

**ANNUAL STATEMENT**

**OF THE**

**Devoted Health Plan of Ohio, Inc.**

**of** **Columbus**

**STATE OF** **Ohio**

**TO THE**

**Insurance Department**

**OF THE**

**State of Ohio**

**FOR THE YEAR ENDED**

**December 31, 2020**

**HEALTH**

**2020**



16758202020100100

**ANNUAL STATEMENT**For the Year Ended December 31, 2020  
OF THE CONDITION AND AFFAIRS OF THE**Devoted Health Plan of Ohio, Inc.**

|                                       |  |                          |  |   |   |                                     |
|---------------------------------------|--|--------------------------|--|---|---|-------------------------------------|
| NAIC Group Code                       | 4924<br>(Current Period)   | 4924<br>(Prior Period)   | NAIC Company Code  | 16758   | Employer's ID Number                            | 83-4458231                          |
| Organized under the Laws of           | OH   |                          | , State of Domicile or Port of Entry   |   | OH  |                                     |
| Country of Domicile                   | US   |                          |  |   |   |                                     |
| Licensed as business type:            | Life, Accident & Health  | <input type="checkbox"/> | Property/Casualty  | <input type="checkbox"/>  | Hospital, Medical & Dental Service or Indemnity | <input type="checkbox"/>            |
|                                       | Dental Service Corporation                                       | <input type="checkbox"/> | Vision Service Corporation   | <input type="checkbox"/>  | Health Maintenance Organization                 | <input checked="" type="checkbox"/> |
|                                       | Other  | <input type="checkbox"/> | Is HMO Federally Qualified?  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |   |                                     |
| Incorporated/Organized                | April 18, 2019   |                          | Commenced Business   | January 1, 2021   |   |                                     |
| Statutory Home Office                 | 221 Crescent Street Suite 202<br>(Street and Number)             |                          | Waltham, MA, US 02453<br>(City or Town, State, Country and Zip Code)   |   |   |                                     |
| Main Administrative Office            | 221 Crescent Street Suite 202<br>(Street and Number)             |                          | Waltham, MA, US 02453<br>(City or Town, State, Country and Zip Code)   |   |   |                                     |
| Mail Address                          | 221 Crescent Street Suite 202<br>(Street and Number or P.O. Box) |                          | Waltham, MA, US 02453<br>(City or Town, State, Country and Zip Code)   |   |   |                                     |
| Primary Location of Books and Records | 221 Crescent Street Suite 202<br>(Street and Number)             |                          | Waltham, MA, US 02453 862-222-7841<br>(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) |   |   |                                     |
| Internet Web Site Address             | www.devoted.com  |                          |  |   |   |                                     |
| Statutory Statement Contact           | Adam Thackery<br>(Name)  |                          | 862-222-7841<br>(Area Code)  | (Telephone Number)  | (Extension)                                     | 978-616-7824<br>(Fax Number)        |
|                                       | athackery@devoted.com<br>(E-Mail Address)                        |                          |  |   |   |                                     |

**OFFICERS**

|    | Name            | Title                                 |
|----|-----------------|---------------------------------------|
| 1. | Daniel Quintana | President and Chief Executive Officer |
| 2. | Adam Thackery   | Chief Financial Officer               |
| 3. | Jeremy Delinsky | Chief Operating Officer               |
| 4. | Paul Jernigan   | Secretary                             |

**VICE-PRESIDENTS**

| Name                  | Title            | Name      | Title             |
|-----------------------|------------------|-----------|-------------------|
| Michael Nohomovitz MD | Medical Director | Dan Quinn | Appointed Actuary |
|                       |                  |           |                   |
|                       |                  |           |                   |
|                       |                  |           |                   |
|                       |                  |           |                   |

**DIRECTORS OR TRUSTEES**

|               |                 |           |                 |
|---------------|-----------------|-----------|-----------------|
| Ed Park       | Daniel Quintana | Todd Park | Jeremy Delinsky |
| Adam Thackery |                 |           |                 |
|               |                 |           |                 |
|               |                 |           |                 |
|               |                 |           |                 |

State of OH .....

County of Columbus .....

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)  
Daniel Quintana  
(Printed Name)  
1.

President and Chief Executive Officer  
(Title)

Subscribed and sworn to (or affirmed) before me this on this  
day of , 2021, by

(Signature)  
Adam Thackery  
(Printed Name)  
2.

Chief Financial Officer  
(Title)

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

**ASSETS**

|   | Current Year |                            |  | Prior Year                  |
|---|--------------|----------------------------|--|-----------------------------|
|   | 1<br>Assets  | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1 - 2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D)   |              |                            |  |                             |
| 2. Stocks (Schedule D):   |              |                            |  |                             |
| 2.1 Preferred stocks  |              |                            |  |                             |
| 2.2 Common stocks   |              |                            |  |                             |
| 3. Mortgage loans on real estate (Schedule B):  |              |                            |  |                             |
| 3.1 First liens   |              |                            |  |                             |
| 3.2 Other than first liens  |              |                            |  |                             |
| 4. Real estate (Schedule A):  |              |                            |  |                             |
| 4.1 Properties occupied by the company (less \$ 0 encumbrances)   |              |                            |  |                             |
| 4.2 Properties held for the production of income (less \$ 0 encumbrances)   |              |                            |  |                             |
| 4.3 Properties held for sale (less \$ 0 encumbrances)   |              |                            |  |                             |
| 5. Cash (\$ 4,100,337, Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 0, Schedule DA)   | 4,100,337    |                            | 4,100,337                                    |                             |
| 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)   | 4,100,337    |                            | 4,100,337                                    |                             |
| 13. Title plants less \$ 0 charged off (for Title insurers only)  |              |                            |  |                             |
| 14. Investment income due and accrued   |              |                            |  |                             |
| 15. Premiums and considerations:  |              |                            |  |                             |
| 15.1 Uncollected premiums and agents' balances in the course of collection  |              |                            |  |                             |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums) |              |                            |  |                             |
| 15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)  |              |                            |  |                             |
| 16. Reinsurance:  |              |                            |  |                             |
| 16.1 Amounts recoverable from reinsurers  |              |                            |  |                             |
| 16.2 Funds held by or deposited with reinsured companies  |              |                            |  |                             |
| 16.3 Other amounts receivable under reinsurance contracts   |              |                            |  |                             |
| 17. Amounts receivable relating to uninsured plans  |              |                            |  |                             |
| 18.1 Current federal and foreign income tax recoverable and interest thereon  |              |                            |  |                             |
| 18.2 Net deferred tax asset   |              |                            |  |                             |
| 19. Guaranty funds receivable or on deposit   |              |                            |  |                             |
| 20. Electronic data processing equipment and software   |              |                            |  |                             |
| 21. Furniture and equipment, including health care delivery assets (\$ 0)   |              |                            |  |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates  |              |                            |  |                             |
| 23. Receivables from parent, subsidiaries and affiliates  | 30           |                            | 30   |                             |
| 24. Health care (\$ 0) and other amounts receivable   | 11,000       | 11,000                     |  |                             |
| 25. Aggregate write-ins for other-than-invested assets  |              |                            |  |                             |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)                              | 4,111,367    | 11,000                     | 4,100,367                                    |                             |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts   |              |                            |  |                             |
| 28. Total (Lines 26 and 27)   | 4,111,367    | 11,000                     | 4,100,367                                    |                             |

| DETAILS OF WRITE-IN LINES   |             |  |  |  |
|---|-------------|--|--|--|
| 1101.   |             |  |  |  |
| 1102.   |             |  |  |  |
| 1103.   |             |  |  |  |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | <b>NONE</b> |  |  |  |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)    |             |  |  |  |
| 2501.   |             |  |  |  |
| 2502.   |             |  |  |  |
| 2503.   |             |  |  |  |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | <b>NONE</b> |  |  |  |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)    |             |  |  |  |

**LIABILITIES, CAPITAL AND SURPLUS**

|   | Current Year |                |             | Prior Year |
|---|--------------|----------------|-------------|------------|
|   | 1<br>Covered | 2<br>Uncovered | 3<br>Total  | 4<br>Total |
| 1. Claims unpaid (less \$ 0 reinsurance ceded)  |              |                |             |            |
| 2. Accrued medical incentive pool and bonus amounts   |              |                |             |            |
| 3. Unpaid claims adjustment expenses  |              |                |             |            |
| 4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Services Act   | 1,394,287    |                | 1,394,287   |            |
| 5. Aggregate life policy reserves   |              |                |             |            |
| 6. Property/casualty unearned premium reserves  |              |                |             |            |
| 7. Aggregate health claim reserves  |              |                |             |            |
| 8. Premiums received in advance   |              |                |             |            |
| 9. General expenses due or accrued  |              |                |             |            |
| 10.1. Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized 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   |              |                |             |            |
| 14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)  |              |                |             |            |
| 15. Amounts due to parent, subsidiaries and affiliates  |              |                |             |            |
| 16. Derivatives   |              |                |             |            |
| 17. Payable for securities  |              |                |             |            |
| 18. Payable for securities lending  |              |                |             |            |
| 19. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers, \$ 0 unauthorized reinsurers and \$ 0 certified reinsurers) |              |                |             |            |
| 20. Reinsurance in unauthorized and certified \$ 0 companies  |              |                |             |            |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates   |              |                |             |            |
| 22. Liability for amounts held under uninsured plans  |              |                |             |            |
| 23. Aggregate write-ins for other liabilities (including \$ 11,000 current)   | 11,000       |                | 11,000      |            |
| 24. Total liabilities (Lines 1 to 23)   | 1,405,287    |                | 1,405,287   |            |
| 25. Aggregate write-ins for special surplus funds   | XXX          | XXX            |             |            |
| 26. Common capital stock  | XXX          | XXX            |             | 1          |
| 27. Preferred capital stock   | XXX          | XXX            |             |            |
| 28. Gross paid in and contributed surplus   | XXX          | XXX            | 4,099,999   |            |
| 29. Surplus notes   | XXX          | XXX            |             |            |
| 30. Aggregate write-ins for other than special surplus funds  | XXX          | XXX            |             |            |
| 31. Unassigned funds (surplus)  | XXX          | XXX            | (1,404,920) |            |
| 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            | 2,695,080   |            |
| 34. Total liabilities, capital and surplus (Lines 24 and 33)  | XXX          | XXX            | 4,100,367   |            |

| DETAILS OF WRITE-IN LINES   |     |        |  |        |
|---|-----|--------|--|--------|
| 2301. Advances to providers payable                                 |     | 11,000 |  | 11,000 |
| 2302.   |     |        |  |        |
| 2303.   |     |        |  |        |
| 2398. Summary of remaining write-ins for Line 23 from overflow page |     |        |  |        |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)    |     | 11,000 |  | 11,000 |
| 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    |  |        |

**NONE**

**STATEMENT OF REVENUE AND EXPENSES**

|  | Current Year   |             | Prior Year |
|--|----------------|-------------|------------|
|  | 1<br>Uncovered | 2<br>Total  | 3<br>Total |
| 1. Member Months .....   | XXX            |             |            |
| 2. Net premium income (including \$ 0 non-health premium income) .....   | XXX            |             |            |
| 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            |             |            |
| 7. Aggregate write-ins for other non-health revenues .....   | XXX            |             |            |
| 8. Total revenues (Lines 2 to 7) .....   | XXX            |             |            |
| <b>Hospital and Medical:</b>   |                |             |            |
| 9. Hospital/medical benefits .....   |                |             |            |
| 10. Other professional services .....  |                |             |            |
| 11. Outside referrals .....  |                |             |            |
| 12. Emergency room and out-of-area .....   |                |             |            |
| 13. Prescription drugs .....   |                |             |            |
| 14. Aggregate write-ins for other hospital and medical .....   |                |             |            |
| 15. Incentive pool, withhold adjustments and bonus amounts .....   |                |             |            |
| 16. Subtotal (Lines 9 to 15) .....   |                |             |            |
| <b>Less:</b>   |                |             |            |
| 17. Net reinsurance recoveries .....   |                |             |            |
| 18. Total hospital and medical (Lines 16 minus 17) .....   |                |             |            |
| 19. Non-health claims (net) .....  |                |             |            |
| 20. Claims adjustment expenses, including \$ 0 cost containment expenses .....   |                |             |            |
| 21. General administrative expenses .....  |                |             |            |
| 22. Increase in reserves for life and accident and health contracts (including<br>\$ 0 increase in reserves for life only) .....       |                | 1,394,287   |            |
| 23. Total underwriting deductions (Lines 18 through 22) .....  |                | 1,394,287   |            |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) .....   | XXX            | (1,394,287) |            |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....   |                | 367         |            |
| 26. Net realized capital gains (losses) less capital gains tax of \$ 0 .....   |                |             |            |
| 27. Net investment gains (losses) (Lines 25 plus 26) .....   |                | 367         |            |
| 28. Net gain or (loss) from agents' or premium balances charged off [ (amount<br>recovered \$ 0) (amount charged off \$ 0) ] .....     |                |             |            |
| 29. Aggregate write-ins for other income or expenses .....   |                |             |            |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes<br>(Lines 24 plus 27 plus 28 plus 29) ..... | XXX            | (1,393,920) |            |
| 31. Federal and foreign income taxes incurred .....  | XXX            |             |            |
| 32. Net income (loss) (Lines 30 minus 31) .....  | XXX            | (1,393,920) |            |

| DETAILS OF WRITE-IN LINES   |     |  |  |
|---|-----|--|--|
| 0601. ....  | XXX |  |  |
| 0602. ....  | XXX |  |  |
| 0603. ....  | XXX |  |  |
| 0698. Summary of remaining write-ins for Line 06 from overflow page ..... | XXX |  |  |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above) .....    | XXX |  |  |
| 0701. ....  | XXX |  |  |
| 0702. ....  | XXX |  |  |
| 0703. ....  | XXX |  |  |
| 0798. Summary of remaining write-ins for Line 07 from overflow page ..... | XXX |  |  |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 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. ....  |     |  |  |
| 2902. ....  |     |  |  |
| 2903. ....  |     |  |  |
| 2998. Summary of remaining write-ins for Line 29 from overflow page ..... |     |  |  |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....    |     |  |  |

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

|  | 1            | 2          |
|--|--------------|------------|
|  | Current Year | Prior Year |
| <b>CAPITAL &amp; SURPLUS ACCOUNT</b>   |              |            |
| 33. Capital and surplus prior reporting year                                     |              |            |
| 34. Net income or (loss) from Line 32  | (1,393,920)  |            |
| 35. Change in valuation basis of aggregate policy and claim reserves             |              |            |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ | 0            |            |
| 37. Change in net unrealized foreign exchange capital gain or (loss)             |              |            |
| 38. Change in net deferred income tax  |              |            |
| 39. Change in nonadmitted assets   | (11,000)     |            |
| 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   | 1            |            |
| 44.2 Transferred from surplus (Stock Dividend)                                   |              |            |
| 44.3 Transferred to surplus  |              |            |
| 45. Surplus adjustments:   |              |            |
| 45.1 Paid in   | 4,099,999    |            |
| 45.2 Transferred to capital (Stock Dividend)                                     |              |            |
| 45.3 Transferred from capital  |              |            |
| 46. Dividends to stockholders  |              |            |
| 47. Aggregate write-ins for gains or (losses) in surplus                         |              |            |
| 48. Net change in capital and surplus (Lines 34 to 47)                           | 2,695,080    |            |
| 49. Capital and surplus end of reporting year (Line 33 plus 48)                  | 2,695,080    |            |

| DETAILS OF WRITE-IN LINES   |             |  |
|---|-------------|--|
| 4701.   |             |  |
| 4702.   |             |  |
| 4703.   |             |  |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | <b>NONE</b> |  |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)    |             |  |

**CASH FLOW**

|   | 1            | 2          |
|---|--------------|------------|
|   | Current Year | Prior Year |
| <b>Cash from Operations</b>   |              |            |
| 1. Premiums collected net of reinsurance  |              |            |
| 2. Net investment income  | 367          |            |
| 3. Miscellaneous income   |              |            |
| 4. Total (Lines 1 through 3)  | 367          |            |
| 5. Benefit and loss related payments  |              |            |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts                    |              |            |
| 7. Commissions, expenses paid and aggregate write-ins for deductions                                      |              |            |
| 8. Dividends paid to policyholders  |              |            |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)            |              |            |
| 10. Total (Lines 5 through 9)   |              |            |
| 11. Net cash from operations (Line 4 minus Line 10)   | 367          |            |
| <b>Cash from Investments</b>  |              |            |
| 12. Proceeds from investments sold, matured or repaid:  |              |            |
| 12.1 Bonds  |              |            |
| 12.2 Stocks   |              |            |
| 12.3 Mortgage loans   |              |            |
| 12.4 Real estate  |              |            |
| 12.5 Other invested assets  |              |            |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments                           |              |            |
| 12.7 Miscellaneous proceeds   |              |            |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)   |              |            |
| 13. Cost of investments acquired (long-term only):  |              |            |
| 13.1 Bonds  |              |            |
| 13.2 Stocks   |              |            |
| 13.3 Mortgage loans   |              |            |
| 13.4 Real estate  |              |            |
| 13.5 Other invested assets  |              |            |
| 13.6 Miscellaneous applications   |              |            |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)  |              |            |
| 14. Net increase (decrease) in contract loans and premium notes   |              |            |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)                                   |              |            |
| <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   | 4,099,999    |            |
| 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)         |            |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 4,099,970    |            |
| <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)       | 4,100,337    |            |
| 19. Cash, cash equivalents and short-term investments:  |              |            |
| 19.1 Beginning of year  |              |            |
| 19.2 End of year (Line 18 plus Line 19.1)   | 4,100,337    |            |

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

|         |  |  |
|---------|--|--|
| 20.0001 |  |  |
| 20.0002 |  |  |
| 20.0003 |  |  |

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

|   | 1<br>Total  | 2<br>Comprehensive<br>(Hospital &<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental<br>Only | 5<br>Vision<br>Only | 6<br>Federal<br>Employees<br>Health<br>Benefit Plan | 7<br>Title<br>XVIII<br>Medicare | 8<br>Title<br>XIX<br>Medicaid | 9<br>Other<br>Health | 10<br>Other<br>Non-Health |
|---|-------------|---|-----------------------------|---------------------|---------------------|---|---------------------------------|-------------------------------|----------------------|---------------------------|
| 1. Net premium income   |             |   |                             |                     |                     |   |                                 |                               |                      |                           |
| 2. Change in unearned premium reserves and reserve for rate credit      |             |   |                             |                     |                     |   |                                 |                               |                      |                           |
| 3. Fee-for-service (net of \$ 0 medical expenses)                       |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 4. Risk revenue   |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 5. Aggregate write-ins for other health care related revenues           |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 6. Aggregate write-ins for other non-health care related revenues       |             | XXX   | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 7. Total revenues (Lines 1 to 6)  |             |   |                             |                     |                     |   |                                 |                               |                      |                           |
| 8. Hospital/medical benefits  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 9. Other professional services  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 10. Outside referrals   |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 11. Emergency room and out-of-area                                      |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 12. Prescription drugs  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 13. Aggregate write-ins for other hospital and medical                  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 14. Incentive pool, withhold adjustments and bonus amounts              |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 15. Subtotal (Lines 8 to 14)  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 16. Net reinsurance recoveries  |             |   |                             |                     |                     |   |                                 |                               |                      | XXX                       |
| 17. Total hospital and medical (Lines 15 minus 16)                      |             | XXX   | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 18. Non-health claims (net)   |             |   |                             |                     |                     |   |                                 |                               |                      |                           |
| 19. Claims adjustment expenses including \$ 0 cost containment expenses | 1,394,287   | XXX   | XXX                         | XXX                 | XXX                 | XXX   | XXX                             | XXX                           | XXX                  |                           |
| 20. General administrative expenses                                     |             |   |                             |                     |                     |   |                                 |                               |                      |                           |
| 21. Increase in reserves for accident and health contracts              |             |   |                             |                     |                     |   | 1,394,287                       |                               |                      |                           |
| 22. Increase in reserves for life contracts                             |             |   |                             |                     |                     |   | XXX                             | XXX                           | XXX                  |                           |
| 23. Total underwriting deductions (Lines 17 to 22)                      | 1,394,287   |   |                             |                     |                     |   | 1,394,287                       |                               |                      |                           |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23)              | (1,394,287) |   |                             |                     |                     |   | (1,394,287)                     |                               |                      |                           |

| DETAILS OF WRITE-IN LINES   |     |     |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 0501.   |     |     |     |     |     |     |     |     |     |     |
| 0502.   |     |     |     |     |     |     |     |     |     |     |
| 0503.   |     |     |     |     |     |     |     |     |     |     |
| 0598. Summary of remaining write-ins for Line 05 from overflow page |     |     |     |     |     |     |     |     |     |     |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)    |     |     |     |     |     |     |     |     |     | XXX |
| 0601.   | XXX |     |
| 0602.   | XXX |     |
| 0603.   | XXX |     |
| 0698. Summary of remaining write-ins for Line 06 from overflow page | XXX |     |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)    | XXX |     |
| 1301.   |     |     |     |     |     |     |     |     |     |     |
| 1302.   |     |     |     |     |     |     |     |     |     |     |
| 1303.   |     |     |     |     |     |     |     |     |     |     |
| 1398. Summary of remaining write-ins for Line 13 from overflow page |     |     |     |     |     |     |     |     |     |     |
| 1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)    |     |     |     |     |     |     |     |     |     | XXX |

**NONE****NONE****NONE**

**NONE Underwriting and Investment Exhibit - Part 1**

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

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

**NONE**

(a) Excludes \$ 11,000 loans or advances to providers not yet expensed.

**NONE Underwriting and Investment Exhibit - Part 2A**

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

| Line of Business                              | Claims<br>Paid During the Year                                   |   | Claim Reserve and Claim<br>Liability December 31<br>of Current Year |   | 5<br>Claims<br>Incurred<br>in<br>Prior Years<br>(Columns 1 + 3) | 6<br>Estimated Claim<br>Reserve and<br>Claim Liability<br>December 31<br>of Prior Year |
|---|--|---|---|---|---|--|
|   | 1<br>On Claims Incurred<br>Prior to January 1<br>of Current Year | 2<br>On Claims Incurred<br>During the<br>Year | 3<br>On Claims Unpaid<br>December 31<br>of Prior Year               | 4<br>On Claims Incurred<br>During the<br>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                     |  |   |   |   |   |  |
| 7. Title XIX – Medicaid                       |  |   |   |   |   |  |
| 8. Other health                               |  |   |   |   |   |  |
| 9. Health subtotal (Lines 1 to 8)             |  |   |   |   |   |  |
| 10. Health care receivables (a)               |  |   |   |   |   |  |
| 11. Other non-health                          |  |   |   |   |   |  |
| 12. Medical incentive pools and bonus amounts |  |   |   |   |   |  |
| 13. Totals (Lines 9 - 10 + 11 + 12)           |  |   |   |   |   |  |

**NONE**

(a) Excludes \$ 11,000 loans or advances to providers not yet expensed.

**NONE Underwriting and Investment Exhibit - Part 2C**

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

|  | 1<br>Total | 2<br>Comprehensive<br>(Hospital &<br>Medical) | 3<br>Medicare<br>Supplement | 4<br>Dental<br>Only | 5<br>Vision<br>Only | 6<br>Federal<br>Employees<br>Health<br>Benefits Plan | 7<br>Title<br>XVIII<br>Medicare | 8<br>Title<br>XIX<br>Medicaid | 9<br>Other |
|--|------------|---|-----------------------------|---------------------|---------------------|--|---------------------------------|-------------------------------|------------|
| 1. Unearned premium reserves .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 2. Additional policy reserves (a) .....  | 1,394,287  |   |                             |                     |                     |  | 1,394,287                       |                               |            |
| 3. Reserve for future contingent benefits .....  |            |   |                             |                     |                     |  |                                 |                               |            |
| 4. Reserve for rate credits or experience rating refunds (including<br>\$ 0 for investment income) ..... |            |   |                             |                     |                     |  |                                 |                               |            |
| 5. Aggregate write-ins for other policy reserves .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 6. Totals (gross) .....  | 1,394,287  |   |                             |                     |                     |  | 1,394,287                       |                               |            |
| 7. Reinsurance ceded .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 8. Totals (Net) (Page 3, Line 4) .....   | 1,394,287  |   |                             |                     |                     |  | 1,394,287                       |                               |            |
| 9. Present value of amounts not yet due on claims .....  |            |   |                             |                     |                     |  |                                 |                               |            |
| 10. Reserve for future contingent benefits .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 11. Aggregate write-ins for other claim reserves .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 12. Totals (gross) .....   |            |   |                             |                     |                     |  |                                 |                               |            |
| 13. Reinsurance ceded .....  |            |   |                             |                     |                     |  |                                 |                               |            |
| 14. Totals (Net) (Page 3, Line 7) .....  |            |   |                             |                     |                     |  |                                 |                               |            |

13

| DETAILS OF WRITE-IN LINES   |  |  |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|--|
| 0501. ....  |  |  |  |  |  |  |  |  |  |
| 0502. ....  |  |  |  |  |  |  |  |  |  |
| 0503. ....  |  |  |  |  |  |  |  |  |  |
| 0598. Summary of remaining write-ins for Line 05 from overflow page ..... |  |  |  |  |  |  |  |  |  |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above) .....    |  |  |  |  |  |  |  |  |  |
| 1101. ....  |  |  |  |  |  |  |  |  |  |
| 1102. ....  |  |  |  |  |  |  |  |  |  |
| 1103. ....  |  |  |  |  |  |  |  |  |  |
| 1198. Summary of remaining write-ins for Line 11 from overflow page ..... |  |  |  |  |  |  |  |  |  |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....    |  |  |  |  |  |  |  |  |  |

**NONE****NONE**

(a) Includes \$ 1,394,287 premium deficiency reserve.

**NONE Underwriting and Investment Exhibit - Part 3**

**EXHIBIT OF NET INVESTMENT INCOME**

|   | 1<br>Collected<br>During Year | 2<br>Earned<br>During Year |
|---|-------------------------------|----------------------------|
| 1. U.S. Government bonds  | (a)                           |                            |
| 1.1 Bonds exempt from U.S. tax  | (a)                           |                            |
| 1.2 Other bonds (unaffiliated)  | (a)                           |                            |
| 1.3 Bonds of affiliates   | (a)                           |                            |
| 2.1 Preferred stocks (unaffiliated)                                     | (b)                           |                            |
| 2.11 Preferred stocks of affiliates                                     | (b)                           |                            |
| 2.2 Common stocks (unaffiliated)  |                               |                            |
| 2.21 Common stocks of affiliates  |                               |                            |
| 3. Mortgage loans   | (c)                           |                            |
| 4. Real estate  | (d)                           |                            |
| 5. Contract loans   |                               |                            |
| 6. Cash, cash equivalents and short-term investments                    | (e)                           | 367                        |
| 7. Derivative instruments   | (f)                           |                            |
| 8. Other invested assets  |                               |                            |
| 9. Aggregate write-ins for investment income                            |                               |                            |
| 10. Total gross investment income                                       |                               | 367                        |
| 11. Investment expenses   |                               | (g)                        |
| 12. Investment taxes, licenses and fees, excluding federal income taxes |                               | (g)                        |
| 13. Interest expense  |                               | (h)                        |
| 14. Depreciation on real estate and other invested assets               |                               | (i)                        |
| 15. Aggregate write-ins for deductions from investment income           |                               |                            |
| 16. Total deductions (Lines 11 through 15)                              |                               |                            |
| 17. Net investment income (Line 10 minus Line 16)                       |                               | 367                        |

| DETAILS OF WRITE-IN LINES   |             |  |
|---|-------------|--|
| 0901.   |             |  |
| 0902.   |             |  |
| 0903.   |             |  |
| 0998. Summary of remaining write-ins for Line 09 from overflow page | <b>NONE</b> |  |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)    |             |  |
| 1501.   |             |  |
| 1502.   |             |  |
| 1503.   |             |  |
| 1598. Summary of remaining write-ins for Line 15 from overflow page | <b>NONE</b> |  |
| 1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)    |             |  |

(a) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.  
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.  
 (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.  
 (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.  
 (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

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

| DETAILS OF WRITE-IN LINES   |             |  |  |  |  |
|---|-------------|--|--|--|--|
| 0901.   |             |  |  |  |  |
| 0902.   |             |  |  |  |  |
| 0903.   |             |  |  |  |  |
| 0998. Summary of remaining write-ins for Line 09 from overflow page | <b>NONE</b> |  |  |  |  |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)    |             |  |  |  |  |

**EXHIBIT OF NONADMITTED ASSETS**

|  | 1<br>Current Year<br>Total<br>Nonadmitted<br>Assets | 2<br>Prior Year<br>Total<br>Nonadmitted Assets | 3<br>Change in Total<br>Nonadmitted Assets<br>(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 leins  |   |  |   |
| 3.2 Other than first leins   |   |  |   |
| 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. Premiums and considerations:   |   |  |   |
| 15.1 Uncollected premiums and agents' balances in the course of collection                                     |   |  |   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due                  |   |  |   |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination                                   |   |  |   |
| 16. Reinsurance:   |   |  |   |
| 16.1 Amounts recoverable from reinsurers   |   |  |   |
| 16.2 Funds held by or deposited with reinsured companies   |   |  |   |
| 16.3 Other amounts receivable under reinsurance contracts  |   |  |   |
| 17. Amounts receivable relating to uninsured plans   |   |  |   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon                                   |   |  |   |
| 18.2 Net deferred tax asset  |   |  |   |
| 19. Guaranty funds receivable or on deposit  |   |  |   |
| 20. Electronic data processing equipment and software  |   |  |   |
| 21. Furniture and equipment, including health care delivery assets   |   |  |   |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates                                     |   |  |   |
| 23. Receivables from parent, subsidiaries and affiliates   |   |  |   |
| 24. Health care and other amounts receivable   | 11,000  |  | (11,000)  |
| 25. Aggregate write-ins for other-than-invested assets   |   |  |   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 11,000  |  | (11,000)  |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts                                    |   |  |   |
| 28. Total (Lines 26 and 27)  | 11,000  |  | (11,000)  |

| DETAILS OF WRITE-IN LINES   |             |  |  |
|---|-------------|--|--|
| 1101.   |             |  |  |
| 1102.   |             |  |  |
| 1103.   |             |  |  |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | <b>NONE</b> |  |  |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)    |             |  |  |
| 2501.   |             |  |  |
| 2502.   |             |  |  |
| 2503.   |             |  |  |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | <b>NONE</b> |  |  |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)    |             |  |  |

**NONE      Exhibit 1 - Enrollment By Product Type**

## NOTES TO FINANCIAL STATEMENTS

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

#### **A. Accounting Practices**

The financial statements of Devoted Health Plan of Ohio, Inc. (the “Company”) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the “Department”). On January 1, 2021, the Company began writing Medicare Advantage benefit plan business in the State of Ohio.

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures Manual (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. At this time, there are no prescribed or permitted practices that impact the Company’s statutory basis financial statements.

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

|  | SSAP # | F/S Page | F/S Line # | Current Year to Date | 2019 |
|--|--------|----------|------------|----------------------|------|
| <b>NET INCOME</b>  |        |          |            |                      |      |
| (1) Devoted Health Plan of OH Inc. Company state basis<br>(Page 4, Line 32, Columns 2 & 4) | XXX    | XXX      | XXX        | \$ (1,393,920)       | \$   |
| (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        | \$ (1,393,920)       | \$   |
| <b>SURPLUS</b>   |        |          |            |                      |      |
| (5) Devoted Health Plan of OH Inc. Company state basis<br>(Page 3, Line 33, Columns 3 & 4) | XXX    | XXX      | XXX        | \$ 2,695,080         | \$   |
| (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        | \$ 2,695,080         | \$   |

#### **B. Use of Estimates in the Preparation of the Financial Statement**

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

#### **C. Accounting Policy**

- (1) Basis for Short Term Investments  
None.
- (2) Basis for Bonds and Amortization Schedule  
None.
- (3) Basis for Common Stocks  
None.
- (4) Basis for Preferred Stocks  
None.
- (5) Basis for Mortgage Loans  
None.

## **NOTES TO FINANCIAL STATEMENTS**

### **Note 1. Summary of Significant Accounting Policies and Going Concern (continued)**

- (6) Basis for Loan-Backed Securities and Adjustment Methodology  
None.
- (7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities  
None.
- (8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities  
None.
- (9) Accounting Policies for Derivatives  
None.
- (10) Anticipated Investment Income Used in Premium Deficiency Calculation  
  
The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses  
None.
- (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period  
  
The Company capitalization policy is \$5,000.
- (13) Method Used to Estimate Pharmaceutical Rebate Receivables  
None.

D. Going Concern  
None.

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

Not applicable.

### **Note 3 Business Combinations and Goodwill**

Not applicable.

### **Note 4 Discontinued Operations**

Not applicable

### **Note 5 Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans  
Not applicable.
- B. Debt Restructuring  
Not applicable.
- C. Reverse Mortgages  
Not applicable.
- D. Loan-Backed Securities  
Not applicable.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions  
Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### Note 5. Investments (continued)

- F. Repurchase Agreements Transactions Accounting for as Secured Borrowing  
Not applicable.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions  
Not applicable.
- H. Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction  
– Cash Taker – Overview of Sale Transactions  
Not applicable
- I. Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction  
– Cash Provider – Overview of Sale Transactions  
Not applicable.
- J. Real Estate  
Not applicable.
- K. Low-Income Housing Tax Credits (LIHTC)  
Not applicable.
- L. Restricted Assets

#### (1) Restricted Assets (Including Pledged)

| Restricted Asset Category  | 1   | 2   | 3                           | 4   | 5  | 6   | 7  |
|--|---|---|-----------------------------|---|--|---|--|
|  | Total Gross (Admitted & Nonadmitted) Restricted from Current Year | Total Gross (Admitted & Nonadmitted) Restricted from Prior Year | Increase (Decrease) (1 – 2) | Total Current Year Nonadmitted Restricted | Total Current Year Admitted Restricted (1 – 4) | Gross (Admitted & Nonadmitted) Restricted to Total Assets (a) | Admitted Restricted to Total Admitted Assets (b) |
| a. Subject to contractual obligation for which liability is not shown              | \$  | \$  | \$                          | \$  | \$   | %   | %  |
| b. Collateral held under security lending arrangements                             |   |   |                             |   |  | %   | %  |
| c. Subject to repurchase agreements  |   |   |                             |   |  | %   | %  |
| d. Subject to reverse repurchase agreements  |   |   |                             |   |  | %   | %  |
| e. Subject to dollar repurchase agreements   |   |   |                             |   |  | %   | %  |
| f. Subject to dollar reverse repurchase agreements                                 |   |   |                             |   |  | %   | %  |
| g. Placed under option contracts   |   |   |                             |   |  | %   | %  |
| h. Letter stock or securities restricted as to sale – excluding FHLB capital stock |   |   |                             |   |  | %   | %  |
| i. FHLB capital stock  |   |   |                             |   |  | %   | %  |
| j. On deposit with states  | 400,000   |   | 400,000                     |   | 400,000  | 9.729%  | 9.755%   |
| k. On deposit with other regulatory bodies   |   |   |                             |   |  | %   | %  |
| l. Pledged as collateral to FHLB (including assets backing funding agreements)     |   |   |                             |   |  | %   | %  |
| m. Pledged as collateral not captured in other categories                          |   |   |                             |   |  | %   | %  |
| n. Other restricted assets   |   |   |                             |   |  | %   | %  |
| o. Total Restricted Assets   | 400,000   |   | 400,000                     |   | 400,000  | 9.729%  | 9.755%   |

(a) Column 1 divided by Asset Page, Column 1, Line 28      (b) Column 5 divided by Asset Page, Column 3, Line 28

- M. Working Capital Finance Investments  
Not applicable.

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

## NOTES TO FINANCIAL STATEMENTS

### **Note 5. Investments (continued)**

- O. 5GI Securities  
Not applicable.
- P. Short Sales  
Not applicable.
- Q. Prepayment Penalty and Acceleration Fees  
Not applicable.

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

Not applicable.

### **Note 7. Investment Income**

- A. Due and accrued income was excluded from surplus on the following bases:
  - (1) All investment income due and accrued with amounts that are over 90 days past due.
  - B. The total amount excluded was \$0.

### **Note 8. Derivative Instruments**

Not applicable.

### **Note 9. Income Taxes**

#### A. Deferred Tax Assets/(Liabilities)

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

|                                       | 12/31/2020 |         |         | 12/31/2019 |         |       | Change   |         |         |
|---------------------------------------|------------|---------|---------|------------|---------|-------|----------|---------|---------|
|                                       | Ordinary   | Capital | Total   | Ordinary   | Capital | Total | Ordinary | Capital | Total   |
| a. Gross Deferred Tax Assets          | 292,800    | -       | 292,800 | -          | -       | -     | 292,800  | -       | 292,800 |
| b. Statutory Valuation Allowance      | 292,800    | -       | 292,800 | -          | -       | -     | 292,800  | -       | 292,800 |
| c. Adjusted Gross Deferred Tax Assets | -          | -       | -       | -          | -       | -     | -        | -       | -       |
| d. Deferred Tax Liabilities           | -          | -       | -       | -          | -       | -     | -        | -       | -       |
| e. Subtotal (Net Deferred Tax Assets) | -          | -       | -       | -          | -       | -     | -        | -       | -       |
| f. Deferred Tax Assets Nonadmitted    | -          | -       | -       | -          | -       | -     | -        | -       | -       |
| g. Net Admitted Deferred Tax Assets   | -          | -       | -       | -          | -       | -     | -        | -       | -       |

##### (2) Admission Calculation Components

|  | 12/31/2020 |         |       | 12/31/2019 |         |       | Change   |         |       |
|--|------------|---------|-------|------------|---------|-------|----------|---------|-------|
|  | Ordinary   | Capital | Total | Ordinary   | Capital | Total | Ordinary | Capital | Total |
| Admission Calculation Components SSAP No. 101, Paragraphs 11.a, 11.b, 11.c   |            |         |       |            |         |       |          |         |       |
| a. Paragraph 11.a Federal income taxes paid in prior years recoverable through loss carrybacks   | -          | -       | -     | -          | -       | -     | -        | -       | -     |
| b. Paragraph 11.b Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred assets from 11a above) after application of threshold limitation (lesser of paragraph 11.b.i. and 11.b.ii. below) | -          | -       | -     | -          | -       | -     | -        | -       | -     |
| c. Paragraph 11.b.i. Adjusted gross deferred tax assets expected to be realized following the balance sheet date   | -          | -       | -     | -          | -       | -     | -        | -       | -     |
| d. Paragraph 11.b.ii. Adjusted gross deferred tax assets allowed per limitation threshold  | -          | -       | -     | -          | -       | -     | -        | -       | -     |
| e. Paragraph 11.c Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities   | -          | -       | -     | -          | -       | -     | -        | -       | -     |
| f. Total (2a +2b +2e)  | -          | -       | -     | -          | -       | -     | -        | -       | -     |

##### (3) Other Admissibility Criteria

|  | 2020      | 2019 |
|--|-----------|------|
| a. Ratio percentage used to determine recovery period and threshold limitation amount                                | 3,2103.4% | -    |
| b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2.b.ii above | 0         | -    |

## NOTES TO FINANCIAL STATEMENTS

### Note 9. Income Taxes (continued)

#### (4) Impact of Tax Planning Strategies

None.

#### B. Deferred Tax Liabilities Not Recognized

Not applicable.

#### C. Current and Deferred Income Taxes

##### (1) Current Income Tax

|  | 12/31/2020 | 12/31/2019 | Change |
|--|------------|------------|--------|
| a. Current year income tax expense (benefit) | 77         | -          | 77     |
| b. Foreign                                   | -          | -          | -      |
| c. Subtotal                                  | 77         | -          | 77     |
| d. Federal income tax on net capital gains   | -          | -          | -      |
| e. Utilization of capital loss carryforwards | -          | -          | -      |
| g. Federal & foreign income taxes incurred   | 77         | -          | 77     |

##### (2) Deferred Tax Assets

|   | 12/31/2020 | 12/31/2019 | Change  |
|---|------------|------------|---------|
| a. Ordinary   |            |            |         |
| 1. Discounting of Unpaid Losses                         | -          | -          | -       |
| 2. Premium deficiency reserve                           | 292,800    | -          | 292,800 |
| 3. Unearned Premiums                                    | -          | -          | -       |
| 4. Net Operating Loss                                   | -          | -          | -       |
| 5. Accrued Expenses                                     | -          | -          | -       |
| 6. Subtotal   | 292,800    | -          | 292,800 |
| b. Statutory valuation allowance                        | 292,800    | -          | 292,800 |
| c. Nonadmitted  | -          | -          | -       |
| d. Admitted ordinary deferred tax assets (2a6 - 2b -2c) | -          | -          | -       |
| e. Capital  |            |            |         |
| None  | -          | -          | -       |
| Subtotal  | -          | -          | -       |
| f. Statutory valuation allowance adjustments            | -          | -          | -       |
| g. Nonadmitted  | -          | -          | -       |
| h. Admitted capital deferred tax assets (2e -2f - 2g)   | -          | -          | -       |
| i. Admitted deferred assets (2d + 2h)                   | -          | -          | -       |

##### (3) Deferred Tax Liabilities

|                   | 12/31/2020 | 12/31/2019 | Change |
|-------------------|------------|------------|--------|
| a. Ordinary       |            |            |        |
| Unearned Premiums | -          | -          | -      |
| b. Capital        |            |            |        |
| Unrealized Gains  | -          | -          | -      |
| Subtotal          | -          | -          | -      |

##### (4) Net Deferred Tax Assets/Liabilities

|   |   |   |   |
|---|---|---|---|
| Net Deferred Tax Assets/Liabilities (2i-3c) | - | - | - |
|---|---|---|---|

The change in net deferred income taxes is comprised of the following:

| Description   | 12/31/2020 | 12/31/2019 | Change    |
|---|------------|------------|-----------|
| Total deferred tax assets                             | 292,800    | -          | 292,800   |
| Total deferred tax liabilities                        | -          | -          | -         |
| Net deferred tax assets/liabilities                   | 292,800    | -          | 292,800   |
| Statutory valuation allowance adjustment              | (292,800)  | -          | (292,800) |
| Net deferred assets/liabilities after SVA             | -          | -          | -         |
| Tax effect of unrealized gains/losses                 | -          | -          | -         |
| Statutory valuation allowance allocated to unrealized | -          | -          | -         |
| Change in deferred income tax                         | -          | -          | -         |

The Company has incurred operating losses since inception and has provided a valuation allowance for the full amount of these net deferred tax assets since it is more likely than not that these future benefits will not be realized. However, these deferred tax assets may be available to offset future income tax liabilities and expenses.

## NOTES TO FINANCIAL STATEMENTS

### Note 9. Income Taxes (continued)

#### D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

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

| Description                              | Amount      | Tax Effect | Effective Tax Rate |
|--|-------------|------------|--------------------|
| Income before taxes                      | (1,393,920) | (292,723)  | 21.00%             |
| Meals and entertainment                  | -           | -          | 0.00%              |
| Prior Year (Over)/Under Accrual          | -           | -          | 0.00%              |
| Statutory valuation allowance adjustment | 1,394,287   | 292,723    | -21.00%            |
| <b>Total</b>                             | <b>367</b>  | <b>77</b>  | <b>0.00%</b>       |

|                                     |            |           |               |
|-------------------------------------|------------|-----------|---------------|
| Federal income taxes incurred       | 367        | 77        | -0.01%        |
| Change in Deferred Income Taxes     | -          | -         | 0.00%         |
| <b>Total Statutory Income Taxes</b> | <b>367</b> | <b>77</b> | <b>-0.01%</b> |

#### E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2020, the Company has the following amount of available net operating loss carryforward available for use in future years.  
\$0.

(2) The following is income tax expense for 2019 and 2018 that is available for recoupment in the event of future net losses:

| Year | Amount |
|------|--------|
| 2020 | -      |
| 2019 | -      |

(3) The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

#### F. Consolidated Federal Income Tax Return

(1) The Company files a consolidated income tax return with its parent, Devoted Health, Inc. and the following entities:  
 Devoted Health Holdco, LLC  
 Devoted Health Insurance Company  
 Devoted Medical Group, PLLC  
 Devoted Health Plan of Florida, Inc.  
 Devoted Health MSC, Inc.  
 Devoted Health Services, Inc.  
 Devoted Health Plan of Arizona, Inc.  
 Devoted Health Plan of Ohio, Inc.  
 Devoted Health Plan of Illinois, Inc.  
 Devoted Health Plan of Utah, Inc.  
 Devoted Health Plan of Alabama, Inc.  
 Devoted Health Plan of Nevada, Inc.  
 Devoted Medical Group, Inc.  
 Devoted Medical Group, PC

#### G. Federal or Foreign Tax Loss Contingencies

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

#### H. Repatriation Transition Tax (RTT)

Not applicable.

#### I. Alternative Minimum Tax (AMT) Credit

Not applicable

## NOTES TO FINANCIAL STATEMENTS

### **Note 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

#### A. Nature of the Relationship Involved

The Company is a wholly-owned subsidiary of Devoted Health Holdco, LLC (“Holdco”), whose direct parent is Devoted Health, Inc. (“DHI”).

#### B. Transactions Greater than ½ of 1% of Total Admitted Assets

The Company recorded capital contributions as follows:

- \$2,000,000 cash on December 29, 2020 from Holdco.
- \$400,000 non-cash settlement of amounts due to DHI.
- \$1,699,999 cash on July 22, 2019 from Holdco.

#### C. Transactions with Related Parties Who are Not Reported on Schedule Y

There are no transactions with related parties who are not reported on Schedule Y.

#### D. Amounts Due From or To Related Parties

At December 31, 2020, the Company reported \$30 as amounts due from DHI. At December 31, 2020, the Company had no amounts due to related parties. Intercompany balances are settled on a monthly basis.

#### E. Material management or Service Contracts and Cost-Sharing Arrangements

Not applicable.

#### F. Guarantees or Undertakings

Not applicable.

#### G. Nature of the Control Relationship

All outstanding shares of the Company are owned by Holdco, whose direct parent is DHI.

#### H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not applicable.

#### I. Investments in SCA that Exceed 10% of Admitted Assets

Not applicable.

#### J. Investments in Impaired SCAs

Not applicable.

#### K. Investment in Foreign Insurance Subsidiary

Not applicable.

#### L. Investment in Downstream Noninsurance Holding Company

Not applicable.

#### M. All SCA Investments

Not applicable.

#### N. Investment in Insurance SCAs

Not applicable.

#### O. SCA and SSAP No. 48 Entity Loss Tracking

Not applicable.

### **Note 11. Debt**

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### **Note 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

Not applicable.

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

#### A. Number of Shares and Par or Stated Value of Each Class

The Company had 100 shares of \$0.0001 par value common stock authorized, issued, and outstanding as of December 31, 2020. All shares are owned by Holdco. No other classes of common or preferred shares are authorized, issued, or outstanding as of December 31, 2020.

#### B. Dividend Rate, Liquidation Rate and Redemption Schedule of Preferred Stock Issues

Not applicable.

#### C. Dividend Restrictions

The maximum amount of dividends that may be paid by an HMO without prior approval of the Ohio Department of Insurance is subject to restrictions relating to statutory surplus and net income. The Company neither declared nor paid dividends to its sole shareholder during the year ended December 31, 2020.

#### D. Dates and Amounts of Dividends Paid

Not applicable.

#### E. Profits that may be Paid as Ordinary Dividends to Stockholders

Not applicable.

#### F. Restrictions Placed on Unassigned Funds (Surplus)

Not applicable.

#### G. Amount of Advances to Surplus not Repaid

Not applicable.

#### H. Amount of Stock Held for Special Purposes

Not applicable.

#### I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period

Not applicable.

#### J. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Cumulative Unrealized Gains and Losses is: \$0.

#### K. The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

Not applicable.

#### L. The Impact of Any Restatement Due to Prior Quasi-reorganization is as follows:

Not applicable.

#### M. Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization

Not applicable.

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

Not applicable.

### **Note 15. Leases**

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

---

### **Note 16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

Not applicable.

### **Note 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

The Company had no sale, transfer, or servicing of financial assets and extinguishments of liabilities.

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

Not applicable.

### **Note 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

Not applicable.

### **Note 20. Fair Value Measurements**

The Company has no assets or liabilities that are measured and reported at fair value that uses valuation techniques or inputs to determine measurements.

### **Note 21. Other Items**

Not applicable.

### **Note 22. Subsequent Events**

#### Type I – Recognized Subsequent Events

Subsequent events have been considered through March 1, 2021, which was the date of issuance for these statutory financial statements. There are no subsequent events to be reported.

#### Type II – Nonrecognized Subsequent Events

Subsequent events have been considered through March 1, 2021, which was the date of issuance for these statutory financial statements. There are no subsequent events to be reported.

### **Note 23. Reinsurance**

Not applicable.

### **Note 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

Not applicable.

### **Note 25. Change in Incurred Claims and Claims Adjustment Expenses**

Not applicable.

### **Note 26. Intercompany Pooling Arrangements**

Not applicable.

### **Note 27. Structured Settlements**

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

---

### **Note 28. Health Care Receivables**

The Company had no pharmaceutical rebate receivables or risk-sharing receivables as of December 31, 2020.

### **Note 29. Participating Policies**

Not applicable.

### **Note 30. Premium Deficiency Reserves**

1. Liability carried for premium deficiency reserves. \$1,394,287
2. Date of the most recent evaluation of this liability. January 21, 2021
3. Was anticipated investment income utilized in the calculation? Yes

### **Note 31. Anticipated Salvage and Subrogation**

Not applicable.

## GENERAL INTERROGATORIES

### PART 1 – COMMON INTERROGATORIES

#### GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1, 1A and 2.

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

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

1.3 State Regulating?

Ohio

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

Yes [ ] No [X]

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

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ] No [X]

2.2 If yes, date of change:

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

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

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

3.4 By what department or departments?

.....  
.....  
.....

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

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

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

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

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

4.11 sales of new business?

Yes [ ] No [X]

4.12 renewals?

Yes [ ] No [X]

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

4.21 sales of new business?

Yes [ ] No [X]

4.22 renewals?

Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ] No [X]

If yes, complete and file the merger history data file with the NAIC.

## GENERAL INTERROGATORIES

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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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. \_\_\_\_\_ %

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<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
| .....            | .....               |

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]

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

.....  
.....  
.....

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

Yes [ ] No [ X ]

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

| 1<br>Affiliate<br>Name | 2<br>Location<br>(City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|------------------------|--------------------------------|----------|----------|-----------|----------|
| .....                  | .....                          | .....    | .....    | .....     | .....    |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte, 200 Berkeley Street 10th Floor Boston, MA 02116

.....  
.....  
.....

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:

.....  
.....  
.....

## GENERAL INTERROGATORIES

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?

Daniel Quinn, FSA, MAAA, Devoted Health Inc. 221 Crescent Street, Suite 202 Waltham, MA 02453

.....

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

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

12.2 If yes, provide explanation:

.....

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

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

.....

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

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

- 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.

Yes [ X ] No [ ]

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

.....

## GENERAL INTERROGATORIES

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

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

.....

.....

.....

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

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

.....

.....

.....

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

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

| 1<br>American<br>Bankers<br>Association<br>(ABA) Routing Number | 2<br>Issuing or Confirming<br>Bank Name | 3<br>Circumstances That Can Trigger the Letter of Credit | 4<br>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) | \$ _____ |

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

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

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

## GENERAL INTERROGATORIES

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                       | \$ _____ |

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

Yes [ X ] No [ ]

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

\$ \_\_\_\_\_ 30

## INVESTMENT

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

Yes [ X ] No [ ]

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

.....  
.....  
.....

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

.....  
.....  
.....

24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk Based Capital Instructions.

\$ \_\_\_\_\_

24.05 For the reporting entity's securities lending program report amount of collateral for other programs.

\$ \_\_\_\_\_

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

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

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

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

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

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

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

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ \_\_\_\_\_

24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ \_\_\_\_\_

24.093 Total payable for securities lending reported on the liability page \$ \_\_\_\_\_

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 [ ]

## GENERAL INTERROGATORIES

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 -<br>excluding FHLB Capital Stock | \$ _____         |
| 25.27 | FHLB Capital Stock   | \$ _____         |
| 25.28 | On deposit with states   | \$ _____ 400,000 |
| 25.29 | On deposit with other regulatory bodies  | \$ _____         |
| 25.30 | Pledged as collateral - excluding collateral<br>pledged to an FHLB                 | \$ _____         |
| 25.31 | Pledged as collateral to FHLB - including<br>assets backing funding agreements     | \$ _____         |
| 25.32 | Other  | \$ _____         |

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>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, the reporting entity attests 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 within 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.

\$ \_\_\_\_\_

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No [ ]

## GENERAL INTERROGATORIES

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

| 1<br>Name of Custodian(s) | 2<br>Custodian's Address                |
|---------------------------|---|
| Silicon Valley Bank       | 3003 Tasman Drive Santa Clara, CA 95054 |

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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Name Firm or Individual | 2<br>Affiliation |
|------------------------------|------------------|
| .....                        | .....            |
| .....                        | .....            |

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes [ ] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [ ] No [X]

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

| 1<br>Name Firm or Individual | 2<br>Central Registration<br>Depository Number | 3<br>Legal Entity<br>Identifier (LEI) | 4<br>Registered With | 5<br>Investment Management<br>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<br>CUSIP # | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted Carrying Value |
|--------------|--------------------------|-----------------------------------|
| .....        | .....                    | .....                             |
| .....        | .....                    | .....                             |

## GENERAL INTERROGATORIES

| 1<br>CUSIP #  | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted Carrying Value |
|---------------|--------------------------|-----------------------------------|
| 29,2999 TOTAL |                          |                                   |

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

| 1<br>Name of Mutual Fund<br>(from above table) | 2<br>Name of Significant Holding<br>of the Mutual Fund | 3<br>Amount of Mutual Fund's<br>Book/Adjusted Carrying Value<br>Attributable to the Holding | 4<br>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<br>Statement (Admitted)<br>Value | 2<br>Fair Value | 3<br>Excess of Statement<br>over Fair Value (-),<br>or Fair Value over<br>Statement (+) |
|-----------------------|------------------------------------|-----------------|---|
| 30.1 Bonds            | .....                              | .....           | .....   |
| 30.2 Preferred stocks | .....                              | .....           | .....   |
| 30.3 Totals           | .....                              | .....           | .....   |

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

.....  
.....  
.....  
.....

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 [ 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-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [ ] No [ X ]

## GENERAL INTERROGATORIES

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

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

Has the reporting entity self-designated PLGI securities?

Yes [ ] No [X]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [ ] No [X]

36. By rolling/renewing short-term or cash-equivalent investments with continued reporting on Schedule DA, part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a - 36.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [ ] No [ ] N/A [X]

## OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ \_\_\_\_\_

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

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | \$ .....         |
| .....     | \$ .....         |
| .....     | \$ .....         |

38.1 Amount of payments for legal expenses, if any? \$ \_\_\_\_\_

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

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | \$ .....         |
| .....     | \$ .....         |
| .....     | \$ .....         |

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

39.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | \$ .....         |
| .....     | \$ .....         |
| .....     | \$ .....         |

## GENERAL INTERROGATORIES

### PART 2 - HEALTH INTERROGATORIES

| <p>1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? <span style="float: right;">Yes [ ] No [ X ]</span></p> <p>1.2 If yes, indicate premium earned on U.S. business only. <span style="float: right;">\$ _____</span></p> <p>1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? <span style="float: right;">\$ _____</span></p> <p>1.31 Reason for excluding<br/>.....</p> <p>1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. <span style="float: right;">\$ _____</span></p> <p>1.5 Indicate total incurred claims on all Medicare Supplement insurance. <span style="float: right;">\$ _____</span></p> <p>1.6 Individual policies:<br/>Most current three years:<br/>1.61 Total premium earned <span style="float: right;">\$ _____</span><br/>1.62 Total incurred claims <span style="float: right;">\$ _____</span><br/>1.63 Number of covered lives <span style="float: right;">_____</span><br/>All years prior to most current three years:<br/>1.64 Total premium earned <span style="float: right;">\$ _____</span><br/>1.65 Total incurred claims <span style="float: right;">\$ _____</span><br/>1.66 Number of covered lives <span style="float: right;">_____</span></p> <p>1.7 Group policies:<br/>Most current three years:<br/>1.71 Total premium earned <span style="float: right;">\$ _____</span><br/>1.72 Total incurred claims <span style="float: right;">\$ _____</span><br/>1.73 Number of covered lives <span style="float: right;">_____</span><br/>All years prior to most current three years:<br/>1.74 Total premium earned <span style="float: right;">\$ _____</span><br/>1.75 Total incurred claims <span style="float: right;">\$ _____</span><br/>1.76 Number of covered lives <span style="float: right;">_____</span></p> <p>2. Health Test:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">1<br/>Current Year</th> <th style="text-align: center;">2<br/>Prior Year</th> </tr> </thead> <tbody> <tr> <td>2.1 Premium Numerator</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td>2.2 Premium Denominator</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td>2.3 Premium Ratio (2.1 / 2.2)</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td>2.4 Reserve Numerator</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td>2.5 Reserve Denominator</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td>2.6 Reserve Ratio (2.4 / 2.5)</td> <td style="text-align: right;">\$ .....</td> <td style="text-align: right;">\$ .....</td> </tr> </tbody> </table> |                   | 1<br>Current Year | 2<br>Prior Year | 2.1 Premium Numerator | \$ ..... | \$ ..... | 2.2 Premium Denominator | \$ ..... | \$ ..... | 2.3 Premium Ratio (2.1 / 2.2) | \$ ..... | \$ ..... | 2.4 Reserve Numerator | \$ ..... | \$ ..... | 2.5 Reserve Denominator | \$ ..... | \$ ..... | 2.6 Reserve Ratio (2.4 / 2.5) | \$ ..... | \$ ..... | <p>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? <span style="float: right;">Yes [ ] No [ X ]</span></p> <p>3.2 If yes, give particulars:<br/>.....</p> <p>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? <span style="float: right;">Yes [ X ] No [ ]</span></p> <p>4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? <span style="float: right;">Yes [ ] No [ X ]</span></p> <p>5.1 Does the reporting entity have stop-loss reinsurance? <span style="float: right;">Yes [ ] No [ X ]</span></p> <p>5.2 If no, explain:<br/>The Company has not commenced business and has no members at December 31, 2020.<br/>.....</p> <p>5.3 Maximum retained risk (see instructions)<br/>5.31 Comprehensive Medical <span style="float: right;">\$ _____</span><br/>5.32 Medical Only <span style="float: right;">\$ _____</span><br/>5.33 Medicare Supplement <span style="float: right;">\$ _____</span><br/>5.34 Dental and vision <span style="float: right;">\$ _____</span><br/>5.35 Other Limited Benefit Plan <span style="float: right;">\$ _____</span><br/>5.36 Other <span style="float: right;">\$ _____</span></p> <p>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:<br/>.....</p> |
|--|-------------------|-------------------|-----------------|-----------------------|----------|----------|-------------------------|----------|----------|-------------------------------|----------|----------|-----------------------|----------|----------|-------------------------|----------|----------|-------------------------------|----------|----------|---|
|  | 1<br>Current Year | 2<br>Prior Year   |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.1 Premium Numerator  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.2 Premium Denominator  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.3 Premium Ratio (2.1 / 2.2)  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.4 Reserve Numerator  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.5 Reserve Denominator  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |
| 2.6 Reserve Ratio (2.4 / 2.5)  | \$ .....          | \$ .....          |                 |                       |          |          |                         |          |          |                               |          |          |                       |          |          |                         |          |          |                               |          |          |   |



**GENERAL INTERROGATORIES**  
**PART 2 - HEALTH INTERROGATORIES**

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

16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ X ]

**FIVE – YEAR HISTORICAL DATA**

|   | 1<br>2020   | 2     | 3<br>2018 | 4<br>2017 | 5<br>2016 |
|---|-------------|-------|-----------|-----------|-----------|
| <b>Balance Sheet (Pages 2 and 3)</b>  |             |       |           |           |           |
| 1. Total admitted assets (Page 2, Line 28)  | 4,100,367   |       |           |           |           |
| 2. Total liabilities (Page 3, Line 24)  | 1,405,287   |       |           |           |           |
| 3. Statutory minimum capital and surplus requirement  | 2,500,000   |       |           |           |           |
| 4. Total capital and surplus (Page 3, Line 33)  | 2,695,080   |       |           |           |           |
| <b>Income Statement (Page 4)</b>  |             |       |           |           |           |
| 5. Total revenues (Line 8)  |             |       |           |           |           |
| 6. Total medical and hospital expenses (Line 18)  |             |       |           |           |           |
| 7. Claims adjustment expenses (Line 20)   |             |       |           |           |           |
| 8. Total administrative expenses (Line 21)  |             |       |           |           |           |
| 9. Net underwriting gain (loss) (Line 24)   | (1,394,287) |       |           |           |           |
| 10. Net investment gain (loss) (Line 27)  | 367         |       |           |           |           |
| 11. Total other income (Lines 28 plus 29)   |             |       |           |           |           |
| 12. Net income or (loss) (Line 32)  | (1,393,920) |       |           |           |           |
| <b>Cash Flow (Page 6)</b>   |             |       |           |           |           |
| 13. Net cash from operations (Line 11)  | 367         |       |           |           |           |
| <b>Risk-Based Capital Analysis</b>  |             |       |           |           |           |
| 14. Total adjusted capital  | 2,695,080   |       |           |           |           |
| 15. Authorized control level risk-based capital   | 8,395       |       |           |           |           |
| <b>Enrollment (Exhibit 1)</b>   |             |       |           |           |           |
| 16. Total members at end of period (Column 5, Line 7)   |             |       |           |           |           |
| 17. Total members months (Column 6, Line 7)   |             |       |           |           |           |
| <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<br>(Line 18 plus Line 19)                        |             |       |           |           |           |
| 20. Cost containment expenses   |             |       |           |           |           |
| 21. Other claims adjustment expenses  |             |       |           |           |           |
| 22. Total underwriting deductions (Line 23)   |             |       |           |           |           |
| 23. Total underwriting gain (loss) (Line 24)  |             |       |           |           |           |
| <b>Unpaid Claims Analysis</b>   |             |       |           |           |           |
| (U&I Exhibit, Part 2B)  |             |       |           |           |           |
| 24. Total claims incurred for prior years (Line 13, Col. 5)   |             |       |           |           |           |
| 25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]                               |             |       |           |           |           |
| <b>Investments In Parent, Subsidiaries and Affiliates</b>   |             |       |           |           |           |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)  |             |       |           |           |           |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)                                     |             |       |           |           |           |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)  |             |       |           |           |           |
| 29. Affiliated short-term investments (subtotal<br>included in Sch. DA Verification, Col. 5, Line 10) |             |       |           |           |           |
| 30. Affiliated mortgage loans on real estate  |             |       |           |           |           |
| 31. All other affiliated  |             |       |           |           |           |
| 32. Total of above Lines 26 to 31   |             |       |           |           |           |
| 33. Total investment in parent included in Lines 26 to 31 above.                                      |             |       |           |           |           |

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

Yes  No 

If no, please explain:

.....

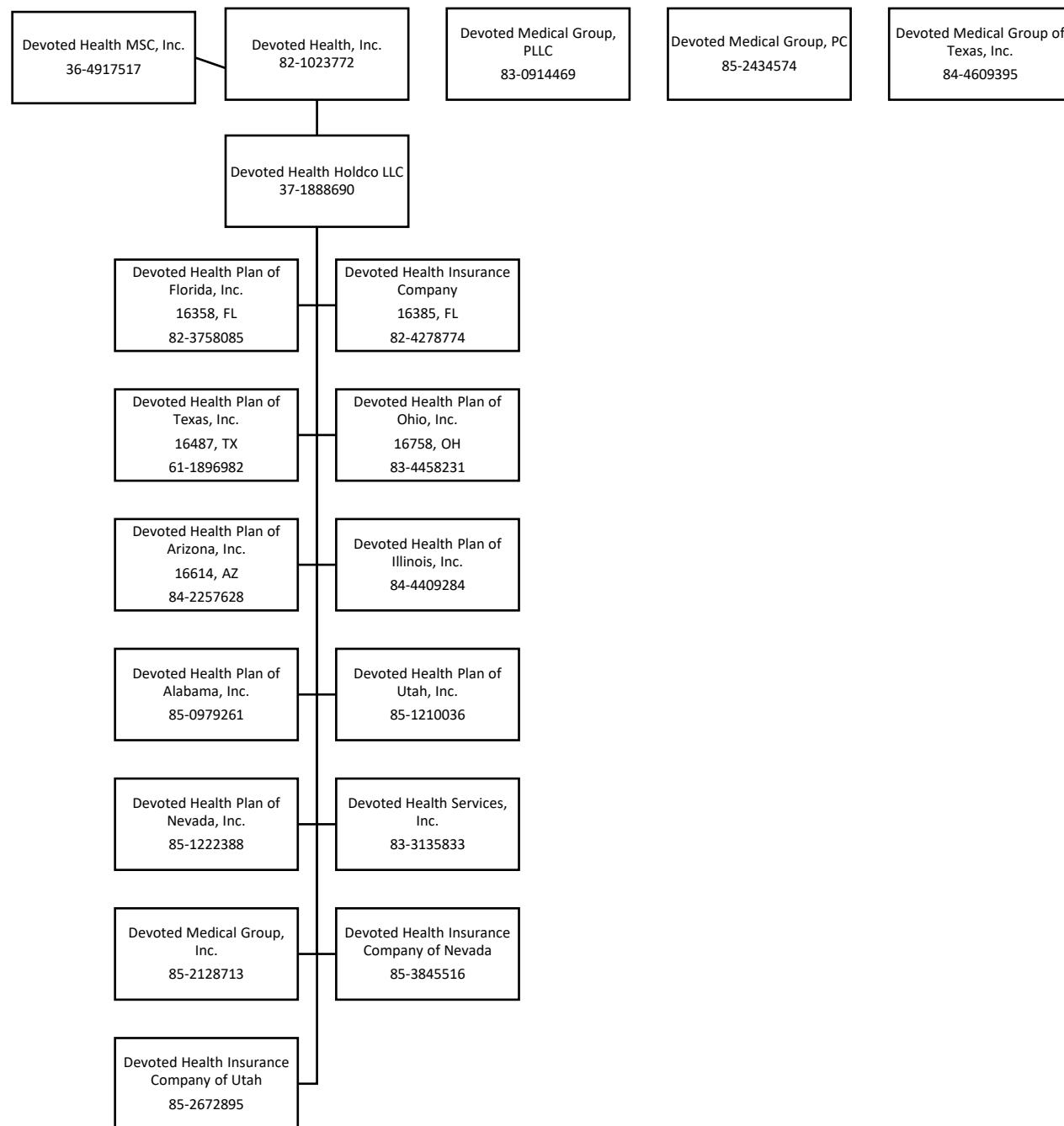
.....

.....

**NONE      Schedule T**

## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART



---

**OVERFLOW PAGE FOR WRITE-INS**

---