

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	3,785,489		3,785,489	3,966,800
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$....451,154 encumbrances).....	714,118		714,118	721,613
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....6,059,773, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	6,059,773		6,059,773	5,447,971
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....	953		953	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	10,560,333	0	10,560,333	10,136,384
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	20,526		20,526	16,740
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,387,657		1,387,657	798,672
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....	9,390		9,390	5,865
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	17,978		17,978	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	1,322,990	1,322,990	0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	29,857	18,857	11,000	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	13,348,731	1,341,847	12,006,884	10,957,661
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	13,348,731	1,341,847	12,006,884	10,957,661

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid Expenses.....	18,857	18,857	0	
2502. Other Receivables.....	11,000		11,000	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	29,857	18,857	11,000	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	1,934,642		1,934,642	1,815,737
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	31,359		31,359	25,164
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserves.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	780,717		780,717	892,518
9. General expenses due or accrued.....	658,776		658,776	748,693
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	348,910		348,910	631,470
10.2 Net deferred tax liability.....			0	35,580
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....			0	
16. Derivatives.....			0	4,236
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....	6,696		6,696	6,676
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	3,761,100	0	3,761,100	4,160,074
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	220,000
26. Common capital stock.....	XXX	XXX	500	500
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX		
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	8,245,284	6,577,087
32. Less treasury stock at cost:				
32.1 ....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 ....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	8,245,784	6,797,587
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	12,006,884	10,957,661

DETAILS OF WRITE-INS

2301.			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501. 2017 ACA Fee Assessment.....	XXX	XXX		220,000
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	220,000
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX.....	2,228,606	2,140,360
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	52,702,646	49,851,522
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....		
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....		
5. Risk revenue.....	XXX.....		
6. Aggregate write-ins for other health care related revenues.....	XXX.....	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	52,702,646	49,851,522
Hospital and Medical:			
9. Hospital/medical benefits.....			
10. Other professional services.....		39,980,309	37,925,998
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	0	39,980,309	37,925,998
Less:			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....	0	39,980,309	37,925,998
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....		949,299	752,412
21. General administrative expenses.....		10,212,746	9,560,024
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....	0	51,142,354	48,238,434
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	1,560,292	1,613,088
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		300,175	273,457
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....			
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	300,175	273,457
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....			
29. Aggregate write-ins for other income or expenses.....	0	0	11
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	1,860,467	1,886,556
31. Federal and foreign income taxes incurred.....	XXX.....	648,200	631,470
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	1,212,267	1,255,086

DETAILS OF WRITE-INS

0601.....	XXX.....		
0602.....	XXX.....		
0603.....	XXX.....		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX.....	0	0
0701.....	XXX.....		
0702.....	XXX.....		
0703.....	XXX.....		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX.....	0	0
1401.....			
1402.....			
1403.....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	0	0	0
2901. Other Income.....			11
2902.....			
2903.....			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0	11

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	6,797,587	5,943,961
34. Net income or (loss) from Line 32.....	1,212,267	1,255,086
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains and (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.....	53,558	7,770
39. Change in nonadmitted assets.....	177,183	(418,067)
40. Change in unauthorized and certified reinsurance.....		
41. Change in treasury stock.....		
42. Change in surplus notes.....		
43. Cumulative effect of changes in accounting principles.....		
44. Capital changes:		
44.1 Paid in.....		
44.2 Transferred from surplus (Stock Dividend).....		
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....		
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....		
47. Aggregate write-ins for gains or (losses) in surplus.....	5,189	8,837
48. Net change in capital and surplus (Lines 34 to 47).....	1,448,197	853,626
49. Capital and surplus end of reporting period (Line 33 plus 48).....	8,245,784	6,797,587

DETAILS OF WRITE-INS

4701. Fair Value of Interest Rate Swap Contract.....	5,189	8,837
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	5,189	8,837

SUPERIOR DENTAL CARE, INC.

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	52,001,860	49,229,679
2. Net investment income.....	342,015	329,760
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	52,343,875	49,559,439
5. Benefit and loss related payments.....	39,861,404	38,007,258
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	11,249,272	10,058,684
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	930,760	390,800
10. Total (Lines 5 through 9).....	52,041,436	48,456,742
11. Net cash from operations (Line 4 minus Line 10).....	302,439	1,102,697
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	2,980,000	675,000
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,980,000	675,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	2,801,048	732,011
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....	35,772	66,393
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	2,836,820	798,404
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	143,180	(123,404)
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.....		
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).....	166,183	(418,067)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	166,183	(418,067)
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).....	611,802	561,226
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	5,447,971	4,886,745
19.2 End of year (Line 18 plus Line 19.1).....	6,059,773	5,447,971

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income.....	52,702,646			52,702,646						
2. Change in unearned premium reserves and reserve for rate credit.....	0									
3. Fee-for-service (net of \$.....0 medical expenses).....	0									XXX
4. Risk revenue.....	0									XXX
5. Aggregate write-ins for other health care related revenues.....	0	0		0	0		0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6).....	52,702,646	0	0	52,702,646	0	0	0	0	0	
8. Hospital/medical benefits.....	0									XXX
9. Other professional services.....	39,980,309			39,980,309						XXX
10. Outside referrals.....	0									XXX
11. Emergency room and out-of-area.....	0									XXX
12. Prescription drugs.....	0									XXX
13. Aggregate write-ins for other hospital and medical.....	0	0		0	0		0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts.....	0									XXX
15. Subtotal (Lines 8 to 14).....	39,980,309	0	0	39,980,309	0	0	0	0	0	XXX
16. Net reinsurance recoveries.....	0									XXX
17. Total hospital and medical (Lines 15 minus 16).....	39,980,309	0	0	39,980,309	0	0	0	0	0	XXX
18. Non-health claims (net).....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....0 cost containment expenses.....	949,299			949,299						
20. General administrative expenses.....	10,212,746			10,212,746						
21. Increase in reserves for accident and health contracts.....	0									XXX
22. Increase in reserve for life contracts.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22).....	51,142,354	0	0	51,142,354	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23).....	1,560,292	0	0	1,560,292	0	0	0	0	0	0

DETAILS OF WRITE-INS

UNDERWRITING AND INVESTMENT EXHIBIT**PART 1 - PREMIUMS**

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical).....				0
2. Medicare supplement.....				0
3. Dental only.....	52,702,646			52,702,646
4. Vision only.....				0
5. Federal employees health benefits plan.....				0
6. Title XVIII - Medicare.....				0
7. Title XIX - Medicaid.....				0
8. Other health.....				0
9. Health subtotal (Lines 1 through 8).....	52,702,646	0	0	52,702,646
10. Life.....				0
11. Property/casualty.....				0
12. Totals (Lines 9 to 11).....	52,702,646	0	0	52,702,646

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

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct.....	39,861,404				39,861,404					
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	39,861,404	0	0	39,861,404	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	1,934,642				1,934,642					
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	1,934,642	0	0	1,934,642	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	0									
4.2 Reinsurance assumed.....	0									
4.3 Reinsurance ceded.....	0									
4.4 Net.....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	0									
6. Net healthcare receivables (a).....	0									
7. Amounts recoverable from reinsurers December 31, current year.....	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	1,815,737				1,815,737					
8.2 Reinsurance assumed.....	0									
8.3 Reinsurance ceded.....	0									
8.4 Net.....	1,815,737	0	0	1,815,737	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0									
9.2 Reinsurance assumed.....	0									
9.3 Reinsurance ceded.....	0									
9.4 Net.....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0									
11. Amounts recoverable from reinsurers December 31, prior year.....	0									
12. Incurred benefits:										
12.1 Direct.....	39,980,309	0	0	39,980,309	0	0	0	0	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
12.4 Net.....	39,980,309	0	0	39,980,309	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0

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

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

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	535,954				535,954					
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	535,954	0	0	535,954	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct.....	1,036,238				1,036,238					
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	0									
2.4 Net.....	1,036,238	0	0	1,036,238	0	0	0	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	362,450				362,450					
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	362,450	0	0	362,450	0	0	0	0	0	0
4. Totals:										
4.1 Direct.....	1,934,642	0	0	1,934,642	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	1,934,642	0	0	1,934,642	0	0	0	0	0	0

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).....					0	
2. Medicare supplement.....					0	
3. Dental only.....	1,839,600	38,021,804		1,934,642	1,839,600	1,815,737
4. Vision only.....					0	
5. Federal employees health benefits plan.....					0	
6. Title XVIII - Medicare.....					0	
7. Title XIX - Medicaid.....					0	
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	1,839,600	38,021,804	0	1,934,642	1,839,600	1,815,737
10. Healthcare receivables (a).....					0	
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....					0	
13. Totals (Lines 9 - 10 + 11 + 12).....	1,839,600	38,021,804	0	1,934,642	1,839,600	1,815,737

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

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS**

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior.....	2,399	2,399	2,399	2,399	2,399
2. 2014.....	32,088	34,315	34,315	34,315	34,315
3. 2015.....	XXX	34,298	36,210	36,210	36,210
4. 2016.....	XXX	XXX	35,189	37,063	37,063
5. 2017.....	XXX	XXX	XXX	36,134	37,974
6. 2018.....	XXX	XXX	XXX	XXX	38,022

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

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.....	2,399	2,399	2,399	2,399	2,399
2. 2014.....	34,314	34,315	34,315	34,315	34,315
3. 2015.....	XXX	36,229	36,210	36,210	36,210
4. 2016.....	XXX	XXX	37,086	37,063	37,063
5. 2017.....	XXX	XXX	XXX	37,950	37,974
6. 2018.....	XXX	XXX	XXX	XXX	39,956

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claim Payments	Claim Adjustment Expense Payments	Percent (Col. 3/2)	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	Percent (Col. 5/1)	Claims Unpaid	Unpaid Claim Adjustment Expense	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	Percent (Col. 9/1)
1. 2014.....	34,315	650	0.0	0.0	650	1.9			650	1.9
2. 2015.....	36,210	710	0.0	0.0	710	2.0			710	2.0
3. 2016.....	37,063	741	0.0	0.0	741	2.0			741	2.0
4. 2017.....	37,974	752	0.0	0.0	752	2.0			752	2.0
5. 2018.....	38,022	788	0.0	0.0	788	2.1	1,935	31	2,754	7.2

12.GT

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS**

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - DENTAL ONLY

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior.....	2,399	2,399	2,399	2,399	2,399
2. 2014.....	32,088	34,315	34,315	34,315	34,315
3. 2015.....	XXX	34,298	36,210	36,210	36,210
4. 2016.....	XXX	XXX	35,189	37,063	37,063
5. 2017.....	XXX	XXX	XXX	36,134	37,974
6. 2018.....	XXX	XXX	XXX	XXX	38,022

SECTION B - INCURRED HEALTH CLAIMS - DENTAL ONLY

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.....	2,399	2,399	2,399	2,399	2,399
2. 2014.....	34,314	34,315	34,315	34,315	34,315
3. 2015.....	XXX	36,229	36,210	36,210	36,210
4. 2016.....	XXX	XXX	37,086	37,063	37,063
5. 2017.....	XXX	XXX	XXX	37,950	37,974
6. 2018.....	XXX	XXX	XXX	XXX	39,956

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - DENTAL ONLY

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2014.....	44,466	34,315	650	1.9	34,965	78.6			34,965	78.6
2. 2015.....	46,622	36,210	710	2.0	36,920	79.2			36,920	79.2
3. 2016.....	48,038	37,063	741	2.0	37,804	78.7			37,804	78.7
4. 2017.....	49,852	37,974	752	2.0	38,726	77.7			38,726	77.7
5. 2018.....	52,703	38,022	943	2.5	38,965	73.9	1,935	31	40,931	77.7

12.D0

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2D - Aggregate Reserve for A&H Contracts Only
NONE

SUPERIOR DENTAL CARE, INC.
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)		27,184	208,558		235,742
2. Salaries, wages and other benefits		667,927	4,159,684		4,827,611
3. Commissions (less \$.....0 ceded plus \$.....0 assumed)			2,924,163		2,924,163
4. Legal fees and expenses		14,927	114,524		129,451
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services		25,638	256,692		282,330
7. Traveling expenses		19,591	150,300		169,891
8. Marketing and advertising			377,226		377,226
9. Postage, express and telephone		22,481	172,471		194,952
10. Printing and office supplies		26,678	166,143		192,821
11. Occupancy, depreciation and amortization		15,830	121,450		137,280
12. Equipment		13,556	70,442		83,998
13. Cost or depreciation of EDP equipment and software		11,970	74,550		86,520
14. Outsourced services including EDP, claims, and other services		66,277	375,939		442,216
15. Boards, bureaus and association fees			45,330		45,330
16. Insurance, except on real estate			70,662		70,662
17. Collection and bank service charges			66,201		66,201
18. Group service and administration fees					0
19. Reimbursements by uninsured plans			(45,343)		(45,343)
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses			62,874		62,874
22. Real estate taxes			38,300		38,300
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes			222,784		222,784
23.3 Regulatory authority licenses and fees			30,900		30,900
23.4 Payroll taxes		37,240	231,922		269,162
23.5 Other (excluding federal income and real estate taxes)			316,974		316,974
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25)	0	949,299	10,212,746	0	(a) 11,162,045
27. Less expenses unpaid December 31, current year		31,359	658,776		690,135
28. Add expenses unpaid December 31, prior year		25,164	748,693		773,857
29. Amounts receivable relating to uninsured plans, prior year			5,865		5,865
30. Amounts receivable relating to uninsured plans, current year			9,390		9,390
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	943,104	10,306,188	0	11,249,292

DETAILS OF WRITE-INS

2501.					0
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0	0

(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).....1,406	.....1,406
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....80,113	.....83,899
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).....24,450	.....254,288
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....	.....3,849
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....105,969	.....343,442
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).....43,267
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....43,267
17. Net investment income (Line 10 minus Line 16).....	.....	.....300,175

DETAILS OF WRITE-INS

0901.....	.....	.....
0902.....	.....	.....
0903.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.....	.....	.....
1502.....	.....	.....
1503.....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

(a) Includes \$....5,539 accrual of discount less \$....7,898 amortization of premium and less \$....7,477 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 \$....43,267 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....0	.....	.....
1.2 Other bonds (unaffiliated).....0	.....	.....
1.3 Bonds of affiliates.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....0	.....	.....
2.11 Preferred stocks of affiliates.....0	.....	.....
2.2 Common stocks (unaffiliated).....0	.....	.....
2.21 Common stocks of affiliates.....0	.....	.....
3. Mortgage loans.....0	.....	.....
4. Real estate.....0	.....	.....
5. Contract loans.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....0	.....	.....
7. Derivative instruments.....0	.....	.....
8. Other invested assets.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	0	0	0	0	0

DETAILS OF WRITE-INS

0901.....	.....	.....	.....0	.....	.....
0902.....	.....	.....	.....0	.....	.....
0903.....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			0
15.1 Uncollected premiums and agents' balances in the course of collection.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			0
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....			0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....	1,322,990	1,495,033	172,043
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	18,857	23,997	5,140
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,341,847	1,519,030	177,183
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	1,341,847	1,519,030	177,183

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid Expenses.....	18,857	23,997	5,140
2502.....			0
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	18,857	23,997	5,140

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	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	
1. Health maintenance organizations.....	182,475	185,837	183,800	183,788	187,097	2,228,606
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....						
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	182,475	185,837	183,800	183,788	187,097	2,228,606

DETAILS OF WRITE-INS

0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS**Note 1 - Summary of Significant Accounting Policies****A. Accounting Practices**

The financial statements of Superior Dental Care, Inc. (SDC) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of a health insuring corporation for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual (P) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The state has not adopted any prescribed accounting practices that differ from those found in NAIC SAP.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) SUPERIOR DENTAL CARE, INC. state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 1,212,267	\$ 1,255,086
(2) State Prescribed Practices that increase/decrease NAIC SAP					
(3) State Permitted Practices that increase/decrease NAIC SAP					
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	\$ 1,212,267	\$ 1,255,086
SURPLUS					
(5) SUPERIOR DENTAL CARE, INC. state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 8,245,784	\$ 6,797,587
(6) State Prescribed Practices that increase/decrease NAIC SAP					
(7) State Permitted Practices that increase/decrease NAIC SAP					
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	\$ 8,245,784	\$ 6,797,587

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

The preparation of financial statements in conforming with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Dental premiums are earned ratably over the terms of the related insurance contracts. Expenses incurred in connection with acquiring new business, including sales commissions, are charged to operations as incurred.

Health Services Expense is based upon agreed-upon fees for various services with retention of 5% of these fees as a risk retention fund. Amounts withheld are a reduction of healthcare service expense in the accompanying statements of income. The cost of health care services provided to members is accrued in the period such services are provided based on the accumulation of estimates of claims reported prior to the end of a reporting period and of estimates of dental services provided but not reported to the Company, net of the amounts withheld in accordance with the provider agreement.

Each year the SDC's management evaluates the performance of the dental HIC, capital and surplus requirements prescribed by the Ohio Department of Insurance, factors impacting financial strength, funding needed to support strategic objectives for the coming years and any other factors deemed relevant to the Board and determines the level of return of provider withhold. Once authorized by management, such amounts are recorded as additional healthcare services expense for the period authorized and shown as additional claims payment liability until paid. The determination was made to return 20% of the withheld reserve and payment was made on or before February 28, 2019.

In addition, the company uses the following accounting policies:

1. Short term investments are stated at amortized cost.
2. Bonds are stated at amortized cost using the interest method.
3. Basis for Common Stocks - Not applicable.
4. Basis for Preferred Stocks - Not applicable.
5. Basis for Mortgage Loans - Not applicable.
6. Basis for Loan-Backed Securities - Not applicable.
7. Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities - Not applicable.
8. Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities - Not applicable.
9. All derivatives are stated at fair value.
10. The company does anticipate investment income as a factor of premium deficiency calculation, in accordance with SSAP No 54, Individual and Group Accident and Health contracts.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amounts, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while

NOTES TO FINANCIAL STATEMENTS

management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

12. The company has not modified its capitalization policy from the prior period.
13. The company does not have pharmaceutical rebate receivables.

D. Going Concern

Not applicable

Note 2 - Accounting Changes and Corrections of Errors

SDC has no accounting changes or corrections of errors to report.

Note 3 - Business Combinations and Goodwill

Effective August 31, 2018, SDC's parent company, Superior Dental Care Alliance, Inc. (SDCA), merged with Zen Acquisition Sub, Inc. (Zen), an Ohio corporation and wholly-owned merger subsidiary of Medical Mutual of Ohio. Once merged, Zen ceased to exist and SDCA continued as the surviving corporation. SDC continues to sell standalone dental benefits throughout Ohio, Kentucky and Indiana as Superior Dental Care.

Note 4 - Discontinued Operations

Not applicable. The company had no discontinued operations.

Note 5 - Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not applicable.
- B. Debt Restructuring - Not applicable.
- C. Reverse Mortgages - Not applicable.
- D. Loan-Backed Securities - Not applicable.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not applicable.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not applicable.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not applicable.
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not applicable.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not applicable.

J. Real Estate

Superior Dental Care, Inc. owns land and two office buildings. This property is classified as Property Occupied by the Company and is reported net of encumbrances of \$451,154 at December 31, 2018.

K. Low-Income Housing Tax Credits (LIHTC) - Not applicable.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown							
b. Collateral held under security lending arrangements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	125,000	125,000			125,000	1,041	1,041
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding)							

NOTES TO FINANCIAL STATEMENTS

agreements)								
m. Pledged as collateral not captured in other categories								
n. Other restricted assets								
o. Total Restricted Assets	\$ 125,000	\$ 125,000	\$	\$	\$ 125,000		1.041	1.041
(a) Column 1 divided by Asset Page, Column 1, Line 28								
(b) Column 5 divided by Asset Page, Column 1, Line 28								

M. Working Capital Finance Investments - Not applicable.

N. Offsetting and Netting of Assets and Liabilities - Not applicable.

O. Structured Notes - Not applicable.

P. 5GI Securities - Not applicable.

Q. Short Sales - Not applicable.

R. Prepayment Penalty and Acceleration Fees - Not applicable.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

SDC has no Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

Note 7 - Investment Income

SDC did not have any excluded (non-admitted) investment income due and accrued as of December 31, 2018.

Note 8 - Derivative Instruments

The Company entered into an interest swap agreement with an original notional amount of \$616,250 at December 31, 2013. The agreement is used to manage the Company's interest rate risk. The swap agreement effectively changes the interest rate related to the Company's mortgage note with a commercial bank from a variable rate based on the 30-day LIBOR rate plus 2.35% to a fixed rate of approximately 4.10% for the 7-year period through December 31, 2020. The notional amount decreases \$2,981 per month in direct correlation to the principal reduction of the mortgage.

The fair value of the agreement at December 31, 2018 was an asset of \$953 and at December 31, 2017 was a liability of \$4,236.

Note 9 - Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	56,749		56,749				56,749		56,749
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	56,749		56,749				56,749		56,749
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	56,749		56,749				56,749		56,749
f. Deferred tax liabilities	38,771		38,771	35,580		35,580	3,191		3,191
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	17,978		17,978	(35,580)		(35,580)	53,558		53,558

2. Admission Calculation Components

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks									
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	56,749		56,749				56,749		56,749

NOTES TO FINANCIAL STATEMENTS

Adjusted gross deferred tax assets expected to be realized following the balance sheet date	56,749	56,749	56,749	56,749	56,749	56,749	56,749
Adjusted gross deferred tax assets allowed per limitation threshold							
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities							
d. Deferred tax assets admitted as the result of application of SSAP 101.							
Total (2(a)+2(b)+2(c))	56,749	56,749	56,749	56,749	56,749	56,749	56,749

3. Other Admissibility Criteria

		2018	2017
a. Ratio percentage used to determine recovery period and threshold limitation amount		493.200	453.200
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above		8,245,784	6,797,587

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	56,749				56,749	
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies						
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	56,749				56,749	
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies						

B. Deferred Tax Liabilities Not Recognized

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

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2018	2 2017	3 (Col 1-2) Change
a. Federal	648,200	631,470	16,730
b. Foreign			
c. Subtotal	648,200	631,470	16,730
d. Federal income tax on net capital gains			
e. Utilization of capital loss carry-forwards			
f. Other			
g. Federal and Foreign income taxes incurred	648,200	631,470	16,730

2. Deferred Tax Assets

	1 2018	2 2017	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses			
2. Unearned premium reserve	36,607		36,607
3. Policyholder reserves	5,727		5,727
4. Investments			
5. Deferred acquisition costs			

NOTES TO FINANCIAL STATEMENTS

	1 2018	2 2017	3 (Col 1-2) Change
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	14,415		14,415
99. Subtotal	56,749		56,749
b. Statutory valuation allowance adjustment			
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	56,749		56,749
e. Capital:			
1. Investments			
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal			
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	56,749		56,749

3. Deferred Tax Liabilities

	1 2018	2 2017	3 (Col 1-2) Change
a. Ordinary:			
1. Investments			
2. Fixed assets	38,771		38,771
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax assets)		35,580	(35,580)
99. Subtotal	38,771	35,580	3,191
b. Capital:			
1. Investments			
2. Real estate			
3. Other (including items <5% of total capital tax assets)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	38,771	35,580	3,191

4. Net Deferred Tax Assets (2i – 3c)	17,978	(35,580)	53,558
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D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$1,920,467	\$403,298	21.0%
Health Insurer Fee	249,225	52,337	2.7%
Deferred tax rate change		(3,107)	(0.2%)
Prior year adjustments		137,647	7.2%
Other		4,467	0.2%
	\$2,169,692	\$594,642	31.0%
Federal income taxes incurred		\$648,200	
Change in net deferred income taxes		(53,558)	
Total statutory income taxes		\$594,642	

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

At December 31, 2018, the Company has no operating loss or capital loss carryforwards to use in future years.

NOTES TO FINANCIAL STATEMENTS**F. Consolidated Federal Income Tax Return**

As a result of the merger of SDC's parent company, Superior Dental Care Alliance, Inc. (SDCA), and Zen Acquisition Sub, Inc. (Zen), an Ohio corporation and wholly-owned merger subsidiary of Medical Mutual of Ohio effective August 31, 2018, SDC files a consolidated federal income tax return with MMO and other affiliates. The Company is party to a written tax sharing agreement with MMO and other affiliates.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

A, B, C. Effective August 31, 2018, SDC's parent company, Superior Dental Care Alliance, Inc. (SDCA), merged with Zen Acquisition Sub, Inc. (Zen), an Ohio corporation and wholly-owned merger subsidiary of Medical Mutual of Ohio. Once merged, Zen ceased to exist and SDCA continued as the surviving corporation. SDC continues to sell standalone dental benefits throughout Ohio, Kentucky and Indiana as Superior Dental Care. SDC did not declare or pay any dividends to parent in 2018 or 2017.

D. At December 31, 2018, the Company reported \$1,322,990 as amounts due from Parent and Affiliates.

E. Not applicable. SDC has no guarantees or undertakings.

F. SDC has a management services agreement with SDCA whereby SDCA incurs the majority of general and administrative expenses, including payroll, and charges SDC a management fee. The management fee is determined by a fixed per member per month charge, rather than a pass-through of actual expenses incurred by parent. SDC paid management fees to SDCA of \$7,346,870 in 2018 and \$6,637,545 in 2017.

G. All outstanding shares of SDC are owned by SDCA.

H. Not applicable. SDC does not own shares of stock of parent.

I. Not applicable. SDC does not own any interest or investment in an SCA entity that exceeds 10% of the company's admitted assets.

J. Not applicable. SDC does not own any investments in an SCA entity.

K. Not applicable. SDC does not invest in any foreign insurance company.

L. Not applicable. SDC does not have any downstream noninsurance holding company.

M. Not applicable. SDC has no SCA investments.

N. Not applicable. SDC has no investments in Insurance SCAs.

O. Not applicable.

Note 11 - Debt

A. SDC does not have any debt outstanding at December 31, 2018.

SDC does not have any reverse repurchase agreements.

B. Not applicable. The company has no Federal Home Loan Bank Agreements.

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

A. Defined Benefit Plan - not applicable

B. Investment Policies and Strategies - not applicable. SDC has no retirement plans, deferred compensation, postretirement benefits and compensated absences and other postretirement benefit plans.

C. Fair Value of Plan Assets - not applicable

D. Basis Used to Determine Expected Long-Term Rate-of-Return - not applicable

E. Defined Contribution Plans - not applicable

F. Multiemployer Plans - not applicable

G. Consolidate/Holding Company Plans - not applicable. SDC has no employees.

H. Postemployment Benefits and Compensated Absences - not applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - not applicable

Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

1. SDC has 1 share authorized and outstanding at year end. It is owned by Superior Dental Care Alliance, Inc.

2. SDC has no preferred stock outstanding.

3. Without prior approval of the Ohio Department of Insurance, dividends to shareholder cannot exceed in any one year the lesser of (i) 10% of surplus as of

NOTES TO FINANCIAL STATEMENTS

the preceding December 31, or (ii) net income for the prior year, and only out of unassigned surplus.

4. The company did not declare or pay any dividends in 2018.
5. Within the limitations of (3) above, there are no restrictions placed on the portion of company profits that may be paid as ordinary dividends to shareholder.
6. There were no restrictions placed on the company's surplus, including for whom the surplus is being held.
7. Not applicable. The company had no advances to surplus not repaid.
8. Not applicable. The company has no stocks of affiliated companies held for any special purpose.
9. Changes in the balance of special surplus funds from the prior year are due to the decrease in the Health Insurer Fee.
10. At December 31, 2018, the company has no portion of unassigned funds represented or reduced by cumulative unrealized gains and losses.
11. The company does not have any surplus debenture or similar obligations.
- 12-13. The company does not have any quasi-reorganizations.

Note 14 – Liabilities, Contingencies and Assessments

The company has no contingencies at December 31, 2018.

Note 15 - Leases

A. The company has no lessee leasing arrangements.

B. Lessor Leases - SDC leased space in its building to an unrelated party. Income recorded by SDC under this lease was \$24,450 for the year ended December 31, 2018. This lease expired October 31, 2018.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk.

1. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk:

	Assets		Liabilities	
	2018	2017	2018	2017
a. Swaps	\$ 953	\$ 953	\$ 4,236	\$ 4,236
b. Futures				
c. Options				
d. Total	\$ 953	\$ 953	\$ 4,236	\$ 4,236

The Company entered into an interest swap agreement with an original notional amount of \$616,250 at December 31, 2013. The agreement is used to manage the Company's interest rate risk. The swap agreement effectively changes the interest rate related to the Company's mortgage note with a commercial bank from a variable rate based on the 30-day LIBOR rate plus 2.35% to a fixed rate of approximately 4.10% for the 7-year period through December 31, 2020. The notional amount decreases \$2,981 per month in direct correlation to the principal reduction of the mortgage.

The fair value of the agreement at December 31, 2018 was an asset of \$953 and at December 31, 2017 was a liability of \$4,236.

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

Not applicable.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**A. ASO Plans**

- (1) SDC has one Uninsured Plan for which it provides limited administrative services.
- (2) Total administrative fees recorded for the period ended December 31, 2018 were \$45,343.
- (3) The impact of providing these services on General Administrative expenses is nominal; therefore, no calculation is performed for the Net Gain or Loss from ASO Operations.
- (4) No claims are processed or paid for this ASO plan.

B. ASC Plans - not applicable**C. Medicare or Similarly Structured Cost Based Reimbursement Contract - not applicable****Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premiums Written/Produced By
Superior Dental Care Alliance, Inc.	20-4819498	YES	HMO	C,CA,B,P,U	52,702,646
Total	XXX	XXX	XXX	XXX	52,702,646

NOTES TO FINANCIAL STATEMENTS**Note 20 - Fair Value Measurements**

A.

(1) Fair Value Measurements at Reporting Date

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Interest Rate Swap	953			953
Total	953			953

The company did not have any transfers between level 1 and 2 for the years ended December 31, 2018 and 2017.

(2) - (5) Not applicable

B.-D. Not applicable

Note 21 - Other Items

A. Extraordinary Items

None

B. Trouble Debt Restructuring

None

C. Other Disclosures

Assets in the amount of \$125,000 were on deposit with authorized banks as required restricted assets in accordance with state regulation. The required amount for Ohio is \$75,000 and for Kentucky is \$50,000.

Management believes that all receivables are collectible and accordingly, no allowance for doubtful accounts is necessary.

D. Business Interruption Insurance Recoveries

None

E. State Transferable and Non-Transferable Tax Credits

None

F. Subprime Mortgage Related Risk Exposure

None

G. Retained Assets

None

Note 22 - Events Subsequent

Type II - Nonrecognized Subsequent Events

On January 1, 2015, the company became subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premium written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2018, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2019, however, as a result of the Moratorium on Annual Fee on Health Insurance Providers, no fee is due in 2019. Therefore, no amount is reflected in special surplus. Reporting the ACA assessment as of December 31, 2018, would not have triggered an RBC action level.

	2018	2017
B. ACA fee assessment payable for the upcoming year	\$ 220,000	
C. ACA fee assessment paid	\$ 249,225	
D. Premium written subject to ACA 9010 assessment	\$ 52,702,646	\$ 49,851,522
E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)	\$ 8,245,784	
F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	\$ 8,245,784	
G. Authorized control level (Five-Year Historical Line 15)	\$ 1,671,933	

Note 23 - Reinsurance

Not applicable.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 25 - Change in Incurred Loss and Loss Adjustment Expenses

Reserves as of December 31, 2018 were \$1,934,642. As of December 31, 2017, \$1,815,737 has been paid for incurred claims attributable to events of prior years. Amounts incurred related to prior year vary from previously estimated liabilities as the claims are ultimately settled.

Note 26 - Intercompany Pooling Arrangements

None

Note 27 - Structured Settlements

None

Note 28 - Health Care Receivables

None

Note 29 - Participating Policies

None

Note 30 - Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve:	\$0
2. Date of most recent evaluation of this liability:	December 31, 2018
3. Was anticipated investment income utilized in the calculation?	NO

A loss is recognized when it is probable that expected dental care costs and maintenance costs under existing group contracts will exceed anticipated future premiums on those contracts. The estimated future dental care costs and maintenance costs considered in determining whether a loss has been incurred include direct and allocable indirect costs. Contracts are grouped in a manner consistent with the company's method of establishing premium rates to determine whether a loss has been incurred. Management determined that no premium deficiency reserve was necessary at December 31, 2018.

Note 31 - Anticipated Salvage and Subrogation

None

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

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []

1.3 State regulating? Ohio

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

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

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. 12/31/2012

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012

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). 03/10/2014

3.4 By what department or departments? Ohio Department of Insurance

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

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

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [X] No []

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]

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

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

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

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 _____ %

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 Nationality	2 Type of Entity

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

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

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

8.4 If the response to 8.3 is yes, please provide below the names and 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Thorn, Lewis & Duncan Inc., 40 N Main St. #2000, Dayton, OH 45423

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 the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to 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 the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

10.6 If the response to 10.5 is no or n/a, please explain:

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Tim Courtney, FSA, MAAA, Wakely Consulting Group, 7650 Courtney Campbell Causeway, Suite 1250, Tampa, FL 33607

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11	Name of real estate holding company	0
12.12	Number of parcels involved	\$ 0
12.13	Total book/adjusted carrying value	\$ 0

12.2 If yes, provide explanation

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

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

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

(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? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 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 subordinator committee thereof? Yes [X] No []

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

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

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

20.11 To directors or other officers	\$ 0
20.12 To stockholders not officers	\$ 0
20.13 Trustees, supreme or grand (Fraternal only)	\$ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers	\$ 0
20.22 To stockholders not officers	\$ 0
20.23 Trustees, supreme or grand (Fraternal only)	\$ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

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

21.21 Rented from others	\$ 0
21.22 Borrowed from others	\$ 0
21.23 Leased from others	\$ 0
21.24 Other	\$ 0

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment	\$ 0
22.22 Amount paid as expenses	\$ 0
22.23 Other amounts paid	\$ 0

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

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,322,990

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

24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [X] No []								
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 <i>Risk-Based Capital Instructions</i> ?	Yes [] No [] N/A [X]								
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$ _____ 0								
24.06	If answer to 24.04 is no, report amount of collateral for other programs	\$ _____ 0								
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes [] No [] N/A [X]								
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes [] No [] N/A [X]								
24.09.	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?	Yes [] No [] N/A [X]								
24.10	For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:									
24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0								
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0								
24.103	Total payable for securities lending reported on the liability page:	\$ _____ 0								
25.1	Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [] No [X]								
25.2	If yes, state the amount thereof at December 31 of the current year:									
25.21	Subject to repurchase agreements	\$ _____ 0								
25.22	Subject to reverse repurchase agreements	\$ _____ 0								
25.23	Subject to dollar repurchase agreements	\$ _____ 0								
25.24	Subject to reverse dollar repurchase agreements	\$ _____ 0								
25.25	Placed under option agreements	\$ _____ 0								
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	\$ _____ 0								
25.27	FHLB Capital Stock	\$ _____ 0								
25.28	On deposit with states	\$ _____ 125,000								
25.29	On deposit with other regulatory bodies	\$ _____ 0								
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$ _____ 0								
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$ _____ 0								
25.32	Other	\$ _____ 0								
25.3	For category (25.26) provide the following:									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 33.33%;">1 Nature of Restriction</th> <th style="text-align: center; width: 33.33%;">2 Description</th> <th style="text-align: center; width: 33.33%;">3 Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td style="text-align: right;">\$</td> </tr> </tbody> </table>	1 Nature of Restriction	2 Description	3 Amount			\$			
1 Nature of Restriction	2 Description	3 Amount								
		\$								
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes [X] No []								
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 [X] No [] N/A []								
27.1	Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?	Yes [] No [X]								
27.2	If yes, state the amount thereof at December 31 of the current year:	\$ _____ 0								
28.	Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC <i>Financial Condition Examiners Handbook</i> ?	Yes [X] No []								
28.01	For agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 33.33%;">1 Name of Custodian(s)</th> <th style="text-align: center; width: 33.33%;">2 Custodian's Address</th> <th style="text-align: center; width: 33.33%;">3</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Fifth Third Bank of Cincinnati</td> <td style="text-align: center;">5050 Kingsley Dr, Cincinnati, Ohio 45263</td> <td></td> </tr> </tbody> </table>	1 Name of Custodian(s)	2 Custodian's Address	3	Fifth Third Bank of Cincinnati	5050 Kingsley Dr, Cincinnati, Ohio 45263				
1 Name of Custodian(s)	2 Custodian's Address	3								
Fifth Third Bank of Cincinnati	5050 Kingsley Dr, Cincinnati, Ohio 45263									
28.02	For all agreements that do not comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , provide the name, location and a complete explanation									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 33.33%;">1 Name(s)</th> <th style="text-align: center; width: 33.33%;">2 Location(s)</th> <th style="text-align: center; width: 33.33%;">3 Complete Explanation(s)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	1 Name(s)	2 Location(s)	3 Complete Explanation(s)						
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?	Yes [] No [X]								
28.04	If yes, give full and complete information relating thereto:									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 25%;">1 Old Custodian</th> <th style="text-align: center; width: 25%;">2 New Custodian</th> <th style="text-align: center; width: 25%;">3 Date of Change</th> <th style="text-align: center; width: 25%;">4 Reason</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason					
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").									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 50%;">1 Name of Firm or Individual</th> <th style="text-align: center; width: 50%;">2 Affiliation</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	1 Name of Firm or Individual	2 Affiliation							
1 Name of Firm or Individual	2 Affiliation									

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

Yes [] No [X]

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

Yes [] No [X]

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

1 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)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 3,785,489	\$ 3,758,527	\$ (26,962)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 3,785,489	\$ 3,758,527	\$ (26,962)

30.4 Describe the sources or methods utilized in determining the fair values:

Broker statements

Yes [X] No []

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

Yes [X] No []

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

Yes [X] No []

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

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

Yes [X] No []

32.2 If no, list exceptions:

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

Yes [] No []

Has the reporting entity self-designated 5GI securities?

Yes [] No []

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

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [] No []

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$ 0

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$

36.1 Amount of payments for legal expenses, if any?

\$ 0

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

1 Name	2 Amount Paid
	\$

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

\$ 0

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

37.2 List the name of the 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.

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES**PART 2 – HEALTH INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
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:			
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:			
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:			
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:			
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:			
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	\$ 52,702,646	\$ 49,851,522
2.2	Premium Denominator	\$ 52,702,646	\$ 49,851,522
2.3	Premium Ratio (2.1/2.2)	100.0%	100.0%
2.4	Reserve Numerator	\$ 1,934,642	\$ 1,815,737
2.5	Reserve Denominator	\$ 1,934,642	\$ 1,815,737
2.6	Reserve Ratio (2.4/2.5)	100.0%	100.0%
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 [X] No []	
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?	Yes [X] No []	
5.1	Does the reporting entity have stop-loss reinsurance?	Yes [] No [X]	
5.2	If no, explain:		
5.3	Maximum retained risk (see instructions)		
5.31	Comprehensive Medical	\$ 0	
5.32	Medical Only	\$ 0	
5.33	Medicare Supplement	\$ 0	
5.34	Dental and 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:		

GENERAL INTERROGATORIES**PART 2 – HEALTH INTERROGATORIES**

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	74,236
8.2 Number of providers at end of reporting year	69,172

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [X] No []

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees with rate guarantees between 15-36 months	\$ 19,069,551
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 [X] No []

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 withhold	1,808,213
10.24 Amount actually paid for year withhold	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 [X] No []
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 [X] No []

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

11.4 If yes, show the amount required. \$ 250,000

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

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

1 Name of Service Area
Ohio, Kentucky, Indiana

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, authorized reinsurers? Yes [] No [] N/A [X]

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

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0					

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

15.1 Direct Premium Written	\$ 0
15.2 Total Incurred Claims	\$ 0
15.3 Number of Covered Lives	0

*Ordinary Life Insurance Includes

Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

16. Is the reporting entity licensed or charted, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

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 []

FIVE-YEAR HISTORICAL DATA

	1 2018	2 2017	3 2016	4 2015	5 2014
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	12,006,884	10,957,661	9,837,376	9,344,085	9,414,619
2. Total liabilities (Page 3, Line 24).....	3,761,100	4,160,074	3,893,415	3,815,390	4,316,469
3. Statutory minimum capital and surplus requirement.....	250,000	250,000	250,000	250,000	250,000
4. Total capital and surplus (Page 3, Line 33).....	8,245,784	6,797,587	5,943,961	5,528,695	5,098,150
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	52,702,646	49,851,522	48,037,792	46,621,810	44,466,170
6. Total medical and hospital expenses (Line 18).....	39,980,309	37,925,998	37,068,126	36,229,737	34,251,576
7. Claims adjustment expenses (Line 20).....	949,299	752,412	741,142	710,119	650,174
8. Total administrative expenses (Line 21).....	10,212,746	9,560,024	9,274,330	9,163,942	8,518,537
9. Net underwriting gain (loss) (Line 24).....	1,560,292	1,613,088	954,194	518,012	1,045,883
10. Net investment gain (loss) (Line 27).....	300,175	273,457	265,890	243,708	206,374
11. Total other income (Lines 28 plus 29).....		11	12	2,410	3,397
12. Net income or (loss) (Line 32).....	1,212,267	1,255,086	829,296	502,330	829,804
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	302,439	1,102,697	971,942	(49,325)	1,506,979
Risk-Based Capital Analysis					
14. Total adjusted capital.....	8,245,784	6,797,587	5,943,961	5,528,695	5,098,150
15. Authorized control level risk-based capital.....	1,671,933	1,499,915	1,445,263	1,401,554	1,279,645
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	187,097	182,475	176,495	173,548	169,993
17. Total member months (Column 6, Line 7).....	2,228,606	2,140,360	2,097,209	2,071,653	2,008,777
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 (Line 18 plus Line 19).....	75.9	76.1	77.2	77.7	77.0
20. Cost containment expenses.....					
21. Other claims adjustment expenses.....	1.8	1.5	1.5	1.5	1.5
22. Total underwriting deductions (Line 23).....	97.0	96.8	98.0	98.9	97.6
23. Total underwriting gain (loss) (Line 24).....	3.0	3.2	2.0	1.1	2.4
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5).....	1,839,600	1,873,229	1,912,121	2,226,339	2,398,894
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	1,815,737	1,896,997	1,930,470	2,225,420	2,461,146
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch. D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch. D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
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

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit- Type Contracts
1. Alabama.....	AL ..N.....							0	
2. Alaska.....	AK ..N.....							0	
3. Arizona.....	AZ ..N.....							0	
4. Arkansas.....	AR ..N.....							0	
5. California.....	CA ..N.....							0	
6. Colorado.....	CO ..N.....							0	
7. Connecticut.....	CT ..N.....							0	
8. Delaware.....	DE ..N.....							0	
9. District of Columbia.....	DC ..N.....							0	
10. Florida.....	FL ..N.....							0	
11. Georgia.....	GA ..N.....							0	
12. Hawaii.....	HI ..N.....							0	
13. Idaho.....	ID ..N.....							0	
14. Illinois.....	IL ..N.....							0	
15. Indiana.....	IN ..L.....	147,258						147,258	
16. Iowa.....	IA ..N.....							0	
17. Kansas.....	KS ..N.....							0	
18. Kentucky.....	KY ..L.....	3,294,279						3,294,279	
19. Louisiana.....	LA ..N.....							0	
20. Maine.....	ME ..N.....							0	
21. Maryland.....	MD ..N.....							0	
22. Massachusetts.....	MA ..N.....							0	
23. Michigan.....	MI ..N.....							0	
24. Minnesota.....	MN ..N.....							0	
25. Mississippi.....	MS ..N.....							0	
26. Missouri.....	MO ..N.....							0	
27. Montana.....	MT ..N.....							0	
28. Nebraska.....	NE ..N.....							0	
29. Nevada.....	NV ..N.....							0	
30. New Hampshire.....	NH ..N.....							0	
31. New Jersey.....	NJ ..N.....							0	
32. New Mexico.....	NM ..N.....							0	
33. New York.....	NY ..N.....							0	
34. North Carolina.....	NC ..N.....							0	
35. North Dakota.....	ND ..N.....							0	
36. Ohio.....	OH ..L.....	49,261,109						49,261,109	
37. Oklahoma.....	OK ..N.....							0	
38. Oregon.....	OR ..N.....							0	
39. Pennsylvania.....	PA ..N.....							0	
40. Rhode Island.....	RI ..N.....							0	
41. South Carolina.....	SC ..N.....							0	
42. South Dakota.....	SD ..N.....							0	
43. Tennessee.....	TN ..N.....							0	
44. Texas.....	TX ..N.....							0	
45. Utah.....	UT ..N.....							0	
46. Vermont.....	VT ..N.....							0	
47. Virginia.....	VA ..N.....							0	
48. Washington.....	WA ..N.....							0	
49. West Virginia.....	WV ..N.....							0	
50. Wisconsin.....	WI ..N.....							0	
51. Wyoming.....	WY ..N.....							0	
52. American Samoa.....	AS ..N.....							0	
53. Guam.....	GU ..N.....							0	
54. Puerto Rico.....	PR ..N.....							0	
55. U.S. Virgin Islands.....	VI ..N.....							0	
56. Northern Mariana Islands.....	MP ..N.....							0	
57. Canada.....	CAN ..N.....							0	
58. Aggregate Other alien.....	OT ..XXX.....	0	0	0	0	0	0	0	0
59. Subtotal.....	XXX.....	52,702,646	0	0	0	0	0	52,702,646	0
60. Reporting entity contributions for Employee Benefit Plans.....	XXX.....							0	
61. Total (Direct Business).....	XXX.....	52,702,646	0	0	0	0	0	52,702,646	0

DETAILS OF WRITE-INS

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58.....	0	0	0	0	0	0	0	0	0
58999. Total (Lines 58001 through 58003 + 58998).....	0	0	0	0	0	0	0	0	0

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

Premium allocated based on state where earned

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 3

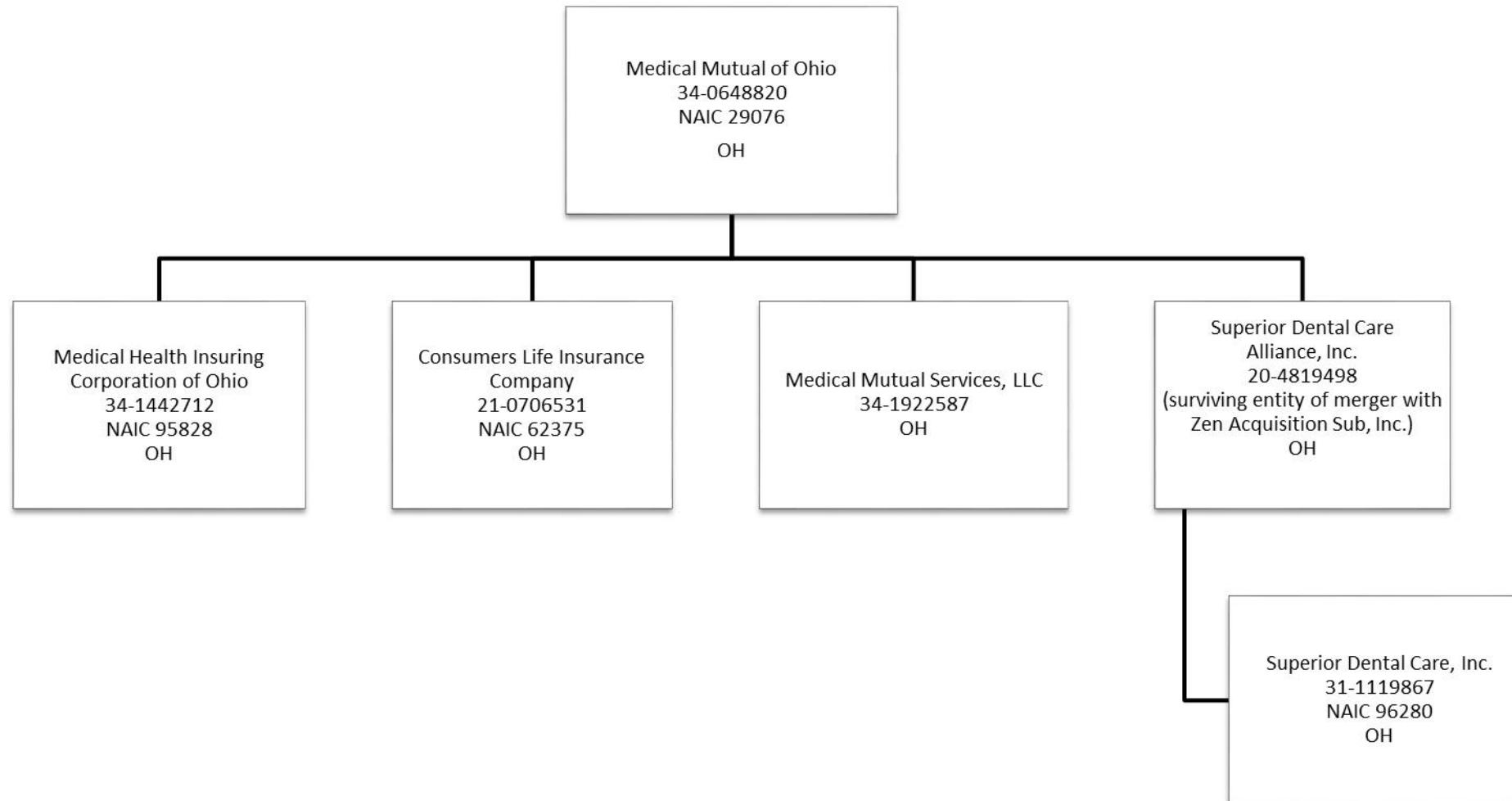
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state..... 0

R - Registered - Non-domiciled RRGs..... 0

Q - Qualified - Qualified or accredited reinsurer..... 0

N - None of the above - Not allowed to write business in the state..... 54

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



2018 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7	Schedule D – Part 6 – Section 2	E16
Assets	2	Schedule D – Summary By Country	SI04
Cash Flow	6	Schedule D – Verification Between Years	SI03
Exhibit 1 – Enrollment By Product Type for Health Business Only	17	Schedule DA – Part 1	E17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18	Schedule DA – Verification Between Years	SI10
Exhibit 3 – Health Care Receivables	19	Schedule DB – Part A – Section 1	E18
Exhibit 3A – Health Care Receivables Collected and Accrued	20	Schedule DB – Part A – Section 2	E19
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	21	Schedule DB – Part A – Verification Between Years	SI11
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	22	Schedule DB – Part B – Section 1	E20
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	23	Schedule DB – Part B – Section 2	E21
Exhibit 7 – Part 1 – Summary of Transactions With Providers	24	Schedule DB – Part B – Verification Between Years	SI11
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	24	Schedule DB – Part C – Section 1	SI12
Exhibit 8 – Furniture, Equipment and Supplies Owned	25	Schedule DB – Part C – Section 2	SI13
Exhibit of Capital Gains (Losses)	15	Schedule DB – Part D – Section 1	E22
Exhibit of Net Investment Income	15	Schedule DB – Part D – Section 2	E23
Exhibit of Nonadmitted Assets	16	Schedule DB – Verification	SI14
Exhibit of Premiums, Enrollment and Utilization (State Page)	30	Schedule DL – Part 1	E24
Five-Year Historical Data	29	Schedule DL – Part 2	E25
General Interrogatories	27	Schedule E – Part 1 – Cash	E26
Jurat Page	1	Schedule E – Part 2 – Cash Equivalents	E27
Liabilities, Capital and Surplus	3	Schedule E – Verification Between Years	SI15
Notes To Financial Statements	26	Schedule E – Part 3 – Special Deposits	E28
Overflow Page For Write-ins	44	Schedule S – Part 1 – Section 2	31
Schedule A – Part 1	E01	Schedule S – Part 2	32
Schedule A – Part 2	E02	Schedule S – Part 3 – Section 2	33
Schedule A – Part 3	E03	Schedule S – Part 4	34
Schedule A – Verification Between Years	SI02	Schedule S – Part 5	35
Schedule B – Part 1	E04	Schedule S – Part 6	36
Schedule B – Part 2	E05	Schedule S – Part 7	37
Schedule B – Part 3	E06	Schedule T – Part 2 – Interstate Compact	39
Schedule B – Verification Between Years	SI02	Schedule T – Premiums and Other Considerations	38
Schedule BA – Part 1	E07	Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule BA – Part 2	E08	Schedule Y – Part 1A – Detail of Insurance Holding Company System	41
Schedule BA – Part 3	E09	Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	42
Schedule BA – Verification Between Years	SI03	Statement of Revenue and Expenses	4
Schedule D – Part 1	E10	Summary Investment Schedule	SI01
Schedule D – Part 1A – Section 1	SI05	Supplemental Exhibits and Schedules Interrogatories	43
Schedule D – Part 1A – Section 2	SI08	Underwriting and Investment Exhibit – Part 1	8
Schedule D – Part 2 – Section 1	E11	Underwriting and Investment Exhibit – Part 2	9
Schedule D – Part 2 – Section 2	E12	Underwriting and Investment Exhibit – Part 2A	10
Schedule D – Part 3	E13	Underwriting and Investment Exhibit – Part 2B	11
Schedule D – Part 4	E14	Underwriting and Investment Exhibit – Part 2C	12
Schedule D – Part 5	E15	Underwriting and Investment Exhibit – Part 2D	13
Schedule D – Part 6 – Section 1	E16	Underwriting and Investment Exhibit – Part 3	14