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2019

Document Code: 201

**ANNUAL STATEMENT**  
**For the Year Ending DECEMBER 31, 2019**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**SummaCare, Inc.**

NAIC Group Code	3259 (Current Period)	3259 (Prior Period)	NAIC Company Code	95202	Employer's ID Number	34-1726655
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		OH	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]	Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[ ] N/A[X]	Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]			
Incorporated/Organized	10/23/1992		Commenced Business	03/01/1993		
Statutory Home Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (Area Code) (Telephone Number)			
Primary Location of Books and Records	1200 East Market St. Suite 400 (Street and Number)		Akron, OH, 44305 (Area Code) (Telephone Number)			
Internet Website Address	SummaCare.com		(Area Code) (Telephone Number)			
Statutory Statement Contact	Mike Dennis Weals (Name) wealsm@summahealth.org (E-Mail Address)		(330)996-5112 (Area Code)(Telephone Number)(Extension)			
			(330)996-8410 (Fax Number)			

**OFFICERS**

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

**OTHERS**

Anne Armao, VP - Marketing & Medicare  
Stephen Adamson, VP, Chief Operations Officer

Kevin Cavalier, VP - Sales

Charles Zonfa M.D., Chief Medical Officer

**DIRECTORS OR TRUSTEES**

Lydia Alexander Cook M.D.  
Rajiv Vishnu Taliwal M.D.  
Henry Leigh Gerstenberger  
Caroline Fisher Pearson  
Robert Jeffrey Copeland  
Mark Joseph Sims

Frank Anthony Carrino #  
Benjamin Paul Sutton  
Russell Floyd Mohawk  
Thomas Clifford Deveny M.D.  
Anthony Lockhart  
Dennis Dale Pijor

State of Ohio  
County of Summit ss

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

(Signature)  
Robert Andrew Gerberry  
(Printed Name)  
1.  
Secretary  
(Title)

(Signature)  
Keith Thomas Coleman  
(Printed Name)  
2.  
Treasurer  
(Title)

(Signature)  
Stephen Michael Adamson  
(Printed Name)  
3.  
Vice President, Chief Operations Officer  
(Title)

Subscribed and sworn to before me this  
28th day of February, 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)

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols.1-2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	34,310,173		34,310,173	28,796,118
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common Stocks .....	23,994,651		23,994,651	23,972,094
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 (\$.....3,758,533, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....2,610,716, Schedule DA) .....	6,369,249		6,369,249	13,136,235
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	64,674,073		64,674,073	65,904,447
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	159,041		159,041	118,351
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	9,632,676	31,795	9,600,881	7,496,317
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	113,529		113,529	
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 .....	2,548,755		2,548,755	
18.1 Current federal and foreign income tax recoverable and interest thereon .....	530,562		530,562	448,144
18.2 Net deferred tax asset .....	27,940		27,940	84,222
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	1,199,355	1,199,355		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	234,296		234,296	20
24. Health care (\$.....3,001,824) and other amounts receivable .....	5,469,089	2,467,265	3,001,824	4,148,281
25. Aggregate write-ins for other than invested assets .....	1,871,535	1,871,535		
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	86,460,851	5,569,950	80,890,901	78,199,782
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	86,460,851	5,569,950	80,890,901	78,199,782
<b>DETAILS OF WRITE-INS</b>				
1101. Misc .....				
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 assets .....	1,871,535	1,871,535		
2502. Deposits .....				
2503. Pharmacy Rebates .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,871,535	1,871,535		

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	22,567,660		22,567,660	20,996,910
2. Accrued medical incentive pool and bonus amounts .....	3,443,459		3,443,459	1,949,380
3. Unpaid claims adjustment expenses .....	580,066		580,066	624,602
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....				3,813,300
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserves .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	392,671		392,671	409,901
9. General expenses due or accrued .....	4,905,336		4,905,336	6,372,515
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....	161,837		161,837	169,394
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	8,201,429		8,201,429	3,816,158
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) .....	40,252,458		40,252,458	38,152,160
25. Aggregate write-ins for special surplus funds .....	XXX	XXX		
26. Common capital stock .....	XXX	XXX		
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX	67,084,767	67,084,767
29. Surplus notes .....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX		
31. Unassigned funds (surplus) .....	XXX	XXX	(26,446,324)	(27,037,145)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	XXX	XXX		
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	XXX	XXX		
33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	40,638,443	40,047,622
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....	XXX	XXX	80,890,901	78,199,782
<b>DETAILS OF WRITE-INS</b>				
2301. Payroll liability .....				
2302. Other accrued liabilities .....				
2303. Medicaid Pharmacy Reserve .....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501. .....	XXX	XXX		
2502. .....	XXX	XXX		
2503. .....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	XXX	XXX		
3001. .....	XXX	XXX		
3002. .....	XXX	XXX		
3003. .....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	XXX	XXX		

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
	XXX	273,842	283,737
1. Member Months .....	XXX .....	273,842	283,737
2. Net premium income (including \$.....0 non-health premium income) .....	XXX .....	269,407,581	258,759,274
3. Change in unearned premium reserves and reserve for rate credits .....	XXX .....	.....	.....
4. Fee-for-service (net of \$.....0 medical expenses) .....	XXX .....	.....	.....
5. Risk revenue .....	XXX .....	.....	.....
6. Aggregate write-ins for other health care related revenues .....	XXX .....	.....	76,741
7. Aggregate write-ins for other non-health revenues .....	XXX .....	.....	.....
8. TOTAL Revenues (Lines 2 to 7) .....	XXX .....	269,407,581	258,836,015
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....	.....	205,535,044	199,139,267
10. Other professional services .....	.....	.....	.....
11. Outside referrals .....	.....	.....	.....
12. Emergency room and out-of-area .....	.....	.....	.....
13. Prescription drugs .....	.....	20,237,387	24,003,062
14. Aggregate write-ins for other hospital and medical .....	.....	.....	.....
15. Incentive pool, withhold adjustments and bonus amounts .....	.....	4,784,208	2,625,519
16. Subtotal (Lines 9 to 15) .....	.....	230,556,639	225,767,848
<b>Less:</b>			
17. Net reinsurance recoveries .....	.....	113,529	3,257
18. TOTAL Hospital and Medical (Lines 16 minus 17) .....	.....	230,443,110	225,764,591
19. Non-health claims (net) .....	.....	.....	.....
20. Claims adjustment expenses, including \$.....965,795 cost containment expenses .....	.....	4,094,585	4,408,952
21. General administrative expenses .....	.....	34,706,635	29,620,517
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) .....	.....	269,244,330	259,794,060
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX .....	163,251	(958,045)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	.....	774,760	540,684
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....	.....	.....	.....
27. Net investment gains (losses) (Lines 25 plus 26) .....	.....	774,760	540,684
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 .....	.....	875	35,283
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX .....	938,886	(382,078)
31. Federal and foreign income taxes incurred .....	XXX .....	(238,297)	(101,534)
32. Net income (loss) (Lines 30 minus 31) .....	XXX .....	1,177,183	(280,544)
<b>DETAILS OF WRITE-INS</b>			
0601. Administrative Services Revenue .....	XXX .....	.....	76,741
0602. Misc income received from prior year taxes .....	XXX .....	.....	.....
0603. Gain/loss on disposal of asset .....	XXX .....	.....	.....
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX .....	.....	.....
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	XXX .....	.....	76,741
0701. Proceeds from the Sale of the Medicaid Product Line .....	XXX .....	.....	.....
0702. Miscellaneous Income .....	XXX .....	.....	.....
0703. Miscellaneous Revenue .....	XXX .....	.....	.....
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX .....	.....	.....
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	XXX .....	.....	.....
1401. .....	.....	.....	.....
1402. .....	.....	.....	.....
1403. .....	.....	.....	.....
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.....	.....	.....
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	.....	.....	.....
2901. Medimpact Performance Guarantee .....	.....	.....	.....
2902. Miscellaneous Income .....	.....	875	35,283
2903. Gain on disposal of asset .....	.....	.....	.....
2998. Summary of remaining write-ins for Line 29 from overflow page .....	.....	.....	.....
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....	.....	875	35,283

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year	2 Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year .....	40,047,622	36,380,066
34. Net income or (loss) from Line 32 .....	1,177,183	(280,544)
35. Change in valuation basis of aggregate policy and claim reserves .....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	22,557	(12,388,116)
37. Change in net unrealized foreign exchange capital gain or (loss) .....		
38. Change in net deferred income tax .....	(56,282)	(84,223)
39. Change in nonadmitted assets .....	(552,639)	(579,561)
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 .....		17,000,000
45.2 Transferred to capital (Stock Dividend) .....		
45.3 Transferred from capital .....		
46. Dividends to stockholders .....		
47. Aggregate write-ins for gains or (losses) in surplus .....	2	
48. Net change in capital and surplus (Lines 34 to 47) .....	590,821	3,667,556
49. Capital and surplus end of reporting year (Line 33 plus 48) .....	40,638,443	40,047,622
<b>DETAILS OF WRITE-INS</b>		
4701. Change in Minimum Pension Liability - Unrestricted Funds .....		
4702. Federal income tax adjustment .....		
4703. Gain on sale of bonds .....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	2	
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	2	

**CASH FLOW**

		1 Current Year	2 Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	263,472,487	249,728,286
2.	Net investment income .....	749,413	558,203
3.	Miscellaneous income .....	875	112,024
4.	TOTAL (Lines 1 through 3) .....	264,222,775	250,398,513
5.	Benefit and loss related payments .....	227,491,810	225,831,608
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	42,861,689	31,530,126
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	(155,880)	(477,739)
10.	TOTAL (Lines 5 through 9) .....	270,197,619	256,883,995
11.	Net cash from operations (Line 4 minus Line 10) .....	(5,974,844)	(6,485,482)
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	4,900,000	4,000,000
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7) .....	4,900,000	4,000,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	10,429,398	15,000,000
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6) .....	10,429,398	15,000,000
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) .....	(5,529,398)	(11,000,000)
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		17,000,000
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	4,737,256	1,536,895
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	4,737,256	18,536,895
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(6,766,986)	1,051,413
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	13,136,235	12,084,822
19.2	End of year (Line 18 plus Line 19.1) .....	6,369,249	13,136,235

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

20.0001	.....	.....	.....
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## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Columns 1 + 2 - 3)
1. Comprehensive (hospital and medical) .....	.....	.....	.....	.....
2. Medicare Supplement .....	.....	.....	.....	.....
3. Dental only .....	.....	.....	.....	.....
4. Vision only .....	.....	.....	.....	.....
5. Federal Employees Health Benefits Plan .....	.....	.....	205,380	(205,380)
6. Title XVIII - Medicare .....	269,612,961	.....	.....	269,612,961
7. Title XIX - Medicaid .....	.....	.....	.....	.....
8. Other health .....	.....	.....	.....	.....
9. Health subtotal (Lines 1 through 8) .....	269,612,961	.....	205,380	269,407,581
10. Life .....	.....	.....	.....	.....
11. Property/casualty .....	.....	.....	.....	.....
12. TOTALS (Lines 9 to 11) .....	269,612,961	.....	205,380	269,407,581

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	224,201,681						224,201,681			
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	224,201,681						224,201,681			
2. Paid medical incentive pools and bonuses	3,290,129						3,290,129			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	22,567,660						22,567,660			
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	22,567,660						22,567,660			
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	3,443,459						3,443,459			
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	20,996,910						20,996,910			
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	20,996,910						20,996,910			
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	1,949,380						1,949,380			
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	225,772,431						225,772,431			
12.2 Reinsurance assumed										
12.3 Reinsurance ceded										
12.4 Net	225,772,431						225,772,431			
13. Incurred medical incentive pools and bonuses	4,784,208						4,784,208			

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

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Compre- hensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. 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 .....	22,567,660	.....	.....	.....	.....	.....	22,567,660	.....	.....	.....
2.2 Reinsurance assumed .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2.3 Reinsurance ceded .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2.4 Net .....	22,567,660	.....	.....	.....	.....	.....	22,567,660	.....	.....	.....
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 .....	22,567,660	.....	.....	.....	.....	.....	22,567,660	.....	.....	.....
4.2 Reinsurance assumed .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4.3 Reinsurance ceded .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4.4 Net .....	22,567,660	.....	.....	.....	.....	.....	22,567,660	.....	.....	.....

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	.....	.....	.....	.....	.....	.....
2. Medicare Supplement .....	.....	.....	.....	.....	.....	.....
3. Dental only .....	.....	.....	.....	.....	.....	.....
4. Vision only .....	.....	.....	.....	.....	.....	.....
5. Federal Employees Health Benefits Plan .....	.....	.....	.....	.....	.....	.....
6. Title XVIII - Medicare .....	19,410,000	204,678,152	.....	22,567,660	19,410,000	20,996,910
7. Title XIX - Medicaid .....	.....	.....	.....	.....	.....	.....
8. Other health .....	.....	.....	.....	.....	.....	.....
9. Health subtotal (Lines 1 to 8) .....	19,410,000	204,678,152	.....	22,567,660	19,410,000	20,996,910
10. Healthcare receivables (a) .....	.....	.....	.....	.....	.....	.....
11. Other non-health .....	.....	.....	.....	.....	.....	.....
12. Medical incentive pool and bonus amounts .....	1,485,100	1,805,029	289,359	3,154,100	1,774,459	1,949,380
13. TOTALS (Lines 9 - 10 + 11 + 12) .....	20,895,100	206,483,181	289,359	25,721,760	21,184,459	22,946,290

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

# UNDERWRITING AND INVESTMENT EXHIBIT

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

Grand Total

## Section A - Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	30,510	30,541	30,541	30,541	30,541
2. 2015 .....	218,429	243,033	243,033	243,033	243,033
3. 2016 .....	XXX	195,907	215,532	215,532	215,532
4. 2017 .....	XXX	XXX	210,995	229,980	229,980
5. 2018 .....	XXX	XXX	XXX	206,847	227,742
6. 2019 .....	XXX	XXX	XXX	XXX	206,483

## 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 .....	30,600	30,541	30,541	30,541	30,541
2. 2015 .....	246,144	243,066	243,033	243,033	243,033
3. 2016 .....	XXX	220,389	215,576	215,532	215,532
4. 2017 .....	XXX	XXX	233,964	230,782	229,980
5. 2018 .....	XXX	XXX	XXX	228,991	228,031
6. 2019 .....	XXX	XXX	XXX	XXX	232,205

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

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1. 2015 .....	271,370	243,033	4,198	1.727	247,231	91.105			247,231	91.105
2. 2016 .....	252,453	215,532	4,214	1.955	219,746	87.044			219,746	87.044
3. 2017 .....	245,811	229,980	4,194	1.823	234,174	95.266			234,174	95.266
4. 2018 .....	258,759	227,742	4,354	1.912	232,096	89.696	289		232,385	89.807
5. 2019 .....	269,408	206,483	3,574	1.731	210,057	77.970	25,722	580	236,359	87.733

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP . . . . . NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP . . . . . NONE

**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 .....	30,510	30,541	30,541	30,541	30,541
2. 2015 .....	218,429	243,033	243,033	243,033	243,033
3. 2016 .....	XXX	195,907	215,532	215,532	215,532
4. 2017 .....	XXX	XXX	210,995	229,980	229,980
5. 2018 .....	XXX	XXX	XXX	206,847	227,742
6. 2019 .....	XXX	XXX	XXX	XXX	206,483

**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 .....	30,600	30,541	30,541	30,541	30,541
2. 2015 .....	246,144	243,066	243,033	243,033	243,033
3. 2016 .....	XXX	220,389	215,576	215,532	215,532
4. 2017 .....	XXX	XXX	233,964	230,782	229,980
5. 2018 .....	XXX	XXX	XXX	228,991	228,031
6. 2019 .....	XXX	XXX	XXX	XXX	232,205

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

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1. 2015 .....	271,370	243,033	4,198	1.727	247,231	91.105			247,231	91.105
2. 2016 .....	252,453	215,532	4,214	1.955	219,746	87.044			219,746	87.044
3. 2017 .....	245,811	229,980	4,194	1.823	234,174	95.266			234,174	95.266
4. 2018 .....	258,759	227,742	4,354	1.912	232,096	89.696	289		232,385	89.807
5. 2019 .....	269,408	206,483	3,574	1.731	210,057	77.970	25,722	580	236,359	87.733

**12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid . . . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid . . . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid . . . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other . . . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other . . . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other . . . . . NONE**

**13 Underwriting Invest Exh Pt 2D - A & H Reserve . . . . . NONE**

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building)	49,509	49,509	726,126		825,144
2. Salaries, wages and other benefits	588,213	974,894	14,270,336		15,833,443
3. Commissions (less \$.....0 ceded plus \$.....0 assumed)			461,428		461,428
4. Legal fees and expenses			61,587		61,587
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services	40,567		1,388,048		1,428,615
7. Traveling expenses	84	3,862	50,798		54,744
8. Marketing and advertising			2,191,994		2,191,994
9. Postage, express and telephone	21,777	250,521	746,219		1,018,517
10. Printing and office supplies	61,938	221	733,080		795,239
11. Occupancy, depreciation and amortization			92,812		92,812
12. Equipment			157,522		157,522
13. Cost or depreciation of EDP equipment and software			386,664		386,664
14. Outsourced services including EDP, claims, and other services	203,707	1,572,007	9,805,624		11,581,338
15. Boards, bureaus and association fees					
16. Insurance, except on real estate			175,369		175,369
17. Collection and bank service charges				201,258	201,258
18. Group service and administration fees		277,776	2,353,902		2,631,678
19. Reimbursements by uninsured plans					
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses					
22. Real estate taxes					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					
23.2 State premium taxes					
23.3 Regulatory authority licenses and fees					
23.4 Payroll taxes			1,105,058		1,105,058
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses			67		67
26. TOTAL Expenses Incurred (Lines 1 to 25)	965,795	3,128,790	34,706,634	201,258	(a) 39,002,477
27. Less expenses unpaid December 31, current year		580,066	4,905,336		5,485,402
28. Add expenses unpaid December 31, prior year		624,602	6,372,515		6,997,117
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)	965,795	3,173,326	36,173,813	201,258	40,514,192

**DETAILS OF WRITE-INS**

2501. Donations			67		67
2502. Miscellaneous Expense					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page					
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			67		67

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

**EXHIBIT OF NET INVESTMENT INCOME**

		1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) .....	659,030	652,886
1.1 Bonds exempt from U.S. tax .....	(a) .....	.....	.....
1.2 Other bonds (unaffiliated) .....	(a) .....	.....	.....
1.3 Bonds of affiliates .....	(a) .....	.....	.....
2.1 Preferred stocks (unaffiliated) .....	(b) .....	.....	.....
2.11 Preferred stocks of affiliates .....	(b) .....	.....	.....
2.2 Common stocks (unaffiliated) .....	.....	.....	.....
2.21 Common stocks of affiliates .....	.....	.....	.....
3. Mortgage loans .....	(c) .....	.....	.....
4. Real estate .....	(d) .....	.....	.....
5. Contract loans .....	.....	.....	.....
6. Cash, cash equivalents and short-term investments .....	(e) .....	323,132	323,132
7. Derivative instruments .....	(f) .....	.....	.....
8. Other invested assets .....	.....	.....	.....
9. Aggregate write-ins for investment income .....	.....	.....	.....
10. <b>TOTAL</b> gross investment income .....	982,162	.....	976,018
11. Investment expenses .....	(g) .....	201,258	.....
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. <b>TOTAL</b> Deductions (Lines 11 through 15) .....	.....	201,258	.....
17. Net Investment income (Line 10 minus Line 16) .....	.....	.....	774,760
<b>DETAILS OF WRITE-INS</b>			
0901. .....	.....	.....	.....
0902. .....	.....	.....	.....
0903. .....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....
0999. <b>TOTALS</b> (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. <b>TOTALS</b> (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 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	.....	.....	.....	.....	.....
1.1 Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2 Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3 Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1 Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11 Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2 Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21 Common stocks of affiliates .....	.....	.....	.....	22,557	.....
3. Mortgage loans .....	.....	.....	.....	.....	.....
4. Real estate .....	.....	.....	.....	.....	.....
5. Contract loans .....	.....	.....	.....	.....	.....
6. Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7. Derivative instruments .....	.....	.....	.....	.....	.....
8. Other invested assets .....	.....	.....	.....	.....	.....
9. Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10. <b>TOTAL</b> Capital gains (losses) .....	.....	.....	.....	22,557	.....

**DETAILS OF WRITE-INS**

0901. .....	.....	.....	.....	.....	.....
0902. .....	.....	.....	.....	.....	.....
0903. .....	.....	.....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....	.....	.....
0999. <b>TOTALS</b> (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	.....	.....	.....	.....	.....

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
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 .....	31,795	76,964	45,169
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 .....		419,729	419,729
21. Furniture and equipment, including health care delivery assets .....	1,199,355	1,128,943	(70,412)
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 .....	2,467,265	1,586,838	(880,427)
25. Aggregate write-ins for other than invested assets .....	1,871,535	1,804,837	(66,698)
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	5,569,950	5,017,311	(552,639)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. TOTAL (Lines 26 and 27) .....	5,569,950	5,017,311	(552,639)
<b>DETAILS OF WRITE-INS</b>			
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 Assets .....	1,871,535	1,804,837	(66,698)
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) .....	1,871,535	1,804,837	(66,698)

**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 .....	23,293	23,022	22,824	22,865	22,516	273,842
2. Provider Service Organizations .....	.....	.....	.....	.....	.....	.....
3. Preferred Provider Organizations .....	.....	.....	.....	.....	.....	.....
4. Point of Service .....	.....	.....	.....	.....	.....	.....
5. Indemnity Only .....	.....	.....	.....	.....	.....	.....
6. Aggregate write-ins for other lines of business .....	.....	.....	.....	.....	.....	.....
7. TOTAL .....	23,293	23,022	22,824	22,865	22,516	273,842
<b>DETAILS OF WRITE-INS</b>						
0601. .....	.....	.....	.....	.....	.....	.....
0602. .....	.....	.....	.....	.....	.....	.....
0603. .....	.....	.....	.....	.....	.....	.....
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.....	.....	.....	.....	.....	.....
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	.....	.....	.....	.....	.....	.....

# Notes to Financial Statements

## 1. Summary of Significant Accounting Policies and Going Concern

### A. Accounting Practices

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

The ODI recognizes only statutory accounting practices prescribed or permitted by the State of Ohio (the State) for determining its solvency under Ohio Insurance Law. NAIC SAP has been adopted as a component of the prescribed or permitted practices by the State with some modifications. These modifications include a five-year life on Electronic Data Processing (EDP) equipment and a 90-day limitation on collection of affiliate balances. Accordingly, the admitted assets, liabilities, capital and surplus of the Company as of December 31, 2019 and December 31, 2018 and the results of its operations and its cash flow for the years then ended have been determined in accordance with accounting principles prescribed or permitted by the ODI. Management believes the monetary effect on net income and statutory surplus between NAIC SAP and accounting principles prescribed or permitted by the ODI is not material. Additionally, the Company's risk based capital would not have triggered a regulatory event had it not used a prescribed or permitted practice.

	F/S SSAP #	F/S Page	F/S Line	2019	2018
<b><u>Net Income</u></b>					
1) SummaCare state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	1,177,183	(280,544)
2) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
3) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
4) NAIC SAP	XXX	XXX	XXX	1,177,183	(280,544)
<b><u>Surplus</u></b>					
5) SummaCare state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	40,638,443	40,047,622
6) State Prescribed Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
7) State Permitted Practices that increase / (decrease) NAIC SAP:	-	-	-	-	-
8) NAIC SAP	XXX	XXX	XXX	40,638,443	40,047,622

### B. Use of Estimates

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

### C. Accounting Policy

The Company uses the following accounting policies:

#### 1) Cash and Short-Term Investments

Cash and short-term investments include cash on hand, cash held in bank accounts (including overdrafts), interest bearing deposits, and money market instruments purchased with an original maturity of one year or less. Short-term investments are stated at amortized cost.

#### 2) Bonds not backed by other loans – None.

#### 3) Common stocks – See number seven, investments in subsidiaries, controlled and affiliated entities.

#### 4) Preferred stocks – None.

#### 5) Mortgage loans on real estate – None.

#### 6) Loan backed securities – None.

#### 7) SC carries its investment in its subsidiary, Summa Insurance Company (SIC), at audited statutory equity in accordance with SSAP No. 97, Investments in Subsidiary, Controlled and Affiliated Entities. The Company's investment in SIC is classified as common stock on the Assets page.

#### 8) Investments in joint ventures, partnerships and limited liability companies – None.

#### 9) Accounting policy for derivatives – The Company does not invest in derivative instruments.

#### 10) The Company anticipates investment income as a factor in premium deficiency calculation, in accordance with SSAP No. 54, Individual Group Accident and Health Contracts.

#### 11) The cost of health care services is recognized in the period in which services are provided. Health care expenses also include an estimate of the cost of services provided to the Company's members by third-party providers, which have been incurred but not reported to the Company. The estimate for incurred but not reported claims is based on actuarial projections of costs using historical paid claims data. Estimates are

## Notes to Financial Statements

continually monitored and reviewed and, as settlements are made or estimates are adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of claims paid is dependent on future developments, management is of the opinion that the reserves for claims and the cost to process claims make a reasonable and appropriate provision to cover such claims.

- 12) The Company's capitalization policy and predefined thresholds have not changed from the prior period.
- 13) The pharmaceutical rebate receivables are estimated from a report provided by the pharmacy benefit manager.

### **D. Going Concern** – Not applicable.

### **2. Accounting Changes and Corrections of Errors**

#### **A. Accounting Changes** – None.

#### **B. Corrections of Errors** – None

### **3. Business Combinations and Goodwill**

#### **A. Statutory Purchase Method** – None.

#### **B. Statutory Merger** – None.

#### **C. Assumption Reinsurance** – None.

#### **D. Impairment Loss** – None.

### **4. Discontinued Operations** – None.

### **5. Investments**

#### **A. Mortgage Loans** – None.

#### **B. Debt Restructuring** – None.

#### **C. Reverse Mortgages** – None.

#### **D. Loan backed securities** – None.

#### **E. Dollar Repurchase Agreements and/or Securities Lending Transactions** – None.

#### **F. Repurchase Agreements Transactions Accounted for as Secured Borrowings** – None.

#### **G. Reverse Repurchase Agreements Transactions Accounted for a Secured Borrowings** – None.

#### **H. Repurchase Agreements Transactions Accounted for as a Sale** – None.

#### **I. Reverse Repurchase Agreements Transactions Accounted for as a Sale** – None.

#### **J. Real Estate** – None.

#### **K. Low Income Housing Tax Credits** – None.

#### **L. Restricted Assets**

## Notes to Financial Statements

	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase / (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Percentage Gross Restricted to Total Assets	6 Percentage Admitted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$0	\$0	\$0	\$0	\$0	\$0
b. Collateral held under security lending agreements	\$0	\$0	\$0	\$0	\$0	\$0
c. Subject to repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
d. Subject to reverse repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
e. Subject to dollar repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
f. Subject to dollar reverse repurchase agreements	\$0	\$0	\$0	\$0	0.000	0.000
g. Placed under option contracts	\$0	\$0	\$0	\$0	0.000	0.000
h. Letter stock or securities restricted as to sale	\$0	\$0	\$0	\$0	0.000	0.000
i. FHLB capital stock	\$0	\$0	\$0	\$0	0.000	0.000
j. On deposit with states	\$420,896	\$441,330	(\$20,434)	\$420,896	0.499	0.531
k. On deposit with other regulatory bodies	\$0	\$0	\$0	\$0	0.000	0.000
l. Pledged as collateral to FHLB	\$0	\$0	\$0	\$0	0.000	0.000
m. Pleaded as collateral not captured in other categories	\$0	\$0	\$0	\$0	0.000	0.000
n. Other restricted assets						
o. Total restricted assets	\$420,896	\$441,330	(\$20,434)	\$420,896	0.499	0.531

**M.** Working Capital Finance Investments – None.

**N.** Offsetting and Netting of Assets and Liabilities – None.

**O.** 5GI Securities – None.

**P.** Short Sales – None.

**Q.** Prepayment Penalty and Acceleration Fees – None.

### 6. Joint Ventures, Partnerships and Limited Liability Companies

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

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

### 7. Investment Income

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

**B.** Total amount excluded - None

### 8. Derivative Instruments – None.

### 9. Income Taxes

**A.** The components of deferred tax asset as of December 31, 2019 and December 31, 2018 are:

# Notes to Financial Statements

	12/31/2019			12/31/2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
<b>1.</b>									
(a) Gross Deferred Tax Assets	\$6,026,053	\$0	\$6,026,053	\$5,264,209	\$0	\$5,264,209	\$761,844	\$0	\$761,844
(b) Statutory Valuation Allowance Adjustments	\$3,546,553	\$0	\$3,546,553	\$3,932,897	\$0	\$3,932,897	(\$386,345)	\$0	(\$386,345)
(c) Adjusted Gross DTA's (1a-1b)	\$2,479,500	\$0	\$2,479,500	\$1,331,311	\$0	\$1,331,311	\$1,148,189	\$0	\$1,148,189
(d) DTA's Nonadmitted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(e) Subtotal Net DTA's (1c-1d)	\$2,479,500	\$0	\$2,479,500	\$1,331,311	\$0	\$1,331,311	\$1,148,189	\$0	\$1,148,189
(f) Deferred Tax Liabilities	\$2,451,560	\$0	\$2,451,560	\$1,247,089	\$0	\$1,247,089	\$1,204,471	\$0	\$1,204,471
(g) Net Admitted DTA / Net DTL (1e-1f)	\$27,940	\$0	\$27,940	\$84,222	\$0	\$84,222	(\$56,283)	\$0	(\$56,283)
<b>2.</b>									
Admission Calculation Components SSAP No. 101	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$27,940	\$0	\$27,940	\$84,222	\$0	\$84,222	(\$56,283)	\$0	(\$56,283)
(b) Adjusted Gross DTA's Expected to be Realized ( Excluding The Amount of DTA's From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2 (b) 1 and 2 (b) 2 Below)	\$27,940	\$0	\$27,940	\$84,222	\$0	\$84,222	(\$56,283)	\$0	(\$56,283)
1. Adjusted Gross DTA's Expected to be Realized Following the Balance Sheet Date.	XXX	XXX	\$6,095,766	XXX	XXX	\$6,007,143	XXX	XXX	\$88,623
2. Adjusted Gross DTA's Allowed Per Limitation Threshold.	\$2,451,560	\$0	\$2,451,560	\$1,247,089	\$0	\$1,247,089	\$1,204,471	\$0	\$1,204,471
(c) Adjusted Gross DTA's (Excluding The Amount of DTA's from 2 (a) and 2 (b) above) Offset by Gross DTL's.	\$2,479,500	\$0	\$2,479,500	\$1,331,311	\$0	\$1,331,311	\$1,148,189	\$0	\$1,148,189
(d) DTA's Admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	2019	2018							
(a) Ratio Percentage used To Determine Recovery Period And Threshold Limitation Amount.	333%	309%							
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2 (b) 2 Above.	\$40,638,443	\$40,047,622							
<b>3.</b>									
Impact of Tax-Planning Strategies									
(a) Determination of Adjusted Gross DTA's and Net Admitted DTA's By Tax Character as a percentage.	\$2,479,500	\$0	\$2,479,500	\$1,331,311	\$0	\$1,331,311			
1. Adjusted Gross DTA's	\$0	\$0	\$0	\$0	\$0	\$0			
2. Percentage of Adjusted Gross DTA's	\$2,479,500	\$0	\$2,479,500	\$1,331,311	\$0	\$1,331,311			
3. Net Admitted DTA's	\$0	\$0	\$0	\$0	\$0	\$0			
4. Percentage of Net Admitted Gross DTA's because of tax planning.	Yes	No	X						
(b) Does the Company's tax planning strategies include reinsurance?	_____	_____	_____						

## B. Regarding deferred tax liabilities not recognized – None.

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

# Notes to Financial Statements

	12/31/2019	12/31/2018	Change
1. Current Income Tax			
(a) Federal	(\$238,297)	(\$101,534)	(\$136,764)
(b) Foreign	\$0	\$0	\$0
(c) Subtotal	(\$238,297)	(\$101,534)	(\$136,764)
(d) Federal Income Tax on Net Capital Gains	\$0	\$0	\$0
(e) Utilization of Capital Loss Carry Forwards	\$0	\$0	\$0
(f) Other	\$0	\$0	\$0
(g) Federal and Foreign Income Taxes Incur	(\$238,297)	(\$101,534)	(\$136,764)
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Unpaid Losses	\$65,744	\$61,917	\$3,827
(2) Unearned Premium Reserve	\$16,492	\$38,936	(\$22,444)
(3) Policyholder Reserves	\$65,341	\$78,279	(\$12,938)
(4) Investments	\$54,403	\$53,697	\$706
(5) Deferred Acquisition Costs	\$0	\$0	\$0
(6) Policyholder Dividends Accrual	\$0	\$0	\$0
(7) Fixed Assets	\$0	\$0	\$0
(8) Compensation and Benefits Accrual	\$0	\$0	\$0
(9) Pension Accrual	\$0	\$0	\$0
(10) Receivables - Nonadmitted	\$1,169,690	\$1,053,635	\$116,055
(11) Net Operating Loss Carry-Forward	\$4,084,259	\$3,382,207	\$702,052
(12) Tax Credits	\$0	\$0	\$0
(13) Other	\$570,123	\$595,537	(\$25,414)
Subtotal	\$6,026,052	\$5,264,208	\$761,845
(b) Statutory Valuation Allowance (Ordinary)	\$3,546,553	\$3,932,897	(\$386,344)
(c) Nonadmitted	\$0	\$0	\$0
(d) Admitted Ordinary Deferred Tax Assets	\$2,479,500	\$1,331,311	\$1,148,189
(e) Capital			
(1) Investments	\$0	\$0	\$0
(2) Net Capital Loss Carry-Forward	\$0	\$0	\$0
(3) Unrealized Gains/losses	\$0	\$0	\$0
(4) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(f) Statutory Valuation Allowance Adjustment	\$0	\$0	\$0
(g) Nonadmitted	\$0	\$0	\$0
(h) Admitted Capital Deferred Tax Assets	\$0	\$0	\$0
(i) Admitted Deferred Tax Assets	\$2,479,500	\$1,331,311	\$1,148,189
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$0	\$0	\$0
(2) Fixed Assets	\$214,293	\$285,880	(\$71,587)
(3) Deferred and Uncollected Premium	\$2,007,609	\$728,327	\$1,279,282
(4) Policyholder Reserves	\$0	\$0	\$0
(5) Other	\$229,658	\$232,882	(\$3,224)
Subtotal	\$2,451,560	\$1,247,089	\$1,204,471
(b) Capital			
(1) Investments	\$0	\$0	\$0
(2) Real Estate	\$0	\$0	\$0
(3) Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
(c) Deferred Tax Liabilities	\$2,451,560	\$1,247,089	\$1,204,471
4. Net Deferred Tax Assets / Liabilities	\$27,940	\$84,222	(\$56,282)

**D. The provision for federal income taxes incurred is different than that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference are as follows as of December 31, 2019:**

Description	Amount	Tax Effect	Effective Tax Rate
Income (loss) before taxes	938,886	197,166	21.0%
Meals & entertainment	54,021	11,344	1.2%
Change in valuation allowance	(1,307,005)	(274,471)	-29.2%
Change in nonadmitted assets	(552,639)	(116,054)	-12.4%
	<u>(866,737)</u>	<u>(182,015)</u>	<u>-19.4%</u>
Federal income taxes incurred			(238,297)
Change in net deferred income taxes			56,282
Total statutory income taxes			<u>(182,015)</u>

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

## Notes to Financial Statements

1. The company has a net operating loss carry-forward of \$19,448,854 as of December 31, 2019.
2. There are no income taxes available for recoupment in the event of future net losses.
3. The Company has no protective tax deposits reported as admitted assets under Section 6603 of the internal Revenue Service Code as of December 31, 2019 and December 31, 2018.

### **F. Consolidation of Federal Income Tax Return**

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

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

### **H. Repatriation Transition Tax – None.**

### **I. Alternative Minimum Tax Credit – None.**

## **10. Information Concerning Parent, Subsidiaries, and Affiliates**

### **A. Nature of the Relationships**

SummaCare, Inc. is a wholly owned subsidiary of Summa Health System Corporation (SHSC). Summa Insurance Company (SIC) is a wholly-owned subsidiary of SummaCare, Inc.

Affiliated and subsidiary organizations of SC include Summa Health System Community; HealthSpan Partners; Summa Health: Summa Health System, Inc. (SHS); Summa Insurance Company (SIC); Summa Health Network LLC (SHN); Apex Benefits Services, LLC (Apex); Summa Insurance Agency, LLC (SIA); Wadsworth-Rittman Professional Services Corporation; Summa Physicians, Inc. (SPI); Summa Foundation; Health Care Center Physicians Inc. (HCCP); Middlebury Assurance Corp. (MAC); Summa Rehabilitation Hospital, LLC; Ohio Health Choice, Inc. (OHC); Cornerstone Medical Services (Cornerstone); ARIS Teleradiology LLC (ARIS); Summa Accountable Care Organization (ACO); Summa Integrated Services Organization (SISO); Summa Management Services Organization (SMSO); and Medina-Summit ASC, LLC.

The Company is licensed in Ohio as a health-insuring corporation (HIC) under Chapter 1751 of the Ohio Revised Code. SC contracts with providers to provide comprehensive health care services to a defined enrolled population (members) for a predetermined monthly fee. The population from which the Company draws its membership is predominately located in Northeast Ohio. The Company is subject to competition from other health insuring companies as well as to the regulations of certain state and federal agencies. The Company is also subject to periodic financial examinations by those regulatory authorities.

### **B. & C. Transactions with Affiliated Organizations**

SC members receive various medical services from SHS, and other SHS subsidiaries. Certain members of the Board of Directors of the Company are members of the Board of Trustees of SHS and SHS's subsidiary and affiliated organizations.

The operating activities with affiliated entities as of December 31, 2019 and December 31, 2018 are as follows:

	<b>2019</b>	<b>2018</b>
Claims expense related to affiliated entities:		
SHS	\$ 47,971,929	57,861,116
SPI	9,002,586	8,696,134
ACO	1,712,233	1,036,362
Directors' and officers insurance paid to MAC	11,443	20,171
Management fees charged to SHN	—	76,741
Management fees charged from SMSO	17,011,752	14,672,365
Management fees charged from Apex	555,552	1,609,328
Corporate expense allocation paid to SHS	2,004,843	1,749,429

## Notes to Financial Statements

**D.** The balances outstanding with affiliated entities as of December 31, 2019 and December 31, 2018 are as follows:

	Due from		Due to	
	2019	2018	2019	2018
SIA	\$ —	20	—	—
SIC	—	—	642,311	2,261,775
SHS	—	—	5,959,972	117,619
APEX	234,296	—	—	137,221
SMSO	—	—	1,595,367	1,299,543
SHMG	—	—	3,778	—
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 234,296	20	8,201,428	3,816,158

**E.** Guarantees or undertakings – None.

**F.** In 2019 and 2018, the Company contracted with SMSO for general administrative services, which include but are not limited to claims processing, customer service, eligibility, human resources, computer support, programming, finance, and other general administrative services. Fees are based on actual expenses allocated from SMSO to the Company. The Company recognized expense of \$17,011,752 and \$14,672,365 in 2019 and 2018, respectively.

**G.** The Company's common membership is held by its parent, Summa Health System Corporation.

**H.** Investments in upstream intermediate entities or ultimate parent – None.

**I.** Investments in SCA Entities

As of December 31, 2019, the Company owned 100% of the common stock of SIC, whose carrying value is exceeds 10% of the admitted assets of SC. The Company carries SIC at audited statutory equity. Assets, liabilities and net losses of SIC as of December 31, 2019 were:

Assets - \$46,689,569  
 Liabilities - \$22,694,918  
 Net Loss – \$659,561

**J.** Investments in impaired SCA entities – None.

**K.** Investments in foreign insurance subsidiaries – None.

**L.** Investment in downstream noninsurance holding company – None.

**M.** All SCA investment – None.

**N.** Investments in insurance SCA's – Summa Insurance Company's audited statutory equity is compliant with the NAIC statutory accounting practices and procedures.

**O.** SCA or SSAP No. 48 Entity Loss Tracking – Not required.

### 11. Debt

SC has no debt as of December 31, 2019.

### 12. Retirement Plans

- A.** Defined Benefit Plan - None.
- B.** A narrative description of investment policy and strategies – Not applicable.
- C.** The fair value of each class of plan asset – Not applicable.
- D.** A narrative description of the basis used to determine the long-term rate of return – Not applicable.
- E.** Defined Contribution Plan – None.

## Notes to Financial Statements

- F.** Multiemployer Plan – None.
- G.** Consolidated / Holding Company Plan – None.
- H.** Postemployment Benefits and Compensated Absences – None.
- I.** Impact of Medicare Modernization Act on Postretirement Benefits – None.

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

- 1.) SC is a nonprofit corporation under Ohio law. As such, ownership of the Company is designated as common membership. The sole common member of the Company as of December 31, 2019 and December 31, 2018 is SHSC.
- 2.) Dividends rate, liquidation value – Not applicable.
- 3.) Dividend Restrictions – Not applicable.
- 4.) Date and amounts of dividends paid – Not applicable.
- 5.) Portion of reporting entity's profits that can be paid as ordinary dividends – Not applicable.
- 6.) Restrictions on unassigned funds – None.
- 7.) Mutual Reciprocals - None.
- 8.) Stock held by the Company for special purposes – None.
- 9.) Special surplus funds – None.
- 10.) The portion of unassigned funds represented or reduced by :
  - Nonadmitted Asset Values – \$5,569,950
  - Unrealized Gains (Losses) – \$188,746
- 11.) Surplus notes – None.
- 12.) Restatement in a quasi-reorganization – Not applicable
- 13.) Quasi-reorganization – Not applicable.

### **14. Liabilities, Contingencies and Assessments**

- A.** Contingent commitments – None.
- B.** Assessments – None
- C.** Gain contingencies – None.
- D.** Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None.
- E.** Joint and Several Liabilities – None.
- F.** All other contingencies – None.

### **15. Leases**

#### **A. Lessee Leasing Arrangements.**

- 1.) The company leases its facility under a noncancelable operating lease which expires during 2021. Rent expense was \$825,144 as of December 31, 2019 and was \$689,841 for year ending December 31, 2018.
- 2.) Future minimum payments under noncancelable operating leases are as follows:

## Notes to Financial Statements

	Payable to Affiliated Organizations	Payable to Nonaffiliated Organizations	Total
Year ending December 31, 2020	187,005.00	1,178,370.00	1,365,375.00
Year ending December 31, 2021	-	546,633.00	546,633.00
<b>Total Minimum future commitment</b>	<b>\$ 187,005.00</b>	<b>\$ 1,725,003.00</b>	<b>\$ 1,912,008.00</b>

3.) The Company has not entered into any sale-leaseback transactions.

**B. Lessor Leasing Arrangements - None**

**16. Information Regarding Off-Balance Sheet Risk – Not Applicable.**

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

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

**19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators – Not Applicable.**

**20. Fair Value Measurement**

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

**1) Fair value measurements at the reporting date.**

# Notes to Financial Statements

Description for each class of asset or liability	Level 1	Level 2	Level 3	Total
<b>a. Assets at fair value</b>				
Cash and short-term investments	\$6,369,249	\$0	\$0	\$6,369,249
Perpetual referred stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total perpetual and preferred stock	\$0	\$0	\$0	\$0
Bonds				
U.S. Governments	\$0	\$0	\$0	\$0
Industrial and misc	\$0	\$0	\$0	\$0
Hybrid securities	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total Bonds	\$0	\$0	\$0	\$0
Common stock				
Industrial and misc	\$0	\$0	\$0	\$0
Parent, subsidiaries and affiliates	\$0	\$0	\$0	\$0
Total common stock	\$0	\$0	\$0	\$0
Derivative assets				
Interest rate contracts				
Foreign exchange contracts	\$0	\$0	\$0	\$0
Credit contracts	\$0	\$0	\$0	\$0
Commodity futures contracts	\$0	\$0	\$0	\$0
Commodity forwards contracts	\$0	\$0	\$0	\$0
Total derivatives	\$0	\$0	\$0	\$0
Separate account assets	\$0	\$0	\$0	\$0
<b>Total assets at fair value</b>	<b>\$6,369,249</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,369,249</b>
<b>b. Liabilities at fair value</b>				
Derivative liabilities	\$0	\$0	\$0	\$0
<b>Total liabilities at fair value</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

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

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

**5) Derivative assets and liabilities – None.**

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

# Notes to Financial Statements

Financial Instrument	December 31, 2019						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3		
U.S. Treasury securities	\$ 34,496,491	\$ 34,310,173	\$ 34,496,491	\$ -	\$ -	\$ -	\$ -
U.S. government agency securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Short-term investments	\$ 2,610,716	\$ 2,610,716	\$ 2,610,716	\$ -	\$ -	\$ -	\$ -

Financial Instrument	December 31, 2018						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3		
U.S. Treasury securities	\$ 28,351,758	\$ 28,796,117	\$ 28,351,758	\$ -	\$ -	\$ -	\$ -
U.S. government agency securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Short-term investments	\$ 4,512,575	\$ 4,512,575	\$ 4,512,575	\$ -	\$ -	\$ -	\$ -

- D.** Not practicable to estimate fair value – Not applicable.
- E.** Investments measured using the NAV – None.

## 21. Other Items

- A. Unusual or Infrequent Items** – None.
- B. Troubled Debt Restructuring** – None.
- C. Other Disclosures and Unusual Items** – None.
- D. Business Interruption Insurance Recoveries** – None.
- E. State Transferable and Non-transferable Tax Credits** – None.
- F. Subprime Mortgage Related Exposure** – None.
- G. Retained Assets** – None.
- H. Insurance-Linked Securities (ILS) Contracts** – None.
- I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is the Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy** – None.

## 22. Events Subsequent

**Type I – Recognized Subsequent Events** – None.

**Type II – Nonrecognized Subsequent Events** – None.

## 23. Reinsurance

### A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?  
 Yes ( ) No (X)

If yes, give full details.

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

Yes ( ) No (X)

## Notes to Financial Statements

If yes, give full details.

### Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?  
 Yes ( ) No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$\_\_\_\_\_

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$\_\_\_\_\_

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

Yes ( ) No (X)

If yes, give full details.

### Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes ( ) No (X)

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

#### **B. Uncollectible Reinsurance – None.**

#### **C. Commutation of Ceded Reinsurance – None.**

#### **D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – None.**

#### **24. Retrospectively Rated Contracts & Contracts Subject to Redetermination – None.**

#### **25. Changes in Incurred Claims and Claims Adjustment Expenses**

Activity in claims unpaid is summarized as follows:

	<b>2019</b>	<b>2018</b>
Balance at January 1	20,996,910	22,085,407
Incurred related to:		
Current year	227,245,812	226,365,539
Prior Year	<u>(1,586,910)</u>	<u>(3,226,467)</u>
Total	225,658,902	223,139,072
Paid related to:		
Current year	204,678,152	205,378,629
Prior Year	<u>19,410,000</u>	<u>18,848,940</u>
Total	224,088,152	224,227,569
Balance at end of period	<u>22,567,660</u>	<u>20,996,910</u>

A. Reserves as of December 31, 2018 were \$20,996,910. As of December 31, 2019, \$19,410,000 has been paid for incurred claims attributable to insured events of prior years. There is \$0 in reserves remaining for prior years as of December 31, 2019. Therefore, there has been \$1,586,910 in favorable development since December 31, 2018 to

## Notes to Financial Statements

December 31, 2019. This favorable development is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

**B.** There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses from the previous year.

**26. Intercompany Pooling Arrangements** – None.

**27. Structured Settlements** – None.

**28. Healthcare Receivables**

**A.** The company receives pharmacy rebates on a quarterly basis. As of December 31, 2019, a receivable was recorded equal to two quarters of rebates. For quarter ending December 31, 2019, pharmacy rebates receivable were estimated by projection amounts from the pharmacy department. Pharmacy rebates receivable are recorded as nonadmitted assets in accordance with SSAP No. 84.

Quarter	Estimated Rebates Receivable	Pharmacy		Rebates Received Within 91 to 180 Days Of Billing	Actual Rebates Received More Than 180 Days After Billing
		Rebates as Billed or Otherwise Confirmed	Rebates Received Within 90 Days Of Billing		
12/31/2019	3,637,309	0	0	0	0
09/30/2019	3,494,828	2,128,392	0	0	2,128,392
06/30/2019	4,770,913	5,756,403	0	0	5,756,403
03/31/2019	3,629,681	3,628,011	0	0	3,628,011
12/31/2018	3,860,016	3,010,087	0	0	3,010,087
09/30/2018	2,945,529	3,120,907	0	0	3,120,907
06/30/2018	3,190,416	3,180,994	0	0	3,180,994
03/31/2018	3,870,950	2,852,830	0	0	2,852,830
12/31/2017	3,363,798	2,628,235	0	0	2,628,235
09/30/2017	3,040,289	2,795,703	0	0	2,795,703
06/30/2017	2,562,792	2,914,478	0	0	2,914,478
03/31/2017	2,693,537	2,703,038	0	0	2,703,038

**B. Method used by the Company to estimate its risk sharing receivables** – The Company has no risk sharing receivables.

**29. Participating Policies** – None.

**30. Premium Deficiency Reserves**

Premium deficiency losses are recognized when it is probable that expected claim expenses will exceed future premiums on existing health contracts. For purposes of premium deficiency losses, contracts are grouped in a manner consistent with the Company's method of acquiring, servicing and measuring the profitability of such contracts. There were no premium deficiency reserves recorded as of December 31, 2019 and December 31, 2018, respectively.

- 1. Liability carried for premium deficiency reserves:** \$0
- 2. Date of the most recent evaluation of this liability:** December 31, 2019
- 3. Was anticipated investment income utilized in the calculation:** Yes

**31. Anticipated Salvage Value and Subrogation** – None

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

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

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

1.3 State Regulating?

1.4 Is the reporting entity publicly traded or a member of a publicly traded group?

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

Yes[X] No[ ]

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?

2.2 If yes, date of change:

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

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

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

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

3.4 By what department or departments?  
 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?

3.6 Have all of the recommendations within the latest financial examination report been complied with?

12/31/2017  
12/31/2017  
11/07/2018

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?  
 4.12 renewals?

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

4.21 sales of new business?  
 4.22 renewals?

Yes[ ] No[X]  
Yes[ ] No[X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?  
 If yes, complete and file the merger history data file with the NAIC.

Yes[ ] No[X]

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

1 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).

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.

Yes[ ] No[X]

8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 RSM US LLP, 801 Nicollett Mall, West Tower, Suite 1101, Minneapolis, MN 55402-2526

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[ ] No[X]

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes[ ] No[X]

10.4 If response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Shumei Kuo, Risk &amp; Regulatory Consulting (associated with RSM LLP), 20 Batterson Park Rd, Suite 380, Farmington, CT

**GENERAL INTERROGATORIES (Continued)**

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[ ] No[X] 0  
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved  
 12.13 Total book/adjusted carrying value  
 12.2 If yes, provide explanation  
 \$.....0

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? Yes[ ] No[ ] N/A[X]  
 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: Yes[ ] No[X]  
 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). Yes[ ] No[X]  
 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). Yes[ ] No[X]

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. Yes[ ] No[X]

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  
 20.12 To stockholders not officers  
 20.13 Trustees, supreme or grand (Fraternal only)  
 \$.....0  
 \$.....0  
 \$.....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  
 20.22 To stockholders not officers  
 20.23 Trustees, supreme or grand (Fraternal only)  
 \$.....0  
 \$.....0  
 \$.....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  
 21.22 Borrowed from others  
 21.23 Leased from others  
 21.24 Other  
 \$.....0  
 \$.....0  
 \$.....0  
 \$.....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  
 22.22 Amount paid as expenses  
 22.23 Other amounts paid  
 \$.....0  
 \$.....0  
 \$.....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[ ] No[X]  
 24.02 If no, give full and complete information, relating thereto  
 Securities are in the possession of Huntington Bank  
 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?  
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.  
 24.06 If answer to 24.04 is no, report amount of collateral for other programs.  
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?  
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?  
 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

**GENERAL INTERROGATORIES (Continued)**

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

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

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

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

\$	0
\$	0
\$	0

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

Yes[X] No[ ]

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

25.21 Subject to repurchase agreements  
 25.22 Subject to reverse repurchase agreements  
 25.23 Subject to dollar repurchase agreements  
 25.24 Subject to reverse dollar repurchase agreements  
 25.25 Placed under option agreements  
 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock  
 25.27 FHLB Capital Stock  
 25.28 On deposit with states  
 25.29 On deposit with other regulatory bodies  
 25.30 Pledged as collateral - excluding collateral pledged to an FHLB  
 25.31 Pledged as collateral to FHLB - including assets backing funding agreements  
 25.32 Other

\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	0
\$	420,896

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?

Yes[ ] No[X]

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

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

If no, attach a description with this statement.

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?

Yes[ ] No[X]

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 attest to the following:

Yes[ ] No[X]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- 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.
- 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?

Yes[ ] No[X]

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

\$ 0

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

Yes[X] No[ ]

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

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

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

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

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

Yes[ ] No[X]

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

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
Chris Keller - Huntington Bank .....	U .....

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

Yes[X] No[ ]

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

Yes[X] No[ ]

**GENERAL INTERROGATORIES (Continued)**

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

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

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?  Yes [ ]  No [X]

29.2 If yes, complete the following schedule:

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

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

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

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

1	2 Statement (Admitted) Value	3 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	34,310,173	34,496,491	186,318
30.2 Preferred stocks .....			
30.3 Totals .....	34,310,173	34,496,491	186,318

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

The values are based on the prices of assets at the close of the stock market on 12/31/19 as determined by Thomson Reuters

Yes [ ]  No [X]

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?  Yes [ ]  No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?  Yes [ ]  No [ ] N/A [X]

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

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?  Yes [X]  No [ ]

32.2 If no, list exceptions:

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

- 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.
- Issuer or obligor is current on all contracted interest and principal payments.
- 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:

- The security was purchased prior to January 1, 2018.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- 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.
- 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:

- The shares were purchased prior to January 1, 2019.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- 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.
- The fund only or predominantly holds bonds in its portfolio.
- 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.
- 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? \$..... 0

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.

**GENERAL INTERROGATORIES (Continued)**

1 Name	2 Amount Paid
.....	.....

37.1 Amount of payments for legal expenses, if any? \$..... 0  
 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
.....	.....

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$..... 0  
 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
.....	.....

**GENERAL INTERROGATORIES (Continued)****PART 2 - HEALTH INTERROGATORIES**

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

## 2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	269,407,581	258,759,274
2.2 Premium Denominator .....	269,407,581	258,759,274
2.3 Premium Ratio (2.1 / 2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	26,011,119	26,759,590
2.5 Reserve Denominator .....	26,011,119	26,759,590
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	\$..... 225,000
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:

The Company's provider contracts include insolvency provisions, continuity of care provisions, and hold harmless language.

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

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	..... 10,000
8.2 Number of providers at end of reporting year	..... 0

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	\$..... 3,443,459
10.22 Amount actually paid for year bonuses	\$..... 3,290,129
10.23 Maximum amount payable withholds	\$..... 0
10.24 Amount actually paid for year withholds	\$..... 0

11.1 Is the reporting entity organized as:

Yes[ ] No[X]

11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above)?

Yes[X] No[ ]

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.

\$..... 2,500,000

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
Summit .....
Portage .....
Cuyahoga .....
Geauga .....
Stark .....
Medina .....
Wayne .....
Ashtabula .....
Carroll .....
Lorain .....
Mahoning .....
Trumbull .....

**GENERAL INTERROGATORIES (Continued)**

1 Name of Service Area	
Lake .....	
Tuscarawas .....	
Columbiana .....	
Defiance .....	
Allen .....	
Lucas .....	
Seneca .....	
Ashland .....	
Auglaize .....	
Fulton .....	
Hancock .....	
Henry .....	
Holmes .....	
Mercer .....	
Ottawa .....	
Putnam .....	
Van Wert .....	
Wood .....	
Huron .....	

13.1 Do you act as a custodian for health savings accounts?  
 13.2 If yes, please provide the amount of custodial funds held as of the reporting date:  
 13.3 Do you act as an administrator for health savings accounts?  
 13.4 If yes, please provide the balance of the funds administered as of the reporting date:

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

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers?  
 14.2 If the answer to 14.1 is yes, please provide the following:

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

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

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

\$ ..... 0  
 \$ ..... 0  
 \$ ..... 0

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

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

Yes[ ] No[X]  
 Yes[ ] No[X]

**FIVE-YEAR HISTORICAL DATA**

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. TOTAL Admitted Assets (Page 2, Line 28) .....	80,890,901	78,199,782	75,293,915	91,357,753	90,584,577
2. TOTAL Liabilities (Page 3, Line 24) .....	40,252,458	38,152,160	38,913,849	35,861,024	39,011,149
3. Statutory minimum capital and surplus requirement .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
4. TOTAL Capital and Surplus (Page 3, Line 33) .....	40,638,443	40,047,622	36,380,066	55,496,729	51,573,428
<b>INCOME STATEMENT (Page 4)</b>					
5. TOTAL Revenues (Line 8) .....	269,407,581	258,836,015	245,888,751	252,603,781	271,448,549
6. TOTAL Medical and Hospital Expenses (Line 18) .....	230,443,110	225,764,591	228,190,148	217,252,708	245,893,361
7. Claims adjustment expenses (Line 20) .....	4,094,585	4,408,952	4,149,553	4,279,290	4,245,082
8. TOTAL Administrative Expenses (Line 21) .....	34,706,635	29,620,517	25,617,366	33,386,932	25,979,889
9. Net underwriting gain (loss) (Line 24) .....	163,251	(958,045)	(12,068,316)	(2,315,149)	(4,669,783)
10. Net investment gain (loss) (Line 27) .....	774,760	540,684	427,623	476,594	538,127
11. TOTAL Other Income (Lines 28 plus 29) .....	875	35,283	234,990	28,293	23,944
12. Net income or (loss) (Line 32) .....	1,177,183	(280,544)	(10,858,160)	(499,931)	(5,153,801)
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	(5,974,844)	(6,485,482)	(5,126,599)	(4,528,341)	(12,550,232)
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. TOTAL Adjusted Capital .....	40,638,443	40,047,622	36,380,066	55,496,729	51,573,428
15. Authorized control level risk-based capital .....	12,208,185	12,958,643	12,393,792	12,182,504	13,763,498
<b>ENROLLMENT (Exhibit 1)</b>					
16. TOTAL Members at End of Period (Column 5, Line 7) .....	22,516	23,293	23,959	23,714	26,419
17. TOTAL Members Months (Column 6, Line 7) .....	273,842	283,737	291,871	288,226	321,810
<b>OPERATING PERCENTAGE (Page 4)</b>					
(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) .....	85.5	87.2	92.8	86.1	90.6
20. Cost containment expenses .....	0.4	0.4	0.3	0.3	0.4
21. Other claims adjustment expenses .....	1.2	1.3	1.3	1.4	1.2
22. TOTAL Underwriting Deductions (Line 23) .....	99.9	100.4	104.9	101.0	101.7
23. TOTAL Underwriting Gain (Loss) (Line 24) .....	0.1	(0.4)	(4.9)	(0.9)	(1.7)
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) .....	21,184,459	19,786,840	19,668,976	24,668,331	30,599,331
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....	22,946,290	23,013,307	24,515,279	27,804,857	30,849,997
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
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) .....	23,994,651	23,972,094	21,360,212	28,396,360	24,382,361
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. TOTAL of Above Lines 26 to 31 .....	23,994,651	23,972,094	21,360,212	28,396,360	24,382,361
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

State, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit - Type Contracts
1. Alabama (AL) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
2. Alaska (AK) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
3. Arizona (AZ) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
4. Arkansas (AR) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
5. California (CA) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
6. Colorado (CO) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
7. Connecticut (CT) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
8. Delaware (DE) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
9. District of Columbia (DC) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
10. Florida (FL) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
11. Georgia (GA) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
12. Hawaii (HI) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
13. Idaho (ID) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
14. Illinois (IL) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
15. Indiana (IN) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
16. Iowa (IA) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
17. Kansas (KS) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
18. Kentucky (KY) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
19. Louisiana (LA) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
20. Maine (ME) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
21. Maryland (MD) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
22. Massachusetts (MA) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
23. Michigan (MI) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
24. Minnesota (MN) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
25. Mississippi (MS) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
26. Missouri (MO) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
27. Montana (MT) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
28. Nebraska (NE) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
29. Nevada (NV) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
30. New Hampshire (NH) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
31. New Jersey (NJ) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
32. New Mexico (NM) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
33. New York (NY) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
34. North Carolina (NC) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
35. North Dakota (ND) .....	N .....	.....	.....	.....	.....	.....	.....	.....	.....
36. Ohio (OH) .....	L .....	269,612,961	.....	.....	.....	.....	269,612,961	.....	.....
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) .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
59. Subtotal .....	XXX .....	269,612,961	.....	.....	.....	.....	269,612,961	.....	.....
60. Reporting entity contributions for Employee Benefit Plans .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
61. TOTAL (Direct Business) .....	XXX .....	269,612,961	.....	.....	.....	.....	269,612,961	.....	.....

**DETAILS OF WRITE-INS**

58001 .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
58002 .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
58003 .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
58998. Summary of remaining write-ins for Line 58 from overflow page .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) .....	XXX .....	.....	.....	.....	.....	.....	.....	.....	.....

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG  
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state  
 N - None of the above - Not allowed to write business in the state

1

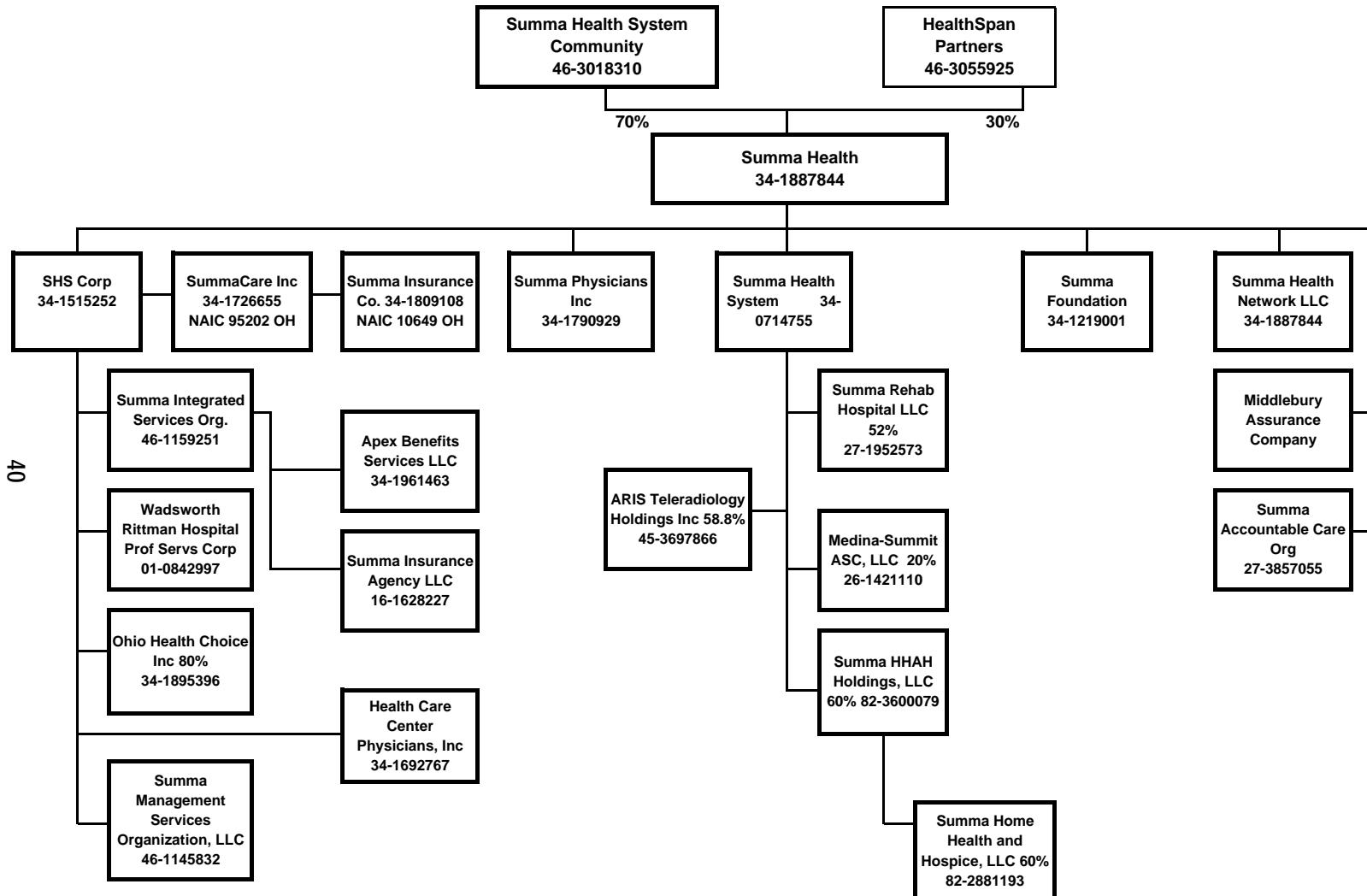
R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

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(b) Explanation of basis of allocation by state, premiums by state, etc.: All premiums are written in the State of Ohio.

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



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