



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE
AultCare Insurance Company

NAIC Group Code	4805 (Current Period)	4805 (Prior Period)	NAIC Company Code	77216	Employer's ID Number	341624818
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	OH		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]	
Incorporated/Organized	08/15/1989		Commenced Business	11/01/1989		
Statutory Home Office	2600 Sixth Street SW (Street and Number)		Canton, OH, 44710 (City or Town, State, Country and Zip Code)			
Main Administrative Office			2600 Sixth Street SW (Street and Number)			
	Canton, OH, 44710 (City or Town, State, Country and Zip Code)				(330)363-4057 (Area Code) (Telephone Number)	
Mail Address	2600 Sixth Street SW (Street and Number or P.O. Box)		Canton, OH, 44710 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records			2600 Sixth Street SW (Street and Number)			
	Canton, OH, 44710 (City or Town, State, Country and Zip Code)				(330)363-4057 (Area Code) (Telephone Number)	
Internet Website Address	www.aultcare.com					
Statutory Statement Contact	Jeffrey Alan Scheatzle (Name)		(330)363-4057 (Area Code)(Telephone Number)(Extension)			
	jscheatzle@aultcare.com (E-Mail Address)		(330)363-5012 (Fax Number)			

OFFICERS

Name	Title
Rick L. Haines	President
Joseph J. Feltes	Secretary
Mark D. Wright	Treasurer
Edward J. Roth III	Executive Vice President

OTHERS

DIRECTORS OR TRUSTEES

Michael E. Hanke
Edward J. Roth III
Michael A. Rich M.D.
John B. Humphrey Jr., M.D.
Allen Rovner M.D.
Mark N. Rose M.D.

Gregory A. Haban M.D.
Rick L. Haines
Mark D. Wright
Darryl J. Dillenback
Joseph J. Feltes Esq.
Barbara Hammontree-Bennett

State of Ohio
County of Stark ss

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

(Signature)	(Signature)	(Signature)
Rick L. Haines	Joseph J. Feltes	Mark D. Wright
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
day of , 2020

- a. Is this an original filing?
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

Todd Hawke
Richard V. Maggiore

John Westerbeck M.D.

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	31,934,060		31,934,060	30,571,026
2.	Stocks (Schedule D):				
2.1	Preferred stocks				
2.2	Common Stocks	11,469,009		11,469,009	9,674,463
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....14,892,061, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA)	14,892,061		14,892,061	20,320,842
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	21,219,248		21,219,248	20,272,649
9.	Receivables for securities				
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	79,514,378		79,514,378	80,838,981
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	209,131		209,131	192,867
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	7,144,570		7,144,570	1,199,408
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				110,943
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	3,342,365		3,342,365	6,916,433
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	181,453		181,453	1,151,911
18.2	Net deferred tax asset				279,105
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	625,890		625,890	774,665
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				230,375
24.	Health care (\$.....4,791,912) and other amounts receivable	8,142,460	3,350,548	4,791,912	2,777,683
25.	Aggregate write-ins for other than invested assets				
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	99,160,247	3,350,548	95,809,699	94,472,371
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	99,160,247	3,350,548	95,809,699	94,472,371
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	.....				
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....1,227,600 reinsurance ceded)	25,314,142		25,314,142	30,961,139
2.	Accrued medical incentive pool and bonus amounts	350,722		350,722	420,159
3.	Unpaid claims adjustment expenses	262,700		262,700	523,355
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	6,203,120		6,203,120	5,685,483
9.	General expenses due or accrued	5,473,260		5,473,260	4,722,268
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2	Net deferred tax liability	106,988		106,988	
11.	Ceded reinsurance premiums payable	2,350,453		2,350,453	3,848,444
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	804,140		804,140	
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.....0 current)				
24.	TOTAL Liabilities (Lines 1 to 23)	40,865,525		40,865,525	46,160,848
25.	Aggregate write-ins for special surplus funds	X X X	X X X	4,200,000	
26.	Common capital stock	X X X	X X X	1,000,000	1,000,000
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	18,387,534	18,387,534
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	31,356,641	28,923,989
32.	Less treasury stock, at cost:				
32.1	0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	54,944,174	48,311,523
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	95,809,700	94,472,371
DETAILS OF WRITE-INS					
2301.	.....				
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	Health Insurance Tax	X X X	X X X	4,200,000	
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	4,200,000	
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	1,095,977	1,157,590
2.	Net premium income (including \$.....0 non-health premium income)	X X X	266,007,870	277,147,294
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL Revenues (Lines 2 to 7)	X X X	266,007,870	277,147,294
Hospital and Medical:				
9.	Hospital/medical benefits		130,201,029	138,625,409
10.	Other professional services			
11.	Outside referrals		32,738,637	32,038,871
12.	Emergency room and out-of-area		5,050,396	5,681,709
13.	Prescription drugs		38,731,753	43,809,629
14.	Aggregate write-ins for other hospital and medical		32,310,335	26,889,051
15.	Incentive pool, withhold adjustments and bonus amounts		782,750	943,330
16.	Subtotal (Lines 9 to 15)		239,814,899	247,988,001
Less:				
17.	Net reinsurance recoveries		18,675,240	20,324,621
18.	TOTAL Hospital and Medical (Lines 16 minus 17)		221,139,659	227,663,380
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....7,044,906 cost containment expenses		10,300,420	8,266,194
21.	General administrative expenses		31,775,057	37,790,977
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)		263,215,136	273,720,550
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	2,792,734	3,426,744
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,101,185	1,046,553
26.	Net realized capital gains (losses) less capital gains tax of \$.....27,670		110,680	(49,504)
27.	Net investment gains (losses) (Lines 25 plus 26)		1,211,865	997,049
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29.	Aggregate write-ins for other income or expenses			
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	4,004,599	4,423,793
31.	Federal and foreign income taxes incurred	X X X	942,788	667,253
32.	Net income (loss) (Lines 30 minus 31)	X X X	3,061,811	3,756,539
DETAILS OF WRITE-INS				
0601.	.....	X X X		
0602.	.....	X X X		
0603.	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701.	.....	X X X		
0702.	.....	X X X		
0703.	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	Reinsurance Claims		32,310,335	26,889,051
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		32,310,335	26,889,051
2901.	.....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	48,311,523	49,202,275
34.	Net income or (loss) from Line 32	3,061,811	3,756,539
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....431,363 ...	1,725,453	(1,011,325)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	45,270	(745,366)
39.	Change in nonadmitted assets	1,800,117	(2,890,600)
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		
48.	Net change in capital and surplus (Lines 34 to 47)	6,632,651	(890,752)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	54,944,174	48,311,523
DETAILS OF WRITE-INS			
4701.	0		
4702.	0		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	259,193,297	280,025,498
2.	Net investment income	1,184,500	1,181,587
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	260,377,797	281,207,085
5.	Benefit and loss related payments	223,496,137	230,987,481
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	41,585,140	49,816,807
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		3,000,000
10.	TOTAL (Lines 5 through 9)	265,081,277	283,804,288
11.	Net cash from operations (Line 4 minus Line 10)	(4,703,480)	(2,597,203)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	10,289,846	4,919,316
12.2	Stocks	275,000	721,879
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets	797,354	
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments	(5)	(345)
12.7	Miscellaneous proceeds		186,324
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	11,362,195	5,827,174
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	11,745,381	5,496,134
13.2	Stocks	274,635	1,025,396
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets	1,250,000	
13.6	Miscellaneous applications	770	
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	13,270,786	6,521,530
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,908,591)	(694,356)
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)	1,183,290	504,480
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	1,183,290	504,480
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)	(5,428,781)	(2,787,079)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	20,320,842	23,107,921
19.2	End of year (Line 18 plus Line 19.1)	14,892,061	20,320,842

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

20.0001	Cumulative effect of changes in accounting principles		
---------	---	--	--

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	266,007,870	220,739,306	1,749,179	2,525,984		12,794,107			28,199,295	
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues										X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL Revenues (Lines 1 to 6)	266,007,870	220,739,306	1,749,179	2,525,984		12,794,107			28,199,295	
8.	Hospital/medical benefits	130,201,029	118,151,894	1,338,674	1,577,068		9,133,393				X X X
9.	Other professional services										X X X
10.	Outside referrals	32,738,637	31,078,155	3,340			1,657,142				X X X
11.	Emergency room and out-of-area	5,050,396	4,780,478				269,918				X X X
12.	Prescription drugs	38,731,753	36,481,753				2,250,000				X X X
13.	Aggregate write-ins for other hospital and medical	32,310,335								32,310,335	X X X
14.	Incentive pool, withhold adjustments and bonus amounts	782,750	738,105				44,645				X X X
15.	Subtotal (Lines 8 to 14)	239,814,899	191,230,384	1,342,014	1,577,068		13,355,098			32,310,335	X X X
16.	Net reinsurance recoveries	18,675,240	9,095,173				260,333			9,319,734	X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	221,139,659	182,135,211	1,342,014	1,577,068		13,094,765			22,990,601	X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....7,044,906 cost containment expenses	10,300,420	9,316,469				475,163			508,788	
20.	General administrative expenses	31,775,057	24,608,384	295,750	661,566		893,587			5,315,770	
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	263,215,136	216,060,064	1,637,764	2,238,634		14,463,515			28,815,159	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	2,792,734	4,679,242	111,415	287,349		(1,669,408)			(615,864)	
DETAILS OF WRITE-INS											
0501.	.....										X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)										X X X
0601.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301.	Reinsurance Claims	32,310,335								32,310,335	X X X
1302.	.....										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)	32,310,335								32,310,335	X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
		Direct	Reinsurance	Reinsurance	Net Premium
Line of Business		Business	Assumed	Ceded	Income
					(Columns
					1 + 2 - 3)
1.	Comprehensive (hospital and medical)	227,844,299		7,104,993	220,739,306
2.	Medicare Supplement	1,749,179			1,749,179
3.	Dental only	2,525,984			2,525,984
4.	Vision only				
5.	Federal Employees Health Benefits Plan	13,073,646		279,539	12,794,107
6.	Title XVIII - Medicare				
7.	Title XIX - Medicaid				
8.	Other health	34,034,872		5,835,577	28,199,295
9.	Health subtotal (Lines 1 through 8)	279,227,979		13,220,109	266,007,870
10.	Life				
11.	Property/casualty				
12.	TOTALS (Lines 9 to 11)	279,227,979		13,220,109	266,007,870

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

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	244,964,876	195,501,387	1,342,014	1,743,292		13,487,692			32,890,491	
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	18,875,140	9,291,748				263,657			9,319,734	
1.4 Net	226,089,736	186,209,638	1,342,014	1,743,292		13,224,035			23,570,757	
2. Paid medical incentive pools and bonuses	852,187	803,363				48,823				
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	26,541,742	20,651,958		174,176		1,035,608			4,680,000	
3.2 Reinsurance assumed										
3.3 Reinsurance ceded	1,227,600	1,169,550				58,050				
3.4 Net	25,314,142	19,482,408		174,176		977,557			4,680,000	
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year	350,722	366,464				(15,742)				
6. Net healthcare receivables (a)	85,830	85,830								
7. Amounts recoverable from reinsurers December 31, current year										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	32,388,639	25,620,671		340,400		1,167,412			5,260,156	
8.2 Reinsurance assumed										
8.3 Reinsurance ceded	1,514,300	1,366,125				61,375			86,800	
8.4 Net	30,874,339	24,254,546		340,400		1,106,037			5,173,356	
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year	420,159	431,723				(11,564)				
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	239,032,149	190,446,844	1,342,014	1,577,068		13,355,888			32,310,335	
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	18,588,440	9,095,173				260,333			9,232,934	
12.4 Net	220,443,709	181,351,671	1,342,014	1,577,068		13,095,555			23,077,401	
13. Incurred medical incentive pools and bonuses	782,750	738,105				44,646				

(a) Excludes \$.....2,710,098 loans or advances to providers not yet expensed.

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

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct										
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net										
2. Incurred but Unreported:										
2.1 Direct 26,541,742	26,541,742	20,651,958		174,176		1,035,608			4,680,000	
2.2 Reinsurance assumed										
2.3 Reinsurance ceded 1,227,600	1,227,600	1,169,550				58,050				
2.4 Net 25,314,142	25,314,142	19,482,408		174,176		977,557			4,680,000	
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct 26,541,742	26,541,742	20,651,958		174,176		1,035,608			4,680,000	
4.2 Reinsurance assumed										
4.3 Reinsurance ceded 1,227,600	1,227,600	1,169,550				58,050				
4.4 Net 25,314,142	25,314,142	19,482,408		174,176		977,557			4,680,000	

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

		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
Line of Business							
1.	Comprehensive (hospital and medical)	26,317,303	159,892,335		19,482,408	26,317,303	24,254,546
2.	Medicare Supplement		1,342,014				
3.	Dental only	165,094	1,578,198		174,176	165,094	340,400
4.	Vision only						
5.	Federal Employees Health Benefits Plan	1,245,403	11,978,632		977,557	1,245,403	1,106,037
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health	3,551,721	20,019,036		4,680,000	3,551,721	5,260,156
9.	Health subtotal (Lines 1 to 8)	31,279,521	194,810,215		25,314,142	31,279,521	30,961,139
10.	Healthcare receivables (a)	133,513				133,513	47,683
11.	Other non-health						
12.	Medical incentive pool and bonus amounts	852,187			350,722	852,187	420,159
13.	TOTALS (Lines 9 - 10 + 11 + 12)	31,998,195	194,810,215		25,664,864	31,998,195	31,333,615

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

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

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	180,221	180,221	180,221	180,221	180,221
3.	2016	X X X	188,861	188,861	188,861	188,861
4.	2017	X X X	X X X	185,088	185,088	185,088
5.	2018	X X X	X X X	X X X	196,593	196,593
6.	2019	X X X	X X X	X X X	X X X	194,810

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior	122				
2.	2015	201,522	180,221	180,221	180,221	180,221
3.	2016	X X X	214,157	188,861	188,861	188,861
4.	2017	X X X	X X X	211,413	185,088	185,088
5.	2018	X X X	X X X	X X X	227,974	196,593
6.	2019	X X X	X X X	X X X	X X X	220,475

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	250,163	180,221	6,565	3.643	186,786	74.666			186,786	74.666
2.	2016	259,076	188,861	1,204	0.637	190,065	73.363			190,065	73.363
3.	2017	254,748	185,088	8,246	4.455	193,334	75.892			193,334	75.892
4.	2018	277,147	196,593	8,444	4.295	205,037	73.981			205,037	73.981
5.	2019	266,008	194,810	9,669	4.964	204,480	76.870	25,665	263	230,407	86.617

12 Grand Total

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

Hospital and Medical
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	160,540	160,540	160,540	160,540	160,540
3.	2016	X X X	164,211	164,211	164,211	164,211
4.	2017	X X X	X X X	160,574	160,574	160,574
5.	2018	X X X	X X X	X X X	168,598	168,598
6.	2019	X X X	X X X	X X X	X X X	159,892

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	178,480	160,540	160,540	160,540	160,540
3.	2016	X X X	184,022	164,211	164,211	164,211
4.	2017	X X X	X X X	182,181	160,574	160,574
5.	2018	X X X	X X X	X X X	193,273	168,598
6.	2019	X X X	X X X	X X X	X X X	179,725

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	224,147	160,540	5,585	3.479	166,125	74.114			166,125	74.114
2.	2016	226,450	164,211	1,100	0.670	165,311	73.001			165,311	73.001
3.	2017	219,910	160,574	7,569	4.714	168,143	76.460			168,143	76.460
4.	2018	236,593	168,598	7,704	4.570	176,302	74.517			176,302	74.517
5.	2019	220,739	159,892	8,753	5.475	168,646	76.400	19,833	248	188,727	85.498

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

Medicare Supplement
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	358	358	358	358	358
3.	2016	X X X	463	463	463	463
4.	2017	X X X	X X X	564	564	564
5.	2018	X X X	X X X	X X X	832	832
6.	2019	X X X	X X X	X X X	X X X	1,342

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	358	358	358	358	358
3.	2016	X X X	463	463	463	463
4.	2017	X X X	X X X	564	564	564
5.	2018	X X X	X X X	X X X	832	832
6.	2019	X X X	X X X	X X X	X X X	1,342

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	498	358			358	71.757			358	71.757
2.	2016	762	463			463	60.844			463	60.844
3.	2017	1,033	564			564	54.559			564	54.559
4.	2018	1,265	832			832	65.829			832	65.829
5.	2019	1,749	1,342			1,342	76.722			1,342	76.722

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

Dental Only

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	2,214	2,214	2,214	2,214	2,214
3.	2016	X X X	2,217	2,217	2,217	2,217
4.	2017	X X X	X X X	1,621	1,621	1,621
5.	2018	X X X	X X X	X X X	2,119	2,119
6.	2019	X X X	X X X	X X X	X X X	1,578

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior	122				
2.	2015	2,435	2,214	2,214	2,214	2,214
3.	2016	X X X	2,611	2,217	2,217	2,217
4.	2017	X X X	X X X	1,902	1,621	1,621
5.	2018	X X X	X X X	X X X	2,459	2,119
6.	2019	X X X	X X X	X X X	X X X	1,752

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	3,238	2,214			2,214	68.371			2,214	68.371
2.	2016	3,225	2,217			2,217	68.736			2,217	68.736
3.	2017	2,314	1,621			1,621	70.077			1,621	70.077
4.	2018	3,203	2,119			2,119	66.154			2,119	66.154
5.	2019	2,526	1,578			1,578	62.479	174		1,752	69.374

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

Vision Only

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	NONE				
3.	2016					
4.	2017					
5.	2018					
6.	2019	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	NONE				
3.	2016					
4.	2017					
5.	2018					
6.	2019	X X X	X X X	X X X	X X X	

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015				NONE						
2.	2016										
3.	2017										
4.	2018										
5.	2019										

12 Vision Only

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)
Federal Employees Health Benefits Plan Premiums
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	13,798	13,798	13,798	13,798	13,798
3.	2016	X X X	11,239	11,239	11,239	11,239
4.	2017	X X X	X X X	10,902	10,902	10,902
5.	2018	X X X	X X X	X X X	9,501	9,501
6.	2019	X X X	X X X	X X X	X X X	11,979

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	15,061	13,798	13,798	13,798	13,798
3.	2016	X X X	12,332	11,239	11,239	11,239
4.	2017	X X X	X X X	11,903	10,902	10,902
5.	2018	X X X	X X X	X X X	10,607	9,501
6.	2019	X X X	X X X	X X X	X X X	12,956

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	15,708	13,798	415	3.011	14,213	90.486			14,213	90.486
2.	2016	13,983	11,239	74	0.658	11,313	80.904			11,313	80.904
3.	2017	14,062	10,902	488	4.477	11,390	80.999			11,390	80.999
4.	2018	14,588	9,501	523	5.503	10,024	68.716			10,024	68.716
5.	2019	12,794	11,979	460	3.837	12,438	97.219	978	15	13,431	104.977

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

Title XVIII - Medicare
Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	2,295	2,295	2,295	2,295	2,295
3.	2016	X X X				
4.	2017	X X X	X X X			
5.	2018	X X X	X X X	X X X		
6.	2019	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	2,295	2,295	2,295	2,295	2,295
3.	2016	X X X				
4.	2017	X X X	X X X			
5.	2018	X X X	X X X	X X X		
6.	2019	X X X	X X X	X X X	X X X	

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015		2,295	391	17.050	2,687				2,687	
2.	2016										
3.	2017										
4.	2018										
5.	2019										

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

Title XIX - Medicaid

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015					
3.	2016					
4.	2017					
5.	2018					
6.	2019					

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015					
3.	2016					
4.	2017					
5.	2018					
6.	2019					

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015										
2.	2016										
3.	2017										
4.	2018										
5.	2019										

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

Other

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	1,015	1,015	1,015	1,015	1,015
3.	2016	X X X	10,732	10,732	10,732	10,732
4.	2017	X X X	X X X	11,427	11,427	11,427
5.	2018	X X X	X X X	X X X	15,542	15,542
6.	2019	X X X	X X X	X X X	X X X	20,019

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2015	2 2016	3 2017	4 2018	5 2019
1.	Prior					
2.	2015	2,894	1,015	1,015	1,015	1,015
3.	2016	X X X	14,728	10,732	10,732	10,732
4.	2017	X X X	X X X	14,863	11,427	11,427
5.	2018	X X X	X X X	X X X	20,802	15,542
6.	2019	X X X	X X X	X X X	X X X	24,699

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

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2015	6,572	1,015	174	17.144	1,190	18.100			1,190	18.100
2.	2016	14,657	10,732	30	0.276	10,761	73.420			10,761	73.420
3.	2017	17,430	11,427	189	1.653	11,616	66.646			11,616	66.646
4.	2018	21,500	15,542	217	1.396	15,759	73.300			15,759	73.300
5.	2019	28,199	20,019	456	2.279	20,475	72.610	4,680		25,155	89.206

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)	55,164	25,569	179,268		260,001
2.	Salaries, wages and other benefits	3,422,271	2,494,594	9,197,589		15,114,453
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)			8,476,160		8,476,160
4.	Legal fees and expenses	370,176		9,375		379,551
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services	374,918		2,241,818		2,616,736
7.	Traveling expenses	377,006		153,755		530,761
8.	Marketing and advertising	13,348	757	584,648		598,753
9.	Postage, express and telephone	55,972	18,966	181,630		256,568
10.	Printing and office supplies	40,095	9,868	156,994		206,957
11.	Occupancy, depreciation and amortization	159,099	73,744	243,472		476,315
12.	Equipment	46,628	332	250,504		297,464
13.	Cost or depreciation of EDP equipment and software	349,893		2,004,549		2,354,442
14.	Outsourced services including EDP, claims, and other services	1,227,685	472,887	1,322,848		3,023,420
15.	Boards, bureaus and association fees	22,154		1,017,073		1,039,227
16.	Insurance, except on real estate					
17.	Collection and bank service charges			73,677		73,677
18.	Group service and administration fees	314,640	6,277	75,192		396,109
19.	Reimbursements by uninsured plans					
20.	Reimbursements from fiscal intermediaries					
21.	Real estate expenses					
22.	Real estate taxes					
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes					
23.2	State premium taxes			3,753,017		3,753,017
23.3	Regulatory authority licenses and fees					
23.4	Payroll taxes	215,857	152,520	514,380		882,758
23.5	Other (excluding federal income and real estate taxes)			1,339,107		1,339,107
24.	Investment expenses not included elsewhere					
25.	Aggregate write-ins for expenses					
26.	TOTAL Expenses Incurred (Lines 1 to 25)	7,044,906	3,255,514	31,775,057		(a) 42,075,477
27.	Less expenses unpaid December 31, current year	179,672	83,028	5,473,260		5,735,960
28.	Add expenses unpaid December 31, prior year	271,086	252,269	4,722,268		5,245,623
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	7,136,320	3,424,755	31,024,064		41,585,140
DETAILS OF WRITE-INS						
2501.	.....					
2502.	.....					
2503.	.....					
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)					

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 365,268	 386,876
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a)..... 430,351	 343,996
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b).....	.....
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated)	 274,635	 274,635
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....	.....
7.	Derivative instruments	(f).....	.....
8.	Other invested assets	 95,678	 95,678
9.	Aggregate write-ins for investment income .....	.....	.....
10.	TOTAL gross investment income	 1,165,932	 1,101,185
11.	Investment expenses	(g).....	
12.	Investment taxes, licenses and fees, excluding federal income taxes	(g).....	
13.	Interest expense	(h).....	
14.	Depreciation on real estate and other invested assets	(i).....	
15.	Aggregate write-ins for deductions from investment income .....	.....	
16.	TOTAL Deductions (Lines 11 through 15) .....	.....	
17.	Net Investment income (Line 10 minus Line 16)	 1,101,185	
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	.....	.....
(a) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(b) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued dividends on purchases.			
(c) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(d) Includes \$......0 for company's occupancy of its own buildings; and excludes \$......0 interest on encumbrances.			
(e) Includes \$......0 accrual of discount less \$......0 amortization of premium and less \$......0 paid for accrued interest on purchases.			
(f) Includes \$......0 accrual of discount less \$......0 amortization of premium.			
(g) Includes \$......0 investment expenses and \$......0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$......0 interest on surplus notes and \$......0 interest on capital notes.			
(i) Includes \$......0 depreciation on real estate and \$......0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	 3,067	.....	..... 3,067	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated)	 4,011	.....	..... 4,011	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated)	 131,277	.....	..... 131,277	 1,663,633	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments	 (5)	.....	..... (5)	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	..... 493,184	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	TOTAL Capital gains (losses)	 138,350	.....	..... 138,350	 2,156,816	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Investment income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection			
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3	Accrued retrospective premiums and contracts subject to redetermination			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers			
16.2	Funds held by or deposited with reinsured companies			
16.3	Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans			
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset			
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software			
21.	Furniture and equipment, including health care delivery assets			
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable	3,350,548	5,150,665	1,800,117
25.	Aggregate write-ins for other than invested assets			
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,350,548	5,150,665	1,800,117
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	3,350,548	5,150,665	1,800,117
DETAILS OF WRITE-INS				
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	Prepaid Expense			
2502.	.....			
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

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	1,646	1,616	1,585	1,561	1,546	18,998
2.	Provider Service Organizations						
3.	Preferred Provider Organizations	53,368	48,379	47,779	47,494	47,286	575,361
4.	Point of Service						
5.	Indemnity Only						
6.	Aggregate write-ins for other lines of business	27,943	40,903	43,056	42,777	41,677	501,618
7.	TOTAL	82,957	90,898	92,420	91,832	90,509	1,095,977
DETAILS OF WRITE-INS							
0601.	Reinsurance	27,269	40,155	42,290	41,765	40,656	491,110
0602.	Medicare Supplement	674	748	766	1,012	1,021	10,508
0603.	.....						
0698.	Summary of remaining write-ins for Line 6 from overflow page						
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	27,943	40,903	43,056	42,777	41,677	501,618

Notes to Financial Statements

CoSECTION A

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The accompanying financial statements of AultCare Insurance Company 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 prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio.

Note 1A	SSAP #	F/S Page #	F/S Line #	2019	2018
Net Income					
(1) Company state basis (Page 4, Line 32, Columns 2 & 4)	xxx	xxx	xxx	\$3,061,811	\$3,756,539
(2) State prescribed practices that increase/(decrease) NAIC SAP Not Applicable				\$ -	\$ -
(3) State permitted practices that increase/(decrease) NAIC SAP Not Applicable				\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	xxx	xxx	xxx	\$3,061,811	\$3,756,539
Capital and Surplus					
(5) Company state basis (Page3, Line 33, Columns 3 &4)	xxx	xxx	xxx	\$54,944,174	\$48,311,523
(6) State prescribed practices that increase/(decrease) NAIC SAP Not Applicable				\$ -	\$ -
(7) State permitted practices that increase/(decrease) NAIC SAP Not Applicable				\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	xxx	xxx	xxx	\$54,944,174	\$48,311,523

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

The preparation of financial statement in conformity 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

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds were stated at amortized cost using the straight-line method.
- (3) Common stock is stated at market value.
- (4) The Company had no preferred stock during the periods reported.
- (5) The Company had no mortgage loans during the periods reported.
- (6) The Company had no loan backed securities during the periods reported.
- (7) The Company has investments in subsidiaries and affiliates with a book adjusted carrying value totaling \$19,219,248. Of this amount, \$1,633 is invested in McKinley Life Agency, Ltd, which is carried at GAAP equity value. In addition, \$8,623,572 is invested in AultCare Corporation, which is carried at statutory value. The remaining \$10,594,044 invested in West Tuscarawas Property Management, carried at GAAP equity.
- (8) The Company had no investments in joint ventures, partnerships, or limited liability companies during the periods reported.
- (9) The Company had no derivatives during the periods reported.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) Claims unpaid and claim adjustment expenses include an amount based on individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported (IBNR). Such liabilities are necessarily based on assumptions and estimates. While management believes the amounts to be adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually

Notes to Financial Statements

- reviewed and any adjustments are reflected in the period determined. The Company obtains an estimate of the liabilities for unpaid losses from its independent actuary calculations quarterly.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company uses current year received pharmacy rebates as a percentage of current year claim expense to estimate current rebate receivable off of the most recent quarter's pharmacy claim expense in accordance with SSAP. 84

D. Going Concern

Management has concluded that there is no substantial doubt of the Company's ability to continue as a going concern.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

A. The Company had no change in accounting principles and/or correction of errors during the periods reported.

3. BUSINESS COMBINATIONS AND GOODWILL

- A. The Company had no business combinations accounted for under the statutory purchase method during the periods reported.
- B. The Company was not part of any merger during the periods reported.
- C. The Company had no assumption of reinsurance during the periods reported.
- D. An impairment loss was not recognized during the periods reported.

4. DISCONTINUED OPERATIONS

A-D. The Company did not discontinue any operations during the periods reported.

5. INVESTMENTS

- A. The Company had no investment in Mortgage Loan during the periods reported.
- B. The Company had no investments in Restructured Loans during the periods reported.
- C. The Company had no investments in Reverse Mortgages during the periods reported.
- D. The Company had no investments in Loan-Backed Securities during the periods reported.
- E. The Company had no investments in Repurchase Agreements during the periods reported.
- F. The Company had no repurchase agreements accounted for a secured borrowing.
- G. The Company had no reverse repurchase agreements accounted for a secured borrowing.
- H. The Company had no repurchase agreements accounted for as sales.
- I. The Company had no reverse repurchase agreements accounted for as sales
- J. The Company owns \$10,594,044 worth of shares in West Tuscarawas Property Management, an affiliate company that hold certain real estate properties for the production of income.
- K. The Company has no investments in Low-Income Housing Tax Credits.
- L. The Company had no restricted assets.
- M. The Company had no Working Capital Finance Investments during the periods reported.
- N. The Company was not involved in any Offsetting and Netting of Assets and Liabilities during the periods reported.
- O. The Company had no 5*Securities during the periods reported.
- P. The Company had no short sale securities.
- Q. The Company had no prepayment penalty or acceleration fees.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company had no investments in joint ventures, partnerships or limited liability companies during the periods reported.
- B. The Company had no impaired investments in joint ventures, partnerships or limited liability companies during the periods reported.

7. INVESTMENT INCOME

A-B. The Company did not exclude any investment income due and accrued during the periods reported.

8. DERIVATIVE INSTRUMENTS

A-B. The Company did not own derivative financial instruments during the periods reported.

9. INCOME TAXES

A. The components of the net deferred tax asset/ (liability) at December 31, 2019 are as follows:

1. (reported in thousands)		12/31/2019			12/31/2018			Change		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	Col 7+8 Total
(a)	Gross Deferred Tax Assets	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)
(b)	Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c)	Adjusted Gross Deferred Tax Assets(1a-1b)	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)
(d)	Deferred Tax Assets Nonadmitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e)	Subtotal (Net Deferred Tax Assets) (1c-1d)	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)
(f)	Deferred Tax Liabilities	\$ 27	\$ 752	\$ 779	\$ -	\$ 420	\$ 420	\$ 27	\$ 332	\$ 359
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ 645	\$(752)	\$ (107)	\$ 699	\$(420)	\$ 279	\$ (54)	\$(332)	\$ (386)
2. (reported in thousands)		12/31/2019			12/31/2018			Change		
Admission Calculation Components		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Notes to Financial Statements

SSAP No. 101		Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	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 lessor of 2(b)1 and 2(b)2 Below)	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)

Cont. Note 9 A 2

	1	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)
	2	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ 8,242	XXX	\$8,242	XXX	XXX	\$7,247	995	XXX	\$ 995
(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	\$ (27)	\$(752)	\$(779)	\$ -	\$(420)	\$(420)	\$ (27)	\$(332)	\$(359)
(d)		Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	\$ 645	\$(752)	\$(107)	\$ 699	\$(420)	\$ 279	\$ (54)	\$(332)	\$ (386)
3. (reported in thousands)			2019		2018						
(a)		Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	436%		436%						
(b)		Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	\$54,944		\$48,312						
4. (reported in thousands)			12/31/2019			12/31/2018			Change		
Impact of Tax Planning Strategies			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			Ordinary	Capital	Col 1+2 Total	Ordinary	Capital	Col 4+5 Total	Col 1-4 Ordinary	Col 2-5 Capital	Col 7+8 Total
(a)		Adjusted Gross DTA's (% of total adjusted gross DTA's)	\$ 672	\$ -	\$ 672	\$ 699	\$ -	\$ 699	\$ (27)	\$ -	\$ (27)
(b)		Net Admitted Adjusted Gross DTA's (% of total net admitted adjusted gross DTA's)	\$ 672	\$ -	\$ 672	\$ -	\$ -	\$ -	\$ 672	\$ -	\$ 672
(c)		Does the Company's Tax Planning Strategies Include the Use of Reinsurance?	Yes	No X							

B. Not Applicable

C. Current Income Taxes Incurred consist of the following major components:

		(1) 12/31/2019	(2) 12/31/2018	(3) (Col 1-2) Change
1.	Current Income Tax			
(a)	Federal	\$970,458	\$ 654,094	\$ 316,364
(b)	Foreign	\$ -	\$ -	\$ -
(c)	Subtotal	\$970,458	\$ 654,094	\$ 316,364
(d)	Federal Income Tax on Net Capital Gains	\$ -	\$ -	\$ -
(e)	Utilization of Capital Loss Carry-Forwards	\$ -	\$ -	\$ -
(f)	Other	\$ -	\$ -	\$ -
(g)	Federal and Foreign Income Taxes Incurred	\$970,458	\$ 654,094	\$ 316,364
2.	Deferred Tax Assets			
(a)	Ordinary			
(1)	Discounting of Unpaid Losses	\$ 49,686	\$ -	\$ 49,686
(2)	Unearned Premium Reserve	\$ 260,531	\$ 238,790	\$ 21,741
(3)	Policyholder Reserves	\$ 80,883	\$ 99,868	\$ (18,985)
(4)	Investments	\$ 281,249	\$ 78,935	\$ 202,314
(5)	Deferred Acquisition Costs	\$ -	\$ -	\$ -
(6)	Policyholder Dividends Accrual	\$ -	\$ -	\$ -
(7)	Fixed Assets	\$ -	\$ -	\$ -
(8)	Compensation and Benefits Accrual	\$ -	\$ 281,249	\$ (281,249)
(9)	Pension Accrual	\$ -	\$ -	\$ -
(10)	Receivables – Allowance	\$ -	\$ -	\$ -
(11)	Net Operating Loss Carry-Forward	\$ -	\$ -	\$ -
(12)	Tax Credit Carry-Forward	\$ -	\$ -	\$ -
(13)	Other (including items <5% of total ordinary tax assets)	\$ 672,349	\$ 698,842	\$ (26,493)

Cont. Note 9 C 2

(14)	Subtotal	\$ 672,349	\$ 698,842	\$ (26,493)
(b)	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c)	Nonadmitted	\$ -	\$ -	\$ -
(d)	Admitted ordinary deferred tax assets (2a14- 2b-2c)	\$ 672,349	\$ 698,842	\$ (26,493)
(e)	Capital			
(1)	Net Capital Loss Carry-Forward	\$ -	\$ -	\$ -

Notes to Financial Statements

	(2) Subtotal	\$ -	\$ -	\$ -
(f)	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g)	Nonadmitted	\$ -	\$ -	\$ -
(h)	Admitted capital deferred tax assets (2e2 - 2f - 2g)	\$ -	\$ -	\$ -
(i)	Admitted deferred tax assets (2d + 2h)	\$ 672,349	\$ 698,842	\$ (26,493)
3.	Deferred Tax Liabilities			
(a)	Ordinary			
	(1) Investments	\$ 27,760	\$ -	\$ 27,760
	(2) Subtotal	\$ 27,760	\$ -	\$ 27,760
(b)	Capital	\$ -	\$ -	\$ -
	(1) Investments	\$ 751,577	\$ 419,737	\$ 331,840
	(2) Subtotal	\$ 751,577	\$ 419,737	\$ 331,840
(c)	Deferred tax liabilities (3a2 + 3b2)	\$ 779,337	\$ 419,737	\$ 359,600
4.	Net deferred tax assets/liabilities (2i - 3c)	\$ (106,988)	\$ 279,105	\$ (386,093)

D. Among the more significant book to tax adjustments were the following:

	12/31/2019	Effective Tax Rate
Provision computed at statutory rate	\$ 846,776	21.1%
Change in nonadmitted assets	\$ -	0.0%
Tax exempt income, net of proration	\$ -	0.0%
Dividends received deduction, net of proration	\$ -	0.0%
Nondeductible expenses	\$ 107,029	2.7%
Elimination of IMR Amortization	\$ -	0.0%
Small Life Insurance Company Deduction	\$ -	0.0%
Prior year under (over) accrual	\$ 13,868	0.3%
Other	\$ 57,038	1.4%
Total statutory income tax expense (benefit)	\$ 1,024,711	25.6%
	12/31/2019	Effective Tax Rate
Federal and foreign income taxes incurred	\$ 996,951	24.9%
Realized capital gains (losses) tax	\$ -	0.0%
Change in net deferred income taxes	\$ (26,493)	-0.7%
Total statutory income tax expense (benefit)	\$ 970,458	24.2%

- E. Operating Loss and Tax Credit Carry forwards and Protective Tax Deposits
- (1) At December 31, 2019, the Company had no net operating loss carry forwards available to offset against future taxable income.

(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

(a) 2016 \$0

(b) 2017 \$0

(c) 2018 \$0

(3) The Company did not have any deposits admitted under Section 6603 of the Internal Revenue Service Code.
- F. The Company is included in a consolidated federal income tax return with the following affiliates: Aultra Administrative Group; North Central Medical Resources; Aultman Medical Group, Inc.; and MainSite Solutions ASO, LLC.

The Company has a written agreement, approved by the Company’s Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity in which is a party to the consolidation. In the event any federal Tax Benefit Item of the AultCare Companies for any taxable period after they cease being Members of the Consolidated Group is eligible to be carried back to a taxable period while the AultCare Companies were Members of the Consolidated Group, the AultCare Companies shall, where possible, elect to carry such amounts forward to subsequent taxable periods. If the AultCare Companies are required by law to carry back any such federal Tax Benefit Item, the AultCare Companies shall be entitled to a payment at the time and to the extent that such Tax Benefit Item reduces the federal income Tax liability of the Consolidated Group. For purposes of computing the amount of the payment described in this section, one or more federal Tax Benefit Items shall be considered to have reduced the Consolidated Group’s federal income Tax liability in a given taxable period by an amount equal to the difference, if any, between (i) the amount of the Consolidated Group’s federal income Tax liability for the taxable period computed without regard to such federal Tax Benefit Item or Items and (ii) the amount of the Consolidated Group’s federal income Tax liability for the taxable period computed with regard to such federal Tax Benefit Item or Items. For the avoidance of doubt, if the AultCare Companies are required to carry back a federal Tax Benefit Item, such federal Tax Benefit Item shall reduce the Consolidated Group’s federal income Tax liability only after all federal Tax Benefit Items of AultCare Holdings have been applied to reduce the Consolidated Group’s federal income Tax liability in such taxable period. Appropriate reconciliation payments shall be made in the event that it is subsequently determined that a Tax Benefit Item did not reduce the Consolidated Group’s federal income Tax liabilities,

Notes to Financial Statements

including by reason of any such Tax Benefit Item being subsequently disallowed in whole or in part or by reason of other Tax benefits becoming available.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A, B, C, The Company had the following transactions with affiliates.
The Company is a party to a Master Services Agreement with Aultman Health Foundation, the ultimate controlling person, under which AHF provides the Company with certain professional management, administration, billing, purchasing, physical plant, and staffing services and support. The Company paid Aultman Health Foundation \$559,745 and \$527,808, respectively, for services provided under the Master Services Agreement as of December 31, 2019 and 2018, respectively.

The Company has a capitation arrangement with Aultman Hospital and has paid \$31,014,266 and \$32,769,761 in capitated claims for its commercial enrollees as of December 31, 2019 and 2018, respectively. The company paid claims to affiliated companies in the amount of \$11,584,968 as of December 31, 2019.

The Company also is a party to a Management and Administrative Services Agreement with AultCare Corporation under which AultCare Corporation provides the Company with certain specified services, including (among others) management and administrative services, provider networking services, marketing and sales services, and office facilities. The Company paid AultCare Corporation \$25,289,025 and \$21,973,131, respectively, for services provided under the Management and Administrative Services Agreement as of December 31, 2019 and 2018, respectively.

D. The Company has an intercompany revolving credit facility in place with the parent company, AultCare Health Insuring Corporation; The Company reported \$772,027 due from the parent and \$0 due to the parent company, as of December 31, 2019 and December 31, 2018, respectively.

The Company has an intercompany revolving credit facility in place with AultCare Corporation, an affiliate that allows AultCare to borrow and repay operating funds. AultCare owed \$8,623,572 and \$9,420,926 as of December 31, 2019 and 2018, respectively, under the terms of the agreement.

The Company also has a capitation arrangement with Aultman Hospital for anticipation of future services. As of December 31, 2019, the Company has paid \$2,561,505 Aultman Hospital for these future services.

- E. The Company did not make any guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party which resulted in a material contingent exposure of the Company's assets to any liabilities during the periods reported.
- F. Both Aultman Health Foundation, the ultimate controlling entity, and AultCare Corporation, an affiliate, provided various administrative, marketing, and claims processing services for the Company.
- G. All outstanding shares of the Company were owned by the Company's parent, AultCare Health Insuring Corporation, a not-for-profit corporation domiciled in the State of Ohio.
- H. The Company did not own any shares, directly or indirectly, of an upstream intermediate entity or ultimate parent during the periods reported.
- I. The Company did not have an investment in an SCA entity that exceeds 10% of admitted assets of the insurer.
- J. The Company did not realize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.
- K. The Company does not have an investment in a foreign insurance subsidiary.
- L. The Company did not hold an investment in a downstream non insurance holding company during the periods reported.
- M. The Company did not hold any other SCA Investments.
- N. The Company did not hold any insurance SCA investments that departed from NAIC statutory accounting practices and procedures during the periods reported.
- O. The company did not have any SCA losses.

11. DEBT

A-B. The Company did not have any debt including capital notes.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

- A-D. The Company had no defined benefit plans.
- E. The Company participates in a defined contribution plan sponsored by Aultman Health Foundation. Contributions of 3% of each employee's compensation are made each year to the plan. The Company's contributions for the defined contribution plan were \$423,972 and \$404,805 as of December 31, 2019 and 2018 respectively.
- F-I. The Company had no multiemployer plans, consolidated company plans, post-employment plans, compensated absences, or postretirement benefit plans during the periods reported.

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

- (1) The Company has \$1,000,000 in common stock outstanding, which is owned by its direct parent, AultCare Health Insuring Corporation.
- (2) The Company had no preferred stock outstanding.

Notes to Financial Statements

- (3)

Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Ohio, to an amount that is based on restrictions relating to statutory surplus and net income.
- (4)

The Company paid \$0 dividends in 2019 to AultCare Health Insurance Company.
- (5)

There were no restrictions placed on the Company’s profits that may be paid as ordinary dividends to stock holders.
- (6)

There were no restrictions placed on the Company's surplus.
- (7)

The Total Amount of advances to surplus not repaid is \$0.
- (8)

The Amounts of stock held by the Company, including stock of affiliated companies, for special purposes was:
For conversion of preferred stock: 0 shares.
A. For employee stock options: 0 shares.
B. For stock purchase warrants: 0 shares.
- (9)

The Company had changes in the balances for write-ins for special surplus funds, which are related to the Health Insurer Fee (HIT) under the ACA. The HIT was suspended for fee year 2018 thus no amount was segregated as of December 31, 2018, and thus, the HIT was not paid in fee year 2019. As of December 31, 2019 the Company estimates the amount of HIT for data year 2019 to be \$4,200,000 and has segregated such amount in the write-ins for special surplus funds.
- (10)

The Company did not have any surplus funds represented that were reduced
- (11)

The Company had no outstanding surplus debentures or similar obligations during the periods reported.
- (12)

The Company had no restatements due to quasi-reorganizations during the periods reported.
- (13)

The Company was not involved in a quasi-reorganization during the periods reported.

14. CONTINGENCIES

- A.

The Company is not aware of any material contingent commitments.
- B.

The Company is subject to the Ohio Life and Health Insurance Guaranty and does not know of any assessments that could have a material financial effect.
- C.

The Company had no Gain Contingencies.
- D-F.

Contingent liabilities arising from litigation, income taxes and other matters were not considered material in relation to the financial position of the Company.

15. LEASES

- A.

Lessee Operating Lease
(1) The Company has no operating leases. Corporate office facilities expense is covered through the management service agreement with AultCare Corporation in Note 10 above.

(2) At January 1, 2020, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2019	\$0
2.	2018	\$0
- B.

Leasing is not a significant part of the lessor’s business activities in terms of revenue, net income, or assets.

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

- A.

The Company had no financial instruments with off-balance sheet risk during the periods reported.

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

- A.

The Company had no transfers of receivables reported as sales.
- B.

The Company had no transfers of financial assets.
- C.

The Company had no wash sales.

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

- A-C.

The Company had no Uninsured A&H Plans or Uninsured Portion of Partially Insured Plans during the periods reported.

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

- A.

The Company had no direct premium written or produced by managing general agents or third party administrators during the periods reported.

20. FAIR VALUE MEASUREMENT

- A.

The Company has assets that are measured at fair value on a recurring basis.

(1)

Fair Value Measurements at Reporting Date				
(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Common Stock	\$ 11,969,009	\$ -	\$ -	\$ 11,969,009
Total assets at fair value	\$ 11,969,009	\$ -	\$ -	\$ 11,969,009
- (2)

Notes to Financial Statements

The Company had no assets with fair value measurements using significant unobservable inputs.

- (3) The Company uses the valuation technique that is based on the quoted prices in the active markets.
- (4) The Company has no Level 2 or Level 3 assets.
- (5) The Company does not have any derivative assets or liabilities.

- B. The Company does not have any other fair value assets to disclose.
- C. Fair Value Measurement

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$19,125,714	\$18,895,782		\$19,125,714		
Industrial and Misc.	\$13,227,908	\$13,038,278		\$13,227,908		
Common Stock	\$11,469,009	\$11,469,009	\$11,469,009			

- D. The Company had no fair value instruments or classes of financial instruments where it was not practible to estimate the fair value at either December 31, 2019, or 2018.
- E. The Company had no fair value instruments or classes of financial instruments where it was not practible to estimate the fair value at either December 31, 2019, or 2018.

21. OTHER ITEMS

- A. The Company did not experience an unusual or infrequent item that resulted in a gain or loss.
- B. The Company had no troubled debt to restructure.
- C. There are no other applicable disclosures.
- D. The Company did not have any Business Interruption Insurance Recoveries.
- E. The Company did not have any State Transferable Tax Credits.
- F. The Company had no Subprime Mortgage Related Risk Exposure.
- G. The Company had no retained assets.
- H. The Company has no Insurance Linked Securities.

22. EVENTS SUBSEQUENT

- A. As of March 1, 2019, there have been no Type I events subsequent to December 31, 2019, which would have a material effect on the financial condition of the Company or on the financial statement issued March 1, 2019.
- B. As of March 1, 2019, there have been no Type II events subsequent to December 31, 2019, which would have a material effect on the financial condition of the Company or on the financial statement issued March 1, 2019.

23. REINSURANCE

- A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the company?
Yes () No (X)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?
Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?
Yes () No (X)
- (2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurers exceed the total direct premium collected under the reinsured policies?
Yes () No (X)

Section 3 – Ceded Reinsurance Report – part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.
\$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year this statement, to included policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes () No (X)

- B. The Company did not write off any uncollectible reinsurance during the periods reported.
- C. The Company did not have any commutation of ceded reinsurance during the periods reported.
- D. The Company did not have a Reinsurer Rating Downgrade or Status Subject to Revocation during the periods reported.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION (N/A –TITLE

- A. The Company has one contract with CMS that is subject to redetermination upon audits performed by the Inspector General.
- B. The Company records accrued retrospective premiums as an adjustment to earned premiums.
- C. The Company has accrued \$0 of net premiums written as of December 31, 2019 for the group health plan. No other net premiums written by the Company are subject to retrospective rating features.

Notes to Financial Statements

- D. Not Applicable
- E. Risk Sharing Provisions of the Affordable Care Act
1. Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? YES

2. Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

Description		Amount
a. Permanent ACA Risk Adjustment Program		
Assets		
1. Premium adjustments receivable due to ACA Risk Adjustment		\$4,061,431
Liabilities		
2. Risk adjustment user fees payable for ACA Risk Adjustment		\$0
3. Premium adjustments payable due to ACA Risk Adjustment		\$0
Operations (Revenue & Expense)		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		\$2,515,660
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)		\$(14,857)
b. Transitional ACA Reinsurance Program		
Assets		
1. Amounts recoverable for claims paid due to ACA Reinsurance		\$0
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)		\$0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance		\$0
Liabilities		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium		\$0
5. Ceded reinsurance premiums payable due to ACA Reinsurance		\$0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance		\$0
Operations (Revenue & Expense)		
7. Ceded reinsurance premiums due to ACA Reinsurance		\$0
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments		\$0
9. ACA Reinsurance contributions – not reported as ceded premium		\$0
c. Temporary ACA Risk Corridors Program		
Assets		
1. Accrued retrospective premium due to ACA Risk Corridors		\$0
Liabilities		
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors		\$0
Operations (Revenue & Expense)		
3. Effect of ACA Risk Corridors on net premium income (paid/received)		\$0
4. Effect of ACA Risk Corridors on change in reserves for rate credits		\$0

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

	Acrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 – 3 +7)	Cumulative Balance from Prior Years (Col 2 – 4 +8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$ -	\$ -	\$2,515,660	\$ -	\$(2,515,660)	\$ -	\$ -	\$ -	A	\$(2,515,660)	\$ -
2. Premium adjustments (payable)	\$ -	\$ -	\$ -	\$ 14,857	\$ -	\$(14,857)	\$ -	\$ -	B	\$ -	\$(14,857)
3. Subtotal ACA Permanent Risk Adjustment Program	\$ -	\$ -	\$2,515,660	\$ 14,857	\$(2,515,660)	\$(14,857)	\$ -	\$ -		\$(2,515,660)	\$(14,857)
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	C	\$99,423	\$ -
2. Amounts recoverable for claims unpaid (contra liability)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	D	\$ -	\$ -
3. Amounts receivable relating to uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	E	\$(102,043)	\$ -
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
5. Ceded reinsurance premiums payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	G	\$ -	\$ -
6. Liability for amounts held under uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	H	\$ -	\$ -
7. Subtotal ACA Transitional Reinsurance Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$(2,620)	\$ -
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	I	\$ -	\$ -

Notes to Financial Statements

premium											
2. Reserve for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	J	\$ -	\$ -
3. Subtotal ACA Risk Corridors Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
d. Total for ACA Risk Sharing Provisions	\$ -	\$ -	\$2,515,660	\$ 14,857	\$(2,515,660)	\$(14,857)	\$ -	\$ -		\$(2,515,660)	\$(14,857)

Explanation of Adjustments
A.
B.
C.
D.
E.
F.
G.
H.
I.
J.

4.

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

Explanation of Adjustments
A.
B.
C.
D.
E.
F.

5.

		(1) Estimated Amount to be Filed or Final Amount Filed with CMS	(2) Non-Accrued Amounts for Impairment or Other Reasons	(3) Amounts received from CMS	(4) Asset Balance (Gross of Non-admissions) (1-2-3)	(5) Non-admitted Amount	(6) Net Admitted Asset (4-5)
a.	2015	\$129,608	\$139,327	\$(9,719)	\$ -	\$ -	\$ -
b.	2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c.	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d.	Total (a+b+c)	\$129,608	\$139,327	\$(9,719)	\$ -	\$ -	\$ -

25. CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES
- A-B. Reserves as of December 31, 2018 were \$30,961,139. As of December 31, 2019, \$31,279,521 had been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$0. Therefore, there has been \$318,382 in unfavorable prior-year development since December 31, 2018. Original estimates are increased or decreased as additional information becomes known regarding individual claims.
26. INTERCOMPANY POOLING ARRANGEMENTS
- A-G. The Company had no intercompany pooling arrangements.
27. STRUCTURED SETTLEMENTS
- A. The Company had no structured settlements.
28. HEALTH CARE RECEIVABLES
- A. The Company follows the guidance of Statement of Statutory Accounting Principles (SSAP) No. 84 for its pharmacy rebates receivable. Pharmacy rebates receivable consist of estimated amounts and billed amounts. Estimated amounts are related to prescriptions filled during the three months immediately following year-end. Billed amounts represent those that have been accepted in writing, but not collected at the time of the reporting date. Being that the company does not confirm billed amounts within two months of the reporting date, only estimated amounts are admitted at the time of year-end.

Pharmacy rebates receivable are estimated based on pharmacy claims eligible for rebates reported during the period multiplied by agreed-upon rates. Pharmacy rebates as of the end of each quarter for

Notes to Financial Statements

the years ended December 31, 2019, 2018, and 2017 are as follows:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received within 90 Days of Billing	Actual Rebates Received within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2019	\$2,399,224	\$2,096,895	\$ -	\$ -	\$ -
9/30/2019	\$3,818,865	\$2,120,006	\$ -	\$ -	\$ -
6/30/2019	\$3,393,084	\$2,110,168	\$ 2,303,746	\$ -	\$ -
3/31/2019	\$3,965,027	\$ 1,873,182	\$ 1,912,219	\$ -	\$ -
12/31/2018	\$2,191,701	\$ 2,335,528	\$ -	\$ 2,970,543	\$ -
9/30/2018	\$5,010,343	\$ 2,232,431	\$ -	\$ 2,242,202	\$ -
6/30/2018	\$3,334,882	\$ 1,842,247	\$ -	\$2,086,914	\$ -
3/31/2018	\$1,863,228	\$ 1,201,117	\$ -	\$1,114,819	\$ -
12/31/2017	\$1,863,228	\$855,806	\$ -	\$931,183	\$ -
9/30/2017	\$1,223,357	\$795,460	\$ -	\$849,275	\$42,135
6/30/2017	\$1,223,357	\$650,192	\$ -	\$1,000,603	\$21,845
3/31/2017	\$1,223,357	\$658,529	\$ -	\$759,036	\$24,980

B. The Company did not have any risk sharing receivables during the periods reported.

29. PARTICIPATING POLICIES

A. The Company does not have participating policies or policyholder dividends.

30. PREMIUM DEFICIENCY RESERVES

A. The Company does not have Premium Deficiency Reserves.

1. Liability carried for premium deficiency reserves

\$0

2. Date of the most recent evaluation of this liability

12/31/2019

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

No

31. ANTICIPATED SALVAGE AND SUBROGATION

A. The Company did not have anticipated salvage and subrogation included as a reduction of loss reserves.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.
Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?
Yes[X] No[] N/A[]
- 1.3 State Regulating?
Ohio
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group?
Yes[] No[X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 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:
12/31/2015
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.
12/31/2015
- 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.
12/31/2015
- 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).
04/28/2017
- 3.4 By what department or departments?
Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?
Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?
Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
Yes[] No[X]
- 4.12 renewals?
Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
Yes[] No[X]
- 4.22 renewals?
Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
Yes[] No[X]
- If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

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

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

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

- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Clifton Larson Allen, LLP, 4505 Stephen Circle NW, Suite 200, Canton, OH 44718
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?
Yes[] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?
Yes[] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?
Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is no or n/a please explain:
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Lee Benefits Consulting, 702 Saxony Drive, Seven Fields, PA 16046 - Actuary - Mr. Duane P. Lee

GENERAL INTERROGATORIES (Continued)

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

Yes[X] No[]
- 12.11 Name of real estate holding company

West Tuscarawas Property Management
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value

\$ 10,594,044
- 12.2 If yes, provide explanation

AultCare Insurance Company owns \$10,594,043.54 worth of shares of West Tusc. Property Management, which is a for profit real estate holding company located in Canton OH.
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

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

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

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

Yes[X] No[]
- 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 subordinate committee thereof?

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

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

Yes[X] No[]

FINANCIAL

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

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

\$ 0
- 20.12 To stockholders not officers

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

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

\$ 0
- 20.22 To stockholders not officers

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

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

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

\$ 0
- 21.22 Borrowed from others

\$ 0
- 21.23 Leased from others

\$ 0
- 21.24 Other

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

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

\$ 0
- 22.22 Amount paid as expenses

\$ 0
- 22.23 Other amounts paid

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

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

\$ 0

INVESTMENT

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

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 Risk-Based Capital Instructions?

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

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

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

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

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

GENERAL INTERROGATORIES (Continued)

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

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

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

\$0

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

\$0

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

\$0

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

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

25.21 Subject to repurchase agreements

\$0

25.22 Subject to reverse repurchase agreements

\$0

25.23 Subject to dollar repurchase agreements

\$0

25.24 Subject to reverse dollar repurchase agreements

\$0

25.25 Placed under option agreements

\$0

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

\$0

25.27 FHLB Capital Stock

\$0

25.28 On deposit with states

\$0

25.29 On deposit with other regulatory bodies

\$0

25.30 Pledged as collateral - excluding collateral pledged to an FHLB

\$0

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

\$0

25.32 Other

\$0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

If no, attach a description with this statement.

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity?

26.4 If the response to 26.3 is yes, does the reporting entity utilize:

26.41 Special Accounting Provision of SSAP No. 108

Yes[] No[X]

26.42 Permitted Accounting Practice

Yes[] No[X]

26.43 Other Accounting Guidance

Yes[] No[X]

26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity at tests to the following:

- The reporting entity has obtained explicit approval from the domiciliary state.

Yes[] No[X]

- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.

Yes[] No[X]

- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated with in the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.

Yes[] No[X]

- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts

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

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

\$0

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

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

1 Name of Custodian(s)	2 Custodian's Address
Huntington National Bank	220 Market Avenue South, Canton, Oh 44702
The Vanguard Group	P.O. Box 2600 Valley Forge, PA 19482

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

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

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
Clearstead Advisors LLC - Invesment Advisor	U
Huntington Bank - Custodial	U
AultCare Investment Committee	A

GENERAL INTERROGATORIES (Continued)

- 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 invested 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 invested 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
105674	Clearstead Advisors LLC	34-1597728	SEC-801-33554	NO

- 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[X] No[]
- 29.2

If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
..... 60934N708	WILLIAM BLAIR INT EQUITY FUND	 714,576
..... 89354D338	TRANSAMERICA INT. EQUITY FUND	 727,905
..... 922908728	VANGUARD TOTAL MKT IDX ADMIRAL FUND	 5,760,912
29.2999 Total		 7,203,393

- 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
WILLIAM BLAIR INT EQUITY FUND	Alibaba Group Holding LTD	 15,292	... 12/31/2019 ..
TRANSAMERICA INT. EQUITY FUND	Nestle SA	 15,140	... 12/31/2019 ..
VANGUARD TOTAL MKT IDX ADMIRAL FUND	Microsoft Corp	 216,610	... 12/31/2019 ..

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	 28,483,533	 28,084,059	 (399,474)
30.2 Preferred stocks			
30.3 Totals	 28,483,533	 28,084,059	 (399,474)

- 30.4

Describe the sources or methods utilized in determining the fair values:
The market value of the bonds reported on the Huntington Investment statements are used to report Fair Value.
- 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[] No[X] N/A[]
- 31.3

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

- 32.1

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

Yes[X] No[]
- 32.2

If no, list exceptions:

33.

By self-designation 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
Has the reporting-entity self-designated 5GI securities?

Yes[] No[X]

34.

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

Yes[] No[X]

35.

By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
a. The shares were purchased prior to January 1, 2019.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
d. The fund only or predominantly holds bonds in its portfolio.

GENERAL INTERROGATORIES (Continued)

e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes[] No[X]

OTHER

36.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$. 348,471
36.2 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

37.1 Amount of payments for legal expenses, if any? \$. 379,551
37.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Squire Patton Boggs LLP	307,152

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$. 254,146
38.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
American Health Insurance Plans	7,853
Alliance of Community Health Plans	64,502

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

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

Yes[X] No[]

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

\$ 1,749,179

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.

\$ 1,342,014

1.6 Individual policies - Most current three years:

1.61 TOTAL Premium earned

\$ 1,750,215

1.62 TOTAL Incurred claims

\$ 1,342,014

1.63 Number of covered lives

..... 1,021

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	2
		Current Year	Prior Year
2.1	Premium Numerator	266,007,870	277,147,294
2.2	Premium Denominator	266,007,870	277,147,294
2.3	Premium Ratio (2.1 / 2.2)	1.000	1.000
2.4	Reserve Numerator	25,664,864	31,381,298
2.5	Reserve Denominator	25,664,864	31,381,298
2.6	Reserve Ratio (2.4 / 2.5)	1.000	1.000

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

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[] No[X] N/A[]

5.1 Does the reporting entity have stop-loss reinsurance?

Yes[X] No[]

5.2 If no, explain:

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive Medical

\$ 350,000

5.32 Medical Only

\$ 0

5.33 Medicare Supplement

\$ 0

5.34 Dental & Vision

\$ 0

5.35 Other Limited Benefit Plan

\$ 0

5.36 Other

\$ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

N/A

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

Yes[X] No[]

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

..... 3,564

8.2 Number of providers at end of reporting year

..... 3,589

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

Yes[] No[X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

..... 0

9.22 Business with rate guarantees over 36 months

..... 0

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

Yes[X] No[]

10.2 If yes:

10.21 Maximum amount payable bonuses

\$ 852,187

10.22 Amount actually paid for year bonuses

\$ 350,722

10.23 Maximum amount payable withholds

\$ 0

10.24 Amount actually paid for year withholds

\$ 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes[] No[X]

11.13 An Individual Practice Association (IPA), or,

Yes[] No[X]

11.14 A Mixed Model (combination of above)?

Yes[] No[X]

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

Yes[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.

\$ 1,500,000

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 the reporting entity is licensed to operate:

1
Name of Service Area
Ohio

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

Yes[] No[X]

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

\$ 0

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

Yes[] No[X]

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

\$ 0

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

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

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

GENERAL INTERROGATORIES (Continued)

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

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

\$ 0
- 15.2 Total incurred claims

\$ 0
- 15.2 Number of covered lives

..... 0

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

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes[] No[X]
- 16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes[] No[X]

FIVE-YEAR HISTORICAL DATA

	1 2019	2 2018	3 2017	4 2016	5 2015
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	95,809,699	94,472,371	95,573,258	86,057,430	83,951,652
2. TOTAL Liabilities (Page 3, Line 24)	40,865,525	46,160,848	46,370,983	43,308,503	47,999,812
3. Statutory minimum capital and surplus requirement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33)	54,944,174	48,311,523	49,202,275	42,748,927	35,951,840
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	266,007,870	277,147,294	254,748,223	259,316,046	250,163,139
6. TOTAL Medical and Hospital Expenses (Line 18)	221,139,659	227,663,380	206,432,216	212,160,251	194,671,478
7. Claims adjustment expenses (Line 20)	10,300,420	8,266,194	8,186,835	7,458,983	6,840,179
8. TOTAL Administrative Expenses (Line 21)	31,775,057	37,790,977	29,770,652	31,117,941	36,013,347
9. Net underwriting gain (loss) (Line 24)	2,792,734	3,426,744	10,358,520	8,578,871	12,638,135
10. Net investment gain (loss) (Line 27)	1,211,865	997,049	1,046,653	809,349	1,987,816
11. TOTAL Other Income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	3,061,811	3,756,539	6,486,121	5,502,410	8,030,058
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(4,703,480)	(2,597,203)	10,076,618	1,486,985	12,573,396
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	54,944,174	48,311,523	49,202,275	42,748,927	35,951,840
15. Authorized control level risk-based capital	12,790,845	11,027,916	9,595,068	9,139,819	8,603,885
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	90,509	82,957	84,677	80,621	86,240
17. TOTAL Members Months (Column 6, Line 7)	1,095,977	1,019,369	967,787	998,689	1,075,285
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	83.1	82.1	81.0	81.8	77.8
20. Cost containment expenses	2.6	1.5	2.1	1.9	1.8
21. Other claims adjustment expenses	1.2	1.4	1.1	1.0	0.9
22. TOTAL Underwriting Deductions (Line 23)	99.0	98.8	95.9	96.7	94.9
23. TOTAL Underwriting Gain (Loss) (Line 24)	1.0	1.2	4.1	3.3	5.1
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	31,998,195	25,919,020	20,072,716	19,007,587	28,229,527
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	31,333,615	26,229,868	25,053,910	21,278,401	32,907,181
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	21,219,248	20,272,649	20,649,457	19,161,639	19,179,080
32. TOTAL of Above Lines 26 to 31	21,219,248	20,272,649	20,649,457	19,161,639	19,179,080
33. TOTAL Investment in Parent Included in Lines 26 to 31 above					

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

If no, please explain:

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

		1	Direct Business Only							
		Active Status (a)	2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit - Type Contracts
State, Etc.										
1. Alabama (AL)		N								
2. Alaska (AK)		N								
3. Arizona (AZ)		N								
4. Arkansas (AR)		N								
5. California (CA)		N								
6. Colorado (CO)		N								
7. Connecticut (CT)		N								
8. Delaware (DE)		N								
9. District of Columbia (DC)		N								
10. Florida (FL)		N								
11. Georgia (GA)		N								
12. Hawaii (HI)		N								
13. Idaho (ID)		N								
14. Illinois (IL)		N								
15. Indiana (IN)		N								
16. Iowa (IA)		N								
17. Kansas (KS)		N								
18. Kentucky (KY)		N								
19. Louisiana (LA)		N								
20. Maine (ME)		N								
21. Maryland (MD)		N								
22. Massachusetts (MA)		N								
23. Michigan (MI)		N								
24. Minnesota (MN)		N								
25. Mississippi (MS)		N								
26. Missouri (MO)		N								
27. Montana (MT)		N								
28. Nebraska (NE)		N								
29. Nevada (NV)		N								
30. New Hampshire (NH)		N								
31. New Jersey (NJ)		N								
32. New Mexico (NM)		N								
33. New York (NY)		N								
34. North Carolina (NC)		N								
35. North Dakota (ND)		N								
36. Ohio (OH)		L	266,154,333			13,073,646			279,227,979	
37. Oklahoma (OK)		N								
38. Oregon (OR)		N								
39. Pennsylvania (PA)		N								
40. Rhode Island (RI)		N								
41. South Carolina (SC)		N								
42. South Dakota (SD)		N								
43. Tennessee (TN)		N								
44. Texas (TX)		N								
45. Utah (UT)		N								
46. Vermont (VT)		N								
47. Virginia (VA)		N								
48. Washington (WA)		N								
49. West Virginia (WV)		N								
50. Wisconsin (WI)		N								
51. Wyoming (WY)		N								
52. American Samoa (AS)		N								
53. Guam (GU)		N								
54. Puerto Rico (PR)		N								
55. U.S. Virgin Islands (VI)		N								
56. Northern Mariana Islands (MP)		N								
57. Canada (CAN)		N								
58. Aggregate other alien (OT)		X X X								
59. Subtotal		X X X	266,154,333			13,073,646			279,227,979	
60. Reporting entity contributions for Employee Benefit Plans		X X X								
61. TOTAL (Direct Business)		X X X	266,154,333			13,073,646			279,227,979	
DETAILS OF WRITE-INS										
58001.		X X X								
58002.		X X X								
58003.		X X X								
58998.Summary of remaining write-ins for Line 58 from overflow page		X X X								
58999.TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)		X X X								

(a) Active Status Counts:

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

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

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

1

56

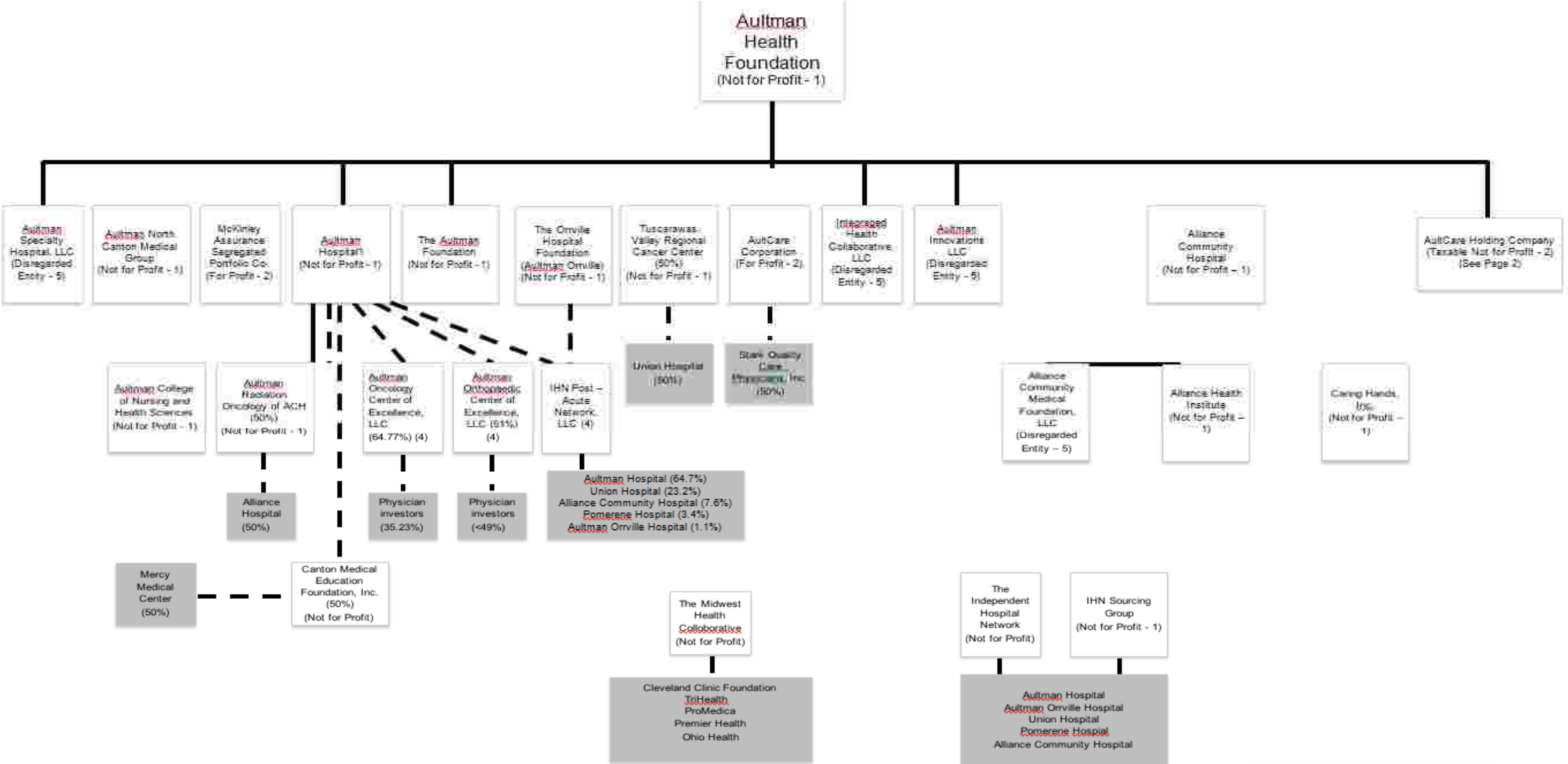
R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

(b) Explanation of basis of allocation by state, premiums by state, etc.: The company only has business in the State of Ohio.

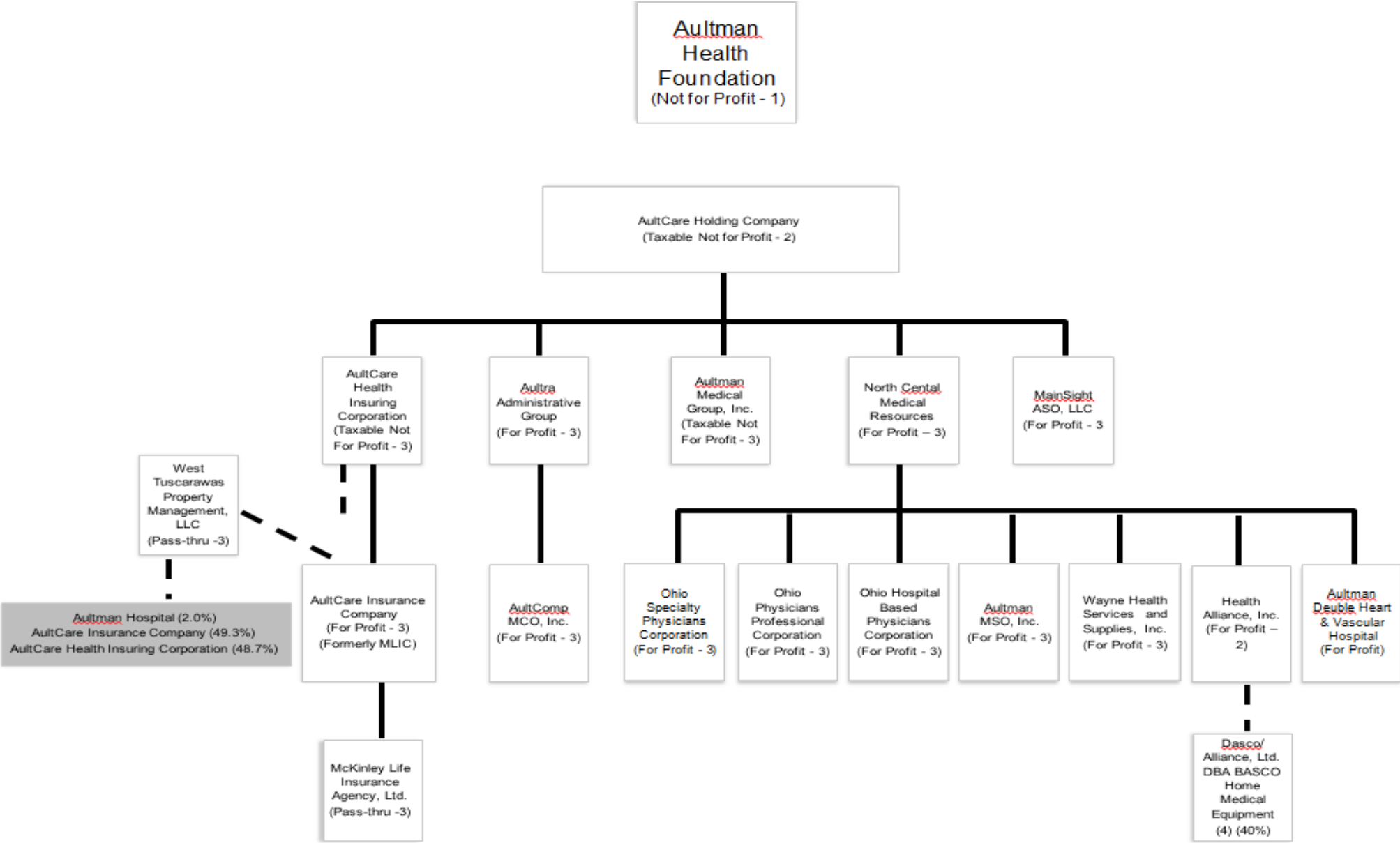
38

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



Tax Return Key
1 - 501 (c)(3) - Form 990
2 - Taxable - Form 1120
3 - Taxable - Consolidated with Parent
4 - Taxable - Form 1065
5 - Single Member LLC (disregarded entity)

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



INDEX TO HEALTH
ANNUAL STATEMENT

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

INDEX TO HEALTH
ANNUAL STATEMENT

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