reason for excluding: | | | |
| N/A | | | |
| 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. | | \$ | 0 |
| 1.5 Indicate total incurred claims on all Medicare Supplement insurance. | | \$ | 0 |
| 1.6 Individual policies - Most current three years: | | \$ | 0 |
| 1.61 TOTAL Premium earned | | \$ | 0 |
| 1.62 TOTAL Incurred claims | | \$ | 0 |
| 1.63 Number of covered lives | | \$ | 0 |
| All years prior to most current three years: | | \$ | 0 |
| 1.64 TOTAL Premium earned | | \$ | 0 |
| 1.65 TOTAL Incurred claims | | \$ | 0 |
| 1.66 Number of covered lives | | \$ | 0 |
| 1.7 Group policies - Most current three years: | | \$ | 0 |
| 1.71 TOTAL Premium earned | | \$ | 0 |
| 1.72 TOTAL Incurred claims | | \$ | 0 |
| 1.73 Number of covered lives | | \$ | 0 |
| All years prior to most current three years: | | \$ | 0 |
| 1.74 TOTAL Premium earned | | \$ | 0 |
| 1.75 TOTAL Incurred claims | | \$ | 0 |
| 1.76 Number of covered lives | | \$ | 0 |
| 2. Health Test | | | |

| | 1 Current Year | 2 Prior Year |
|-------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator | 1,591,978 | |
| 2.2 Premium Denominator | 1,591,978 | |
| 2.3 Premium Ratio (2.1 / 2.2) | 1.000 | |
| 2.4 Reserve Numerator | 194,000 | |
| 2.5 Reserve Denominator | 194,000 | |
| 2.6 Reserve Ratio (2.4 / 2.5) | 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? | Yes [] No [X] | | |
|---|------------------------|---------------------------|------|
| 3.2 If yes, give particulars: | | | |
| 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? | Yes [] No [X] | | |
| 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? | Yes [] No [X] N/A [] | | |
| 5.1 Does the reporting entity have stop-loss reinsurance? | Yes [X] No [] | | |
| 5.2 If no, explain: | | | |
| 5.3 Maximum retained risk (see instructions): | | | |
| 5.31 Comprehensive Medical | \$ 5,000 | | |
| 5.32 Medical Only | \$ 0 | | |
| 5.33 Medicare Supplement | \$ 0 | | |
| 5.34 Dental & Vision | \$ 0 | | |
| 5.35 Other Limited Benefit Plan | \$ 0 | | |
| 5.36 Other | \$ 0 | | |
| 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements: | | | |
| N/A | | | |
| 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? | Yes [X] No [] | | |
| 7.2 If no, give details: | | | |
| 8. Provide the following information regarding participating providers: | | | |
| 8.1 Number of providers at start of reporting year | 0 | | |
| 8.2 Number of providers at end of reporting year | 3,564 | | |
| 9.1 Does the reporting entity have business subject to premium rate guarantees? | Yes [] No [X] | | |
| 9.2 If yes, direct premium earned: | | | |
| 9.21 Business with rate guarantees between 15-36 months | 0 | | |
| 9.22 Business with rate guarantees over 36 months | 0 | | |
| 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? | Yes [] No [X] | | |
| 10.2 If yes: | | | |
| 10.21 Maximum amount payable bonuses | \$ 0 | | |
| 10.22 Amount actually paid for year bonuses | \$ 0 | | |
| 10.23 Maximum amount payable withholds | \$ 0 | | |
| 10.24 Amount actually paid for year withholds | \$ 0 | | |
| 11.1 Is the reporting entity organized as: | | | |
| 11.12 A Medical Group/Staff Model, | Yes [] No [X] | | |
| 11.13 An Individual Practice Association (IPA), or, | Yes [] No [X] | | |
| 11.14 A Mixed Model (combination of above)? | Yes [] No [X] | | |
| 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? | Yes [] No [X] | | |
| 11.3 If yes, show the name of the state requiring such minimum capital and surplus. | Yes [X] No [] | | |
| 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? | \$ 500,000 | | |
| 11.6 If the amount is calculated, show the calculation. | Yes [] No [X] | | |
| 12. List service areas in which the reporting entity is licensed to operate: | | | |
| <table border="1"> <thead> <tr> <th>1 Name of Service Area</th> </tr> </thead> <tbody> <tr> <td>Ohio</td> </tr> </tbody> </table> | | 1 Name of Service Area | Ohio |
| 1 Name of Service Area | | | |
| Ohio | | | |
| 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

15.2 Total incurred claims

15.2 Number of covered lives
- \$

\$
- 0

0

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?
- 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]

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) | 1,694,735 | 749,862 | | | |
| 2. TOTAL Liabilities (Page 3, Line 24) | 426,591 | | | | |
| 3. Statutory minimum capital and surplus requirement | 500,000 | 500,000 | | | |
| 4. TOTAL Capital and Surplus (Page 3, Line 33) | 1,268,145 | 749,862 | | | |
| INCOME STATEMENT (Page 4) | | | | | |
| 5. TOTAL Revenues (Line 8) | 1,591,978 | | | | |
| 6. TOTAL Medical and Hospital Expenses (Line 18) | 1,288,783 | | | | |
| 7. Claims adjustment expenses (Line 20) | | | | | |
| 8. TOTAL Administrative Expenses (Line 21) | 474,873 | 138 | | | |
| 9. Net underwriting gain (loss) (Line 24) | (171,678) | (138) | | | |
| 10. Net investment gain (loss) (Line 27) | | | | | |
| 11. TOTAL Other Income (Lines 28 plus 29) | | | | | |
| 12. Net income or (loss) (Line 32) | (135,626) | (138) | | | |
| Cash Flow (Page 6) | | | | | |
| 13. Net cash from operations (Line 11) | 36,191 | (138) | | | |
| RISK-BASED CAPITAL ANALYSIS | | | | | |
| 14. TOTAL Adjusted Capital | 1,268,145 | 749,862 | | | |
| 15. Authorized control level risk-based capital | 105,255 | 1,125 | | | |
| ENROLLMENT (Exhibit 1) | | | | | |
| 16. TOTAL Members at End of Period (Column 5, Line 7) | 1,680 | | | | |
| 17. TOTAL Members Months (Column 6, Line 7) | 10,412 | | | | |
| 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) | 81.0 | | | | |
| 20. Cost containment expenses | | | | | |
| 21. Other claims adjustment expenses | | | | | |
| 22. TOTAL Underwriting Deductions (Line 23) | 110.8 | | | | |
| 23. TOTAL Underwriting Gain (Loss) (Line 24) | (10.8) | | | | |
| UNPAID CLAIMS ANALYSIS | | | | | |
| (U&I Exhibit, Part 2B) | | | | | |
| 24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) | | | | | |
| 25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] | | | | | |
| 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:



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

| NAIC Group Code 0000 | | BUSINESS IN THE STATE OF OHIO DURING THE YEAR | | | | | | | | | | NAIC Company Code 00000 | | |
|---|-----------|---|--|-----------|---|---|---|---|---|---|---|-------------------------|--|--|
| | 1 | 2 | | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| | | Comprehensive (Hospital & Medical) | | Group | | | | | | | | | | |
| | | Individual | | | | | | | | | | | | |
| Total | | | | | | | | | | | | | | |
| TOTAL Members at end of: | | | | | | | | | | | | | | |
| 1. Prior Year | 271 | | | | | | | | | | | | | |
| 2. First Quarter | 665 | | | 271 | | | | | | | | | | |
| 3. Second Quarter | 1,396 | | | 665 | | | | | | | | | | |
| 4. Third Quarter | 1,396 | | | 1,396 | | | | | | | | | | |
| 5. Current Year | 1,680 | | | 1,680 | | | | | | | | | | |
| 6. Current Year Member Months | 10,412 | | | 10,412 | | | | | | | | | | |
| TOTAL Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | |
| 7. Physician | 2,671 | | | 2,671 | | | | | | | | | | |
| 8. Non-Physician | 5,262 | | | 5,262 | | | | | | | | | | |
| 9. TOTAL | 7,933 | | | 7,933 | | | | | | | | | | |
| 10. Hospital Patient Days Incurred | 54 | | | 54 | | | | | | | | | | |
| 11. Number of Inpatient Admissions | 18 | | | 18 | | | | | | | | | | |
| 12. Health Premiums Written (b) | 4,090,628 | | | 4,090,628 | | | | | | | | | | |
| 13. Life Premiums Direct | | | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written | | | | | | | | | | | | | | |
| 15. Health Premiums Earned | 4,090,628 | | | 4,090,628 | | | | | | | | | | |
| 16. Property/Casualty Premiums Earned | | | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 1,094,783 | | | 1,094,783 | | | | | | | | | | |
| 18. Amount Incurred for Provision of Health Care Services | 2,338,686 | | | 2,338,686 | | | | | | | | | | |

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.
(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.0



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

| NAIC Group Code 0000 | | BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR | | | | | NAIC Company Code 00000 | | | | | | |
|--|---|--|--|------------|-----------|---|-------------------------|-------------|-------------|--|----------------------|--------------------|-------|
| | | 1 | | 2 | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | Comprehensive (Hospital & Medical) | | | | | | | | | | | |
| | | | | Individual | Group | | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other |
| TOTAL Members at end of: | | Total | | | | | | | | | | | |
| 1. | Prior Year | 271 | | | 271 | | | | | | | | |
| 2. | First Quarter | 665 | | | 665 | | | | | | | | |
| 3. | Second Quarter | 1,396 | | | 1,396 | | | | | | | | |
| 4. | Third Quarter | 1,680 | | | 1,680 | | | | | | | | |
| 5. | Current Year | 10,412 | | | 10,412 | | | | | | | | |
| 6. | Current Year Member Months | 10,412 | | | 10,412 | | | | | | | | |
| TOTAL Member Ambulatory Encounters for Year: | | | | | | | | | | | | | |
| 7. | Physician | 2,671 | | | 2,671 | | | | | | | | |
| 8. | Non-Physician | 5,262 | | | 5,262 | | | | | | | | |
| 9. | TOTAL | 7,933 | | | 7,933 | | | | | | | | |
| 10. | Hospital Patient Days Incurred | 54 | | | 54 | | | | | | | | |
| 11. | Number of Inpatient Admissions | 18 | | | 18 | | | | | | | | |
| 12. | Health Premiums Written (b) | 4,090,628 | | | 4,090,628 | | | | | | | | |
| 13. | Life Premiums Direct | | | | | | | | | | | | |
| 14. | Property/Casualty Premiums Written | | | | | | | | | | | | |
| 15. | Health Premiums Earned | 4,090,628 | | | 4,090,628 | | | | | | | | |
| 16. | Property/Casualty Premiums Earned | | | | | | | | | | | | |
| 17. | Amount Paid for Provision of Health Care Services | 1,094,783 | | | 1,094,783 | | | | | | | | |
| 18. | Amount Incurred for Provision of Health Care Services | 2,338,686 | | | 2,338,686 | | | | | | | | |
| (a) For health business: number of persons insured under PPO managed care products | | | | | | | | | | | | | |
| (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ | | | | | | | | | | | | | |

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|-------------------------|---|-------------------|-------------------|-----------------------------|-----------------------------------|--------------------------------|----------|----------------------|--|--|------------------------------------|---|
| NAIC Company Code | ID Number | Effective Date | Name of Reinsured | Domiciliary Jurisdiction | Type of Reinsurance Assumed | Type of Business Assumed | Premiums | Unearned Premiums | Reserve Liability Other Than for Unearned Premiums | Reinsurance Payable on Paid and Unpaid Losses | Modified Coinsurance Reserve | Funds Withheld Under Coinsurance |
| 1199999 | Total U.S. (Sum of 0399999 and 0899999) | | | | | | | | | | | |
| 1299999 | Total Non-U.S. (Sum of 0699999 and 0999999) | | | | | | | | | | | |
| 9999999 | Total (Sum of 0799999 and 1099999) | | | | | | | | | | | |

SCHEDULE S - PART 2
Reinsurance Recoverable on Paid and Unpaid Losses Listed by
Reinsuring Company as of December 31, Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|--------------|-------------------|-----------------|-----------------------------|-------------|---------------|
| NAIC Company Code | ID Number | Effective Date | Name of Company | Domiciliary Jurisdiction | Paid Losses | Unpaid Losses |
| 1199999 Total - Life and Annuity | | | | | | |
| 2299999 Total - Accident and Health | | | | | | |
| 2399999 Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999) | | | | | | |
| 2499999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999) | | | | | | |
| 9999999 Total (Sum of 1199999 and 2299999) | | | | | | |

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|-------------------|-----------------|-----------------------------|---------------------------------|------------------------------|-----------|-------------------------------------|---|-----------------|---------------|------------------------------------|---|
| NAIC Company Code | ID Number | Effective Date | Name of Company | Domiciliary Jurisdiction | Type of Reinsurance Ceded | Type of Business Ceded | Premiums | Unearned Premiums (Estimated) | Reserve Credit Taken Other than for Unearned Premiums | Current Year | Prior Year | Modified Coinsurance Reserve | Funds Withheld Under Coinsurance |
| General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates | | | | | | | | | | | | | |
| 77216 | 34-1624818 | 01/01/2018 | AULTCARE INS CO | OH | SSL/I | SLEL | 2,498,650 | | | | | | |
| 0899999 | Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates | | | | | | | | | | | | |
| 1099999 | Total - General Account - Authorized - Non-Affiliates | | | | | | | | | | | | |
| 1199999 | Total - General Account Authorized | | | | | | | | | | | | |
| 3499999 | Total - General Account - Authorized, Unauthorized and Certified | | | | | | | | | | | | |
| 6999999 | Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999) | | | | | | | | | | | | |
| 7099999 | Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999) | | | | | | | | | | | | |
| 9999999 | Total (Sum of 3499999 and 6999999) | | | | | | | | | | | | |

34 Schedule S - Part 4 NONE

35 Schedule S - Part 5 NONE

SCHEDULE S - PART 6
Five-Year Exhibit of Reinsurance Ceded Business
(\$000 Omitted)

| | 1 2018 | 2 2017 | 3 2016 | 4 2015 | 5 2014 |
|--|-----------|-----------|-----------|-----------|-----------|
| A. OPERATIONS ITEMS | | | | | |
| 1. Premiums | 2,499 | | | | |
| 2. Title XVIII-Medicare | | | | | |
| 3. Title XIX - Medicaid | | | | | |
| 4. Commissions and reinsurance expense allowance | | | | | |
| 5. TOTAL Hospital and Medical Expenses | | | | | |
| B. BALANCE SHEET ITEMS | | | | | |
| 6. Premiums receivable | | | | | |
| 7. Claims payable | | | | | |
| 8. Reinsurance recoverable on paid losses | | | | | |
| 9. Experience rating refunds due or unpaid | | | | | |
| 10. Commissions and reinsurance expense allowances due | | | | | |
| 11. Unauthorized reinsurance offset | | | | | |
| 12. Offset for reinsurance with Certified Reinsurers | | | | | |
| C. UNAUTHORIZED REINSURANCE | | | | | |
| (DEPOSITS BY AND FUNDS WITHHELD FROM) | | | | | |
| 13. Funds deposited by and withheld from (F) | | | | | |
| 14. Letters of credit (L) | | | | | |
| 15. Trust agreements (T) | | | | | |
| 16. Other (O) | | | | | |
| D. REINSURANCE WITH CERTIFIED REINSURERS | | | | | |
| (DEPOSITS BY AND FUNDS WITHHELD FROM) | | | | | |
| 17. Multiple Beneficiary Trust | | | | | |
| 18. Funds deposited by and withheld from (F) | | | | | |
| 19. Letters of credit (L) | | | | | |
| 20. Trust agreements (T) | | | | | |
| 21. Other (O) | | | | | |

SCHEDULE S - PART 7
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

| | 1 | 2 | 3 |
|---|-------------------------------|----------------------------|------------------------------|
| | As Reported (net of ceded) | Restatement Adjustments | Restated (gross of ceded) |
| ASSETS (Page 2, Col. 3) | | | |
| 1. Cash and invested assets (Line 12) | 786,053 | | 786,053 |
| 2. Accident and health premiums due and unpaid (Line 15) | 122,630 | | 122,630 |
| 3. Amounts recoverable from reinsurers (Line 16.1) | | | |
| 4. Net credit for ceded reinsurance | X X X | | |
| 5. All other admitted assets (Balance) | 786,052 | | 786,052 |
| 6. TOTAL Assets (Line 28) | 1,694,735 | | 1,694,735 |
| LIABILITIES, CAPITAL AND SURPLUS (Page 3) | | | |
| 7. Claims unpaid (Line 1) | 194,000 | | 194,000 |
| 8. Accrued medical incentive pool and bonus payments (Line 2) | | | |
| 9. Premiums received in advance (Line 8) | 224,135 | | 224,135 |
| 10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount) | | | |
| 11. Reinsurance in unauthorized companies (Line 20 minus inset amount) | | | |
| 12. Reinsurance with Certified Reinsurers (Line 20 inset amount) | | | |
| 13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount) | | | |
| 14. All other liabilities (Balance) | 8,455 | | 8,455 |
| 15. TOTAL Liabilities (Line 24) | 426,591 | | 426,591 |
| 16. TOTAL Capital and Surplus (Line 33) | 1,268,145 | X X X | 1,268,145 |
| 17. TOTAL Liabilities, Capital and Surplus (Line 34) | 1,694,735 | | 1,694,735 |
| NET CREDIT FOR CEDED REINSURANCE | | | |
| 18. Claims unpaid | | | |
| 19. Accrued medical incentive pool | | | |
| 20. Premiums received in advance | | | |
| 21. Reinsurance recoverable on paid losses | | | |
| 22. Other ceded reinsurance recoverables | | | |
| 23. TOTAL Ceded Reinsurance Recoverables | | | |
| 24. Premiums receivable | | | |
| 25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers | | | |
| 26. Unauthorized reinsurance | | | |
| 27. Reinsurance with Certified Reinsurers | | | |
| 28. Funds held under reinsurance treaties with Certified Reinsurers | | | |
| 29. Other ceded reinsurance payables/offsets | | | |
| 30. TOTAL Ceded Reinsurance Payables/Offsets | | | |
| 31. TOTAL Net Credit for Ceded Reinsurance | | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Canton Regional Chamber Health Fund

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

ALLOCATED BY STATES AND TERRITORIES

| State, Etc. | 1 | Direct Business Only | | | | | | | |
|---|-------------------|----------------------------|----------------------|--------------------|---|--|-----------------------------|---------------------------|--------------------------|
| | Active Status (a) | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | 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 | 4,090,628 | | | | | | 4,090,628 | |
| 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 | 4,090,628 | | | | | | 4,090,628 | |
| 60. Reporting entity contributions for Employee Benefit Plans | X X X | | | | | | | | |
| 61. TOTAL (Direct Business) | X X X | 4,090,628 | | | | | | 4,090,628 | |
| 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

R - Registered - Non-domiciled RRGs

56

Q - Qualified - Qualified or accredited reinsurer

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

39 Schedule T - Part 2 - Interstate Compact - Exhibit of Premiums Written NONE

40 Schedule Y - Part 1 NONE

41 Schedule Y - Part 1A NONE

42 Schedule Y - Part 2 NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES

| | Response |
|--|----------|
| The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions. | |
| MARCH FILING | |
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? | Yes |
| 2. Will an actuarial opinion be filed by March 1? | Yes |
| 3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? | Waived |
| 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1? | Yes |
| APRIL FILING | |
| 5. Will Management's Discussion and Analysis be filed by April 1? | Yes |
| 6. Will the Supplemental Investment Risks Interrogatories be filed by April 1? | Waived |
| 7. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | Yes |
| JUNE FILING | |
| 8. Will an audited financial report be filed by June 1? | Yes |
| 9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |
| AUGUST FILING | |
| 10. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? | Yes |
| The following supplemental reports are required to be filed as part of your statement filing if your company is engaged in the type of business covered by the supplement. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but it is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions. | |
| MARCH FILING | |
| 11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? | No |
| 12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC? | No |
| 13. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? | No |
| 14. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 15. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 16. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? | No |
| 17. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be file electronically with the NAIC by March 1? | No |
| 18. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? | No |
| 19. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? | No |
| APRIL FILING | |
| 20. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 21. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC? | No |
| 22. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? | Yes |
| 23. Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1? | No |
| 24. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? | No |
| 25. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? | No |
| AUGUST FILING | |
| 26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | Yes |

Explanation:

Bar Code:

Risk-Based Capital Filing



Supplemental Investment Risks Interrogatories



Medicare Supplement Insurance Experience Exhibit



Health Life Supplement - March



Schedule SIS



Actuarial Opinion on Participating and Non-Participating Policies



Statement of Non-Guaranteed Elements for Exhibit 5



Medicare Part D Coverage Supplement



SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES (continued)

Approval for Relief related to five-year rotation for lead Audit Partner

00000201822400000 (NAIC code not entered) 2018 Document Code: 224

Approval for Relief related to one-year cooling off period for inde. CPA

00000201822500000 (NAIC code not entered) 2018 Document Code: 225

Approval for Relief related to Require. for Audit Committees

00000201822600000 (NAIC code not entered) 2018 Document Code: 226

LTC Supplemental Interrogatories

00000201830600000 (NAIC code not entered) 2018 Document Code: 306

Health Life Supplement - April

00000201821100000 (NAIC code not entered) 2018 Document Code: 211

Supplemental Health Care Exhibit's Expense Allocation Report

00000201821700000 (NAIC code not entered) 2018 Document Code: 217

LHA Guaranty Association Reconciliation

00000201829000000 (NAIC code not entered) 2018 Document Code: 290

LHA Guaranty Association Adjustment Exhibit

00000201830000000 (NAIC code not entered) 2018 Document Code: 300

SUMMARY INVESTMENT SCHEDULE

| Investment Categories | | Gross Investment Holdings | | Admitted Assets as Reported in the Annual Statement | | | |
|-----------------------|---|------------------------------|------------|--|--|---------------------------------|------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 |
| | | Amount | Percentage | Amount | Securities Lending Reinvested Collateral Amount | Total (Col. 3 + 4) Amount | Percentage |
| 1. | Bonds: | | | | | | |
| 1.1 | U.S. treasury securities | | | | | | |
| 1.2 | U.S. government agency obligations (excluding mortgage-backed securities): | | | | | | |
| 1.21 | Issued by U.S. government agencies | | | | | | |
| 1.22 | Issued by U.S. government sponsored agencies | | | | | | |
| 1.3 | Non-U.S. government (including Canada, excluding mortgage-backed securities) | | | | | | |
| 1.4 | Securities issued by states, territories, and possessions and political subdivisions in the U.S.: | | | | | | |
| 1.41 | States, territories and possessions general obligations | | | | | | |
| 1.42 | Political subdivisions of states, territories and possessions and political subdivisions general obligations | | | | | | |
| 1.43 | Revenue and assessment obligations | | | | | | |
| 1.44 | Industrial development and similar obligations | | | | | | |
| 1.5 | Mortgage-backed securities (includes residential and commercial MBS): | | | | | | |
| 1.51 | Pass-through securities: | | | | | | |
| 1.511 | Issued or Guaranteed by GNMA | | | | | | |
| 1.512 | Issued or Guaranteed by FNMA and FHLMC | | | | | | |
| 1.513 | All other | | | | | | |
| 1.52 | CMOs and REMICs: | | | | | | |
| 1.521 | Issued or guaranteed by GNMA, FNMA, FHLMC or VA | | | | | | |
| 1.522 | Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 | | | | | | |
| 1.523 | All other | | | | | | |
| 2. | Other debt and other fixed income securities (excluding short term): | | | | | | |
| 2.1 | Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) | | | | | | |
| 2.2 | Unaffiliated Non-U.S. securities (including Canada) | | | | | | |
| 2.3 | Affiliated securities | | | | | | |
| 3. | Equity interests: | | | | | | |
| 3.1 | Investments in mutual funds | | | | | | |
| 3.2 | Preferred stocks: | | | | | | |
| 3.21 | Affiliated | | | | | | |
| 3.22 | Unaffiliated | | | | | | |
| 3.3 | Publicly traded equity securities (excluding preferred stocks): | | | | | | |
| 3.31 | Affiliated | | | | | | |
| 3.32 | Unaffiliated | | | | | | |
| 3.4 | Other equity securities: | | | | | | |
| 3.41 | Affiliated | | | | | | |
| 3.42 | Unaffiliated | | | | | | |
| 3.5 | Other equity interests including tangible personal property under lease: | | | | | | |
| 3.51 | Affiliated | | | | | | |
| 3.52 | Unaffiliated | | | | | | |
| 4. | Mortgage loans: | | | | | | |
| 4.1 | Construction and land development | | | | | | |
| 4.2 | Agricultural | | | | | | |
| 4.3 | Single family residential properties | | | | | | |
| 4.4 | Multifamily residential properties | | | | | | |
| 4.5 | Commercial loans | | | | | | |
| 4.6 | Mezzanine real estate loans | | | | | | |
| 5. | Real estate investments: | | | | | | |
| 5.1 | Property occupied by company | | | | | | |
| 5.2 | Property held for production of income (including \$.....0 of property acquired in satisfaction of debt) | | | | | | |
| 5.3 | Property held for sale (including \$.....0 property acquired in satisfaction of debt) | | | | | | |
| 6. | Contract loans | | | | | | |
| 7. | Derivatives | | | | | | |
| 8. | Receivables for securities | | | | | | |
| 9. | Securities Lending (Line 10, Asset Page reinvested collateral) | | | | X X X | X X X | X X X |
| 10. | Cash, cash equivalents and short-term investments | 786,053 | 100.000 | 786,053 | | 786,053 | 100.000 |
| 11. | Other invested assets | | | | | | |
| 12. | TOTAL Invested assets | 786,053 | 100.000 | 786,053 | | 786,053 | 100.000 |

| | | |
|------|---|------|
| SI02 | Schedule A - Verification | NONE |
| SI02 | Schedule B - Verification | NONE |
| SI03 | Schedule BA - Verification | NONE |
| SI03 | Schedule D - Verification | NONE |
| SI04 | Schedule D - Summary by Country | NONE |
| SI05 | Schedule D Part 1A Sn 1 - #1 | NONE |
| SI06 | Schedule D Part 1A Sn 1 - #2 | NONE |
| SI07 | Schedule D Part 1A Sn 1 - #3 | NONE |
| SI08 | Schedule D Part 1A Sn 2 - #1 | NONE |
| SI09 | Schedule D Part 1A Sn 2 - #2 | NONE |
| SI10 | Schedule DA - Verification | NONE |
| SI11 | Schedule DB Part A Verification | NONE |
| SI11 | Schedule DB Part B Verification | NONE |
| SI12 | Schedule DB Part C Sn 1 - Rep. (Syn Asset) Transactions | NONE |
| SI13 | Schedule DB Part C Sn 2 - Rep. (Syn Asset) Transactions | NONE |
| SI14 | Schedule DB Verification | NONE |
| SI15 | Schedule E - Part 2 - Verification | NONE |

| | | |
|-----|--|------|
| E01 | Schedule A - Part 1 Real Estate Owned | NONE |
| E02 | Schedule A - Part 2 Real Estate Acquired | NONE |
| E03 | Schedule A - Part 3 Real Estate Disposed | NONE |
| E04 | Schedule B Part 1 - Mortgage Loans Owned | NONE |
| E05 | Schedule B Part 2 - Mortgage Loans Acquired | NONE |
| E06 | Schedule B Part 3 - Mortgage Loans Disposed | NONE |
| E07 | Schedule BA Part 1 - Long-Term Invested Assets Owned | NONE |
| E08 | Schedule BA Part 2 - Long-Term Invested Assets Acquired | NONE |
| E09 | Schedule BA Part 3 - Long-Term Invested Assets Disposed | NONE |
| E10 | Schedule D - Part 1 LT Bonds Owned | NONE |
| E11 | Schedule D - Part 2 Sn 1 Prfrd Stocks Owned | NONE |
| E12 | Schedule D - Part 2 Sn 2 Common Stocks Owned | NONE |
| E13 | Schedule D - Part 3 LT Bonds/Stock Acquired | NONE |
| E14 | Schedule D - Part 4 LT Bonds/Stock Disposed | NONE |
| E15 | Schedule D - Part 5 LT Bonds/Stocks Acquired/Disp | NONE |
| E16 | Schedule D - Part 6 Sn 1 | NONE |
| E16 | Schedule D - Part 6 Sn 2 | NONE |
| E17 | Schedule DA - Part 1 Short-Term Investments Owned | NONE |
| E18 | Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open | NONE |
| E19 | Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Term. | NONE |
| E20 | Schedule DB - Part B Sn 1 Futures Contracts Open | NONE |
| E21 | Schedule DB - Part B Sn 2 Futures Contracts Terminated | NONE |
| E22 | Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments | NONE |
| E23 | Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity | NONE |
| E23 | Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity | NONE |
| E24 | Schedule DL - Part 1 - Securities Lending Collateral Assets | NONE |
| E25 | Schedule DL - Part 2 - Securities Lending Collateral Assets | NONE |

SCHEDULE E - PART 1 - CASH

| 1 | | 2 | 3 | 4 | 5 | 6 | 7 |
|--|--------------|------|------------------|---|--|---------|-------|
| Depository | | Code | Rate of Interest | Amount of Interest Received During Year | Amount of Interest Accrued December 31 of Current Year | Balance | * |
| open depositories | | | | | | | |
| Huntington National Bank | Canton, Ohio | | | | | 786,053 | X X X |
| 0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories | | | X X X | | | | X X X |
| 0199999 Totals - Open Depositories | | | X X X | | | 786,053 | X X X |
| 0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories | | | X X X | | | | X X X |
| 0299999 Totals - Suspended Depositories | | | X X X | | | | X X X |
| 0399999 Total Cash On Deposit | | | X X X | | | 786,053 | X X X |
| 0499999 Cash in Company's Office | | | X X X | X X X | X X X | | X X X |
| 0599999 Total Cash | | | X X X | | | 786,053 | X X X |

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

| | | | | | | | |
|-------------|---------|----------|---------|--------------|---------|--------------|---------|
| 1. January | 749,862 | 4. April | 509,876 | 7. July | 857,883 | 10. October | 876,060 |
| 2. February | 749,431 | 5. May | 758,937 | 8. August | 861,464 | 11. November | 804,472 |
| 3. March | 744,038 | 6. June | 938,430 | 9. September | 867,460 | 12. December | 786,053 |

E27 Schedule E - Part 2 - Cash Equivalents NONE

E28 Schedule E - Part 3 Special Deposits NONE

Supp13 SIS Title NONE

Supp14 SIS Financial Reporting NONE

Supp15 SIS Inform. - Management and Directors NONE

Supp16 SIS Statement Beneficial Ownership NONE

Supp13 - Supp16



Medicare Part D Coverage Supplement
(Net of Reinsurance)

NAIC Group Code: 0000

(To be Filed By March 1)

NAIC Company Code: 00000

| | Individual Coverage | | Group Coverage | | 5 Total Cash |
|---|---------------------|-----------|----------------|-----------|--------------------|
| | 1 | 2 | 3 | 4 | |
| | Insured | Uninsured | Insured | Uninsured | |
| 1. Premiums Collected | | | | | |
| 1.1 Standard Coverage | | | | | |
| 1.11 With Reinsurance Coverage | | X X X | | X X X | |
| 1.12 Without Reinsurance Coverage | | X X X | | X X X | |
| 1.13 Risk-Corridor Payment Adjustments | | X X X | | X X X | |
| 1.2 Supplemental Benefits | | X X X | | X X X | |
| 2. Premiums Due and Uncollected - change | | | | | |
| 2.1 Standard Coverage | | | | | |
| 2.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 2.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 2.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 3. Unearned Premium and Advance Premium - change | | | | | |
| 3.1 Standard Coverage | | | | | |
| 3.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 3.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 3.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 4. Risk-Corridor Payment Adjustments - change | | | | | |
| 4.1 Receivable | | X X X | | X X X | X X X |
| 4.2 Payable | | X X X | | X X X | X X X |
| 5. Earned Premiums | | | | | |
| 5.1 Standard Coverage | | | | | |
| 5.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 5.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 5.13 Risk-Corridor Payment Adjustments | | X X X | | X X X | X X X |
| 5.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 6. TOTAL Premiums | | X X X | | X X X | |
| 7. Claims Paid | | | | | |
| 7.1 Standard Coverage | | | | | |
| 7.11 With Reinsurance Coverage | | | | X X X | |
| 7.12 Without Reinsurance Coverage | | | | X X X | |
| 7.2 Supplemental Benefits | | | | X X X | |
| 8. Claim Reserves and Liabilities - change | | | | | |
| 8.1 Standard Coverage | | | | | |
| 8.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 8.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 8.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 9. Healthcare Receivables - change | | | | | |
| 9.1 Standard Coverage | | | | | |
| 9.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 9.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 9.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 10. Claims Incurred | | | | | |
| 10.1 Standard Coverage | | | | | |
| 10.11 With Reinsurance Coverage | | X X X | | X X X | X X X |
| 10.12 Without Reinsurance Coverage | | X X X | | X X X | X X X |
| 10.2 Supplemental Benefits | | X X X | | X X X | X X X |
| 11. TOTAL Claims | | X X X | | X X X | |
| 12. Reinsurance Coverage and Low Income Cost Sharing | | | | | |
| 12.1 Claims Paid - Net of reimbursements applied | X X X | | X X X | | |
| 12.2 Reimbursements Received but Not Applied - change | X X X | | X X X | | |
| 12.3 Reimbursements Receivable - change | X X X | | X X X | | X X X |
| 12.4 Healthcare Receivables - change | X X X | | X X X | | X X X |
| 13. Aggregate Policy Reserves - change | | | | | X X X |
| 14. Expenses Paid | | X X X | | X X X | |
| 15. Expenses Incurred | | X X X | | X X X | X X X |
| 16. Underwriting Gain/Loss | | X X X | | X X X | X X X |
| 17. Cash Flow Result | X X X | X X X | X X X | X X X | |

APPR01 Appr. from St of Dom for Relief related to the 5-Yr Rotation of Lead Audit NONE

APPR02 Appr. from St of Dom for Relief related to the 1-Yr Cooling Off Period NONE

APPR03 Appr. from St of Dom for Relief related to the Req. for Audit Comm. NONE

APPR01 - APPR03

INDEX TO HEALTH
ANNUAL STATEMENT

| | |
|--|------|
| Analysis of Operations By Lines of Business | 7 |
| Assets | 2 |
| Cash Flow | 6 |
| Exhibit 1 - Enrollment By Product Type for Health Business Only | 17 |
| Exhibit 2 - Accident and Health Premiums Due and Unpaid | 18 |
| Exhibit 3 - Health Care Receivables | 19 |
| Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued | 20 |
| Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus | 21 |
| Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates | 22 |
| Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates | 23 |
| Exhibit 7 - Part 1 - Summary of Transactions With Providers | 24 |
| Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries | 24 |
| Exhibit 8 - Furniture, Equipment and Supplies Owned | 25 |
| Exhibit of Capital Gains (Losses) | 15 |
| Exhibit of Net Investment Income | 15 |
| Exhibit of Nonadmitted Assets | 16 |
| Exhibit of Premiums, Enrollment and Utilization (State Page) | 30 |
| Five-Year Historical Data | 29 |
| General Interrogatories | 27 |
| Jurat Page | 1 |
| Liabilities, Capital and Surplus | 3 |
| Notes To Financial Statements | 26 |
| Overflow Page For Write-ins | 44 |
| Schedule A - Part 1 | E01 |
| Schedule A - Part 2 | E02 |
| Schedule A - Part 3 | E03 |
| Schedule A - Verification Between Years | SI02 |
| Schedule B - Part 1 | E04 |
| Schedule B - Part 2 | E05 |
| Schedule B - Part 3 | E06 |
| Schedule B - Verification Between Years | SI02 |
| Schedule BA - Part 1 | E07 |
| Schedule BA - Part 2 | E08 |
| Schedule BA - Part 3 | E09 |
| Schedule BA - Verification Between Years | SI03 |
| Schedule D - Part 1 | E10 |
| Schedule D - Part 1A - Section 1 | SI05 |
| Schedule D - Part 1A - Section 2 | SI08 |
| Schedule D - Part 2 - Section 1 | E11 |
| Schedule D - Part 2 - Section 2 | E12 |
| Schedule D - Part 3 | E13 |
| Schedule D - Part 4 | E14 |
| Schedule D - Part 5 | E15 |
| Schedule D - Part 6 - Section 1 | E16 |
| Schedule D - Part 6 - Section 2 | E16 |
| Schedule D - Summary By Country | SI04 |
| Schedule D - Verification Between Years | SI03 |
| Schedule DA - Part 1 | E17 |
| Schedule DA - Verification Between Years | SI10 |
| Schedule DB - Part A - Section 1 | E18 |
| Schedule DB - Part A - Section 2 | E19 |
| Schedule DB - Part A - Verification Between Years | SI11 |
| Schedule DB - Part B - Section 1 | E20 |
| Schedule DB - Part B - Section 2 | E21 |
| Schedule DB - Part B - Verification Between Years | SI11 |
| Schedule DB - Part C - Section 1 | SI12 |
| Schedule DB - Part C - Section 2 | SI13 |
| Schedule DB - Part D - Section 1 | E22 |
| Schedule DB - Part D - Section 2 | E23 |

INDEX TO HEALTH
ANNUAL STATEMENT

| | |
|---|------|
| Schedule DB - Verification | SI14 |
| Schedule DL - Part 1 | E24 |
| Schedule DL - Part 2 | E25 |
| Schedule E - Part 1 - Cash | E26 |
| Schedule E - Part 2 - Cash Equivalents | E27 |
| Schedule E - Part 2 - Verification Between Years | SI15 |
| Schedule E - Part 3 - Special Deposits | E28 |
| Schedule S - Part 1 - Section 2 | 31 |
| Schedule S - Part 2 | 32 |
| Schedule S - Part 3 - Section 2 | 33 |
| Schedule S - Part 4 | 34 |
| Schedule S - Part 5 | 35 |
| Schedule S - Part 6 | 36 |
| Schedule S - Part 7 | 37 |
| Schedule T - Part 2 - Interstate Compact | 39 |
| Schedule T - Premiums and Other Considerations | 38 |
| Schedule Y - Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group | 40 |
| Schedule Y - Part 1A - Detail of Insurance Holding Company System | 41 |
| Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates | 42 |
| Statement of Revenue and Expenses | 4 |
| Summary Investment Schedule | SI01 |
| Supplemental Exhibits and Schedules Interrogatories | 43 |
| Underwriting and Investment Exhibit - Part 1 | 8 |
| Underwriting and Investment Exhibit - Part 2 | 9 |
| Underwriting and Investment Exhibit - Part 2A | 10 |
| Underwriting and Investment Exhibit - Part 2B | 11 |
| Underwriting and Investment Exhibit - Part 2C | 12 |
| Underwriting and Investment Exhibit - Part 2D | 13 |
| Underwriting and Investment Exhibit - Part 3 | 14 |