

**QUARTERLY
STATEMENT(Amended)**

OF THE

COSE Health and Wellness Trust

Of

Cleveland

in the state of

Ohio

to the Insurance Department

of the State of Ohio

For the Period Ended

March 31, 2020

2020



HEALTH QUARTERLY STATEMENT

As of March 31, 2020
of the Condition and Affairs of the

COSE Health and Wellness Trust

NAIC Group Code..... 0, 0 (Current Period) (Prior Period)	NAIC Company Code..... 122	Employer's ID Number..... 81-6240902
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Licensed as Business Type Health	Is HMO Federally Qualified? Yes [] No [X]	
Incorporated/Organized..... February 18, 2016	Commenced Business..... August 22, 2016	
Statutory Home Office	1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	216-592-2200 (Area Code) (Telephone Number)
Mail Address	1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	1240 Huron Road E., Ste. 200 .. Cleveland .. OH .. US .. 44115-1355 (Street and Number) (City or Town, State, Country and Zip Code)	216-592-2200 (Area Code) (Telephone Number)
Internet Web Site Address	www.cosemewa.com	
Statutory Statement Contact	Timothy E DiPlacido (Name) Tdiplacido@gcpartnership.com (E-Mail Address)	216-592-2292 (Area Code) (Telephone Number) (Extension) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Timothy Maynard Reynolds	Chairman	2. John Luteran	Plan Administrator
3.		4.	

OTHER

DIRECTORS OR TRUSTEES

Timothy Maynard Reynolds	Elyse Anne Logan	Martha Judith Lanning	Robert Richard Nicolay III
James Frederick Harmon			

State of..... Ohio
County of..... Cuyahoga

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

(Signature)	(Signature)	(Signature)
Timothy Maynard Reynolds	John Luteran	
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
Chairman	Plan Administrator	
(Title)	(Title)	(Title)
Subscribed and sworn to before me	a. Is this an original filing?	Yes [] No [X]
This _____ day of _____	b. If no:	
	1. State the amendment number	8/3/2020
	2. Date filed	8
	3. Number of pages attached	

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....21,819,262 reinsurance ceded).....	12,279,630		12,279,630	35,907,561
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....	1,280,000		1,280,000	1,364,000
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	2,076,491		2,076,491	1,843,499
9. General expenses due or accrued.....	4,959,496		4,959,496	200,429
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....	86,014		86,014	(1,775)
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....	57,555,390		57,555,390	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....			0	
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	78,237,022	0	78,237,022	39,313,715
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX		
29. Surplus notes.....	XXX	XXX	18,950,000	18,950,000
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	(14,019)	1,711,811
32. Less treasury stock, at cost:				
32.10.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.20.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	18,935,981	20,661,811
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	97,173,003	59,975,526

DETAILS OF WRITE-INS

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

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	XXX.....	185,976	152,326	700,170
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	17,338,443	56,814,221	255,795,734
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....			
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....			
5. Risk revenue.....	XXX.....			
6. Aggregate write-ins for other health care related revenues.....	XXX.....	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	17,338,443	56,814,221	255,795,734
Hospital and Medical:				
9. Hospital/medical benefits.....		22,440,878	30,951,178	167,877,452
10. Other professional services.....		1,489,576	1,630,509	10,296,769
11. Outside referrals.....		69,843	118,057	639,233
12. Emergency room and out-of-area.....		5,337,123	4,715,373	28,953,839
13. Prescription drugs.....		7,804,152	8,612,462	44,309,425
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....				
16. Subtotal (Lines 9 to 15).....	0	37,141,572	46,027,580	252,076,717
Less:				
17. Net reinsurance recoveries.....		31,778,405	1,914,929	26,142,521
18. Total hospital and medical (Lines 16 minus 17).....	0	5,363,167	44,112,651	225,934,196
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....		(84,000)	197,469	673,469
21. General administrative expenses.....		13,971,427	7,900,044	40,394,418
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....				(10,638,607)
23. Total underwriting deductions (Lines 18 through 22).....	0	19,250,594	52,210,164	256,363,475
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	(1,912,151)	4,604,057	(567,741)
25. Net investment income earned.....		216,260	264,642	1,167,905
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....		21,760	59	5,494
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	238,020	264,700	1,173,399
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....				
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	(1,674,131)	4,868,758	605,658
31. Federal and foreign income taxes incurred.....	XXX.....	81,324	104,112	478,949
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	(1,755,455)	4,764,646	126,709

DETAILS OF WRITE-INS

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

COSE Health and Wellness Trust
STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT		1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33.	Capital and surplus prior reporting year.....	20,661,811	11,549,185	11,549,185
34.	Net income or (loss) from Line 32.....	(1,755,455)	4,764,646	126,709
35.	Change in valuation basis of aggregate policy and claim reserves.....			0
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.0.....			0
37.	Change in net unrealized foreign exchange capital gain or (loss).....			
38.	Change in net deferred income tax.....			
39.	Change in nonadmitted assets.....	29,625	(98,771)	(14,083)
40.	Change in unauthorized and certified reinsurance.....			
41.	Change in treasury stock.....			
42.	Change in surplus notes.....			9,000,000
43.	Cumulative effect of changes in accounting principles.....			
44.	Capital changes:			
44.1	Paid in.....			
44.2	Transferred from surplus (Stock Dividend).....			
44.3	Transferred to surplus.....			
45.	Surplus adjustments:			
45.1	Paid in.....			
45.2	Transferred to capital (Stock Dividend).....			
45.3	Transferred from capital.....			
46.	Dividends to stockholders.....			
47.	Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48.	Net change in capital and surplus (Lines 34 to 47).....	(1,725,830)	4,665,875	9,112,626
49.	Capital and surplus end of reporting period (Line 33 plus 48).....	18,935,981	16,215,060	20,661,811

DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799.	Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	75,498,569	56,824,825	255,826,944
2. Net investment income.....	187,577	215,021	1,116,729
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	75,686,146	57,039,845	256,943,673
5. Benefit and loss related payments.....	57,967,720	38,930,436	219,574,966
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	9,212,360	7,799,060	40,342,929
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(6,465)	(10,287)	666,080
10. Total (Lines 5 through 9).....	67,173,616	46,719,210	260,583,975
11. Net cash from operations (Line 4 minus Line 10).....	8,512,530	10,320,636	(3,640,303)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,900,000	250,000	4,600,000
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).....	1,900,000	250,000	4,600,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....			
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	0	0
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	1,900,000	250,000	4,600,000
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			9,000,000
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	29,625	(98,771)	(14,083)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	29,625	(98,771)	8,985,917
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	10,442,155	10,471,865	9,945,614
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	32,156,567	22,210,953	22,210,953
19.2 End of period (Line 18 plus Line 19.1).....	42,598,721	32,682,818	32,156,567

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

20.0001			
---------	--	--	--

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year.....	62,247		62,247							
2. First Quarter.....	61,879		61,879							
3. Second Quarter.....	0									
4. Third Quarter.....	0									
5. Current Year.....	61,879		61,879							
6. Current Year Member Months.....	185,976		185,976							
Total Member Ambulatory Encounters for Period:										
7. Physician.....	119,887		119,887							
8. Non-Physician.....	71,761		71,761							
9. Total.....	191,648	0	191,648	0	0	0	0	0	0	
10. Hospital Patient Days Incurred.....	2,636		2,636							
11. Number of Inpatient Admissions.....	741		741							
12. Health Premiums Written (a).....	78,366,198		78,366,198							
13. Life Premiums Direct.....	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	0									
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services.....	33,407,496		33,407,496							
18. Amount Incurred for Provision of Health Care Services.....	37,141,572		37,141,572							

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$.0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0599999. Unreported Claims and Other Claim Reserves.....						34,098.8
0799999. Total Claims Unpaid.....						34,098.8

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	Current Year to Date	2019
NET INCOME					
(1) COSE Health and Wellness Trust Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ (1,755,455)	\$ 126,709
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ (1,755,455)	\$ 126,709
SURPLUS					
(5) COSE Health and Wellness Trust Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 18,935,981	\$ 20,661,811
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 18,935,981	\$ 20,661,811

B. Use of Estimates in the Preparation of the Financial Statement
No significant changes

C. Accounting Policy
These financial statements have been prepared in accordance with the NAIC Quarterly Statement Instructions and Accounting Practices and Procedures Manual.

(1) Basis for Short-Term Investments
No significant changes

(2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method
Bonds not backed by other loans are stated at amortized cost using the interest method.

(6) Basis for Loan-Backed Securities and Adjustment Methodology
Not Applicable

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses
No significant changes

(13) Method Used to Estimate Pharmaceutical Rebate Receivables
No significant changes

D. Going Concern
There is no substantial doubt by Management or the Trustees about the COSE Health and Wellness Trust's ability to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

Not applicable

Note 4 – Discontinued Operations

Not applicable

Note 5 – Investments

Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

Note 7 – Investment Income

No investment income was classified for exclusion.

Note 8 – Derivative Instruments

Not applicable

Note 9 – Income Taxes

COSE Health and Wellness Trust

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1.	Operating Percentages:		
1.1	A&H loss percent		30.9 %
1.2	A&H cost containment percent		0.0 %
1.3	A&H expense percent excluding cost containment expenses		17.7 %
2.1	Do you act as a custodian for health savings accounts?	Yes []	No [X]
2.2	If yes, please provide the amount of custodial funds held as of the reporting date.		0
2.3	Do you act as an administrator for health savings accounts?	Yes []	No [X]
2.4	If yes, please provide the amount of funds administered as of the reporting date.		0
3.	Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?.....	Yes []	No [X]
3.1	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]