



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2021
OF THE CONDITION AND AFFAIRS OF THE

HealthSpan Inc

| | | | | | | | |
|---------------------------------------|--|---|---|------------------------------------|---|--|------------|
| NAIC Group Code | 04831 (Current Period) | 04831 (Prior Period) | NAIC Company Code | 15284 | Employer's ID Number | | 31-1431434 |
| Organized under the Laws of | | | Ohio | State of Domicile or Port of Entry | | | Ohio |
| Country of Domicile | | United States | | | | | |
| Licensed as business type: | Life, Accident & Health [X] | Property/Casualty [] | Hospital, Medical & Dental Service or Indemnity [] | | | | |
| | Dental Service Corporation [] | Vision Service Corporation [] | Health Maintenance Organization [] | | | | |
| | Other [] | Is HMO Federally Qualified? Yes [] No [] | | | | | |
| Incorporated/Organized | 07/30/2013 | Commenced Business | | | 07/30/2013 | | |
| Statutory Home Office | 1701 Mercy Health Place (Street and Number) | | | | Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code) | | |
| Main Administrative Office | 1701 Mercy Health Place (Street and Number) | Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code) | | | 216-319-1618 (Area Code) (Telephone Number) | | |
| Mail Address | 1701 Mercy Health Place (Street and Number or P.O. Box) | | | | Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code) | | |
| Primary Location of Books and Records | 1701 Mercy Health Place (Street and Number) | Cincinnati, OH, US 45237 (City or Town, State, Country and Zip Code) | | | 216-319-1618 (Area Code) (Telephone Number) | | |
| Internet Web Site Address | N/A | | | | | | |
| Statutory Statement Contact | Dorothy Williamson (Name) | 310-561-7932 (Area Code) (Telephone Number) (Extension) | | | | | |
| | dorothywilliamson@mercy.com (E-Mail Address) | 513-671-3721 (FAX Number) | | | | | |

OFFICERS

| | | | |
|------------------|-----------------|------------|-----------|
| Name | Title | Name | Title |
| Jeffery Copeland | President & CEO | Ron Wehtje | Treasurer |

OTHER OFFICERS

| | | |
|-----------------------|---------------|---------------|
| DIRECTORS OR TRUSTEES | | |
| Jeffery Copeland | Ronald Wehtje | Allan Calonge |

State of Ohio
ss
County of

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.

| | | |
|-------------------------------------|-------------------------|---|
| Jeffery Copeland President & CEO | Ron Wehtje Treasurer | a. Is this an original filing? Yes [X] No [] |
|-------------------------------------|-------------------------|---|

Subscribed and sworn to before me this
day of ,

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

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|--|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 405,498 | | 405,498 | 409,978 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | | | 0 | 0 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances)..... | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances)..... | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances)..... | | | 0 | 0 |
| 5. Cash (\$ 1,065,902), cash equivalents (\$ 2,818,801) and short-term investments (\$ 0)..... | 3,884,703 | | 3,884,703 | 16,920,663 |
| 6. Contract loans (including \$ premium notes)..... | | | 0 | 0 |
| 7. Derivatives | 0 | | 0 | 0 |
| 8. Other invested assets | 0 | | 0 | 0 |
| 9. Receivables for securities | | | 0 | 0 |
| 10. Securities lending reinvested collateral assets..... | | | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 4,290,201 | 0 | 4,290,201 | 17,330,641 |
| 13. Title plants less \$ charged off (for Title insurers only)..... | | | 0 | 0 |
| 14. Investment income due and accrued | | | 0 | 0 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | | | 0 | 0 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)..... | | | 0 | 0 |
| 15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$) | | | 0 | 0 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 18.2 Net deferred tax asset..... | | | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. Electronic data processing equipment and software..... | | | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | | | 0 | 0 |
| 24. Health care (\$) and other amounts receivable | | | 0 | 0 |
| 25. Aggregate write-ins for other-than-invested assets | 445 | 445 | 0 | 0 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 4,290,646 | 445 | 4,290,201 | 17,330,641 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | 0 |
| 28. Total (Lines 26 and 27) | 4,290,646 | 445 | 4,290,201 | 17,330,641 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | 0 | 0 |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Payment Innovation Receivable..... | | | 0 | 0 |
| 2502. Prepaid Assets..... | 445 | 445 | 0 | 0 |
| 2503. Other Assets..... | | | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 445 | 445 | 0 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|--------------|--------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$ reinsurance ceded). | | | 0 | 0 |
| 2. Accrued medical incentive pool and bonus amounts | | | 0 | 0 |
| 3. Unpaid claims adjustment expenses | | | 0 | 0 |
| 4. Aggregate health policy reserves including the liability of \$ for medical loss ratio rebate per the Public Health Service Act..... | | | 0 | 0 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserve | | | 0 | 0 |
| 7. Aggregate health claim reserves | | | 0 | 0 |
| 8. Premiums received in advance | | | 0 | 0 |
| 9. General expenses due or accrued | (2,356) | | (2,356) | 0 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses)) | | | 0 | 0 |
| 10.2 Net deferred tax liability..... | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | | | 0 | 0 |
| 13. Remittances and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)) | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | (64,881) | | (64,881) | (26,492) |
| 16. Derivatives..... | | | 0 | 0 |
| 17. Payable for securities | | | 0 | 0 |
| 18. Payable for securities lending | | | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers)..... | | | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$) companies | | | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | | | 0 | 0 |
| 23. Aggregate write-ins for other liabilities (including \$ current) | 0 | 0 | 0 | 0 |
| 24. Total liabilities (Lines 1 to 23)..... | (67,237) | 0 | (67,237) | (26,492) |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 0 |
| 26. Common capital stock | XXX | XXX | 2,000,000 | 2,000,000 |
| 27. Preferred capital stock | XXX | XXX | 0 | 0 |
| 28. Gross paid in and contributed surplus | XXX | XXX | 21,640,000 | 34,640,000 |
| 29. Surplus notes | XXX | XXX | 0 | 0 |
| 30. Aggregate write-ins for other-than-special surplus funds | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus) | XXX | XXX | (19,282,117) | (19,282,755) |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 shares common (value included in Line 26 \$) | XXX | XXX | 0 | 0 |
| 32.2 shares preferred (value included in Line 27 \$) | XXX | XXX | 0 | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 4,357,883 | 17,357,245 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 4,290,646 | 17,330,753 |
| DETAILS OF WRITE-INS | | | | |
| 2301. Payment Innovations Accrued Claims..... | | | 0 | 0 |
| 2302. Salaries, Wages and Related Liabilities..... | | | 0 | 0 |
| 2303. Other Current Liabilities..... | | | 0 | 0 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) | 0 | 0 | 0 | 0 |
| 2501. Special Surplus ACA Fee..... | XXX | XXX | 0 | 0 |
| 2502. | XXX | XXX | 0 | 0 |
| 2503. | XXX | XXX | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | XXX | XXX | 0 | 0 |
| 3001. Prior Year Net Income..... | XXX | XXX | 0 | 0 |
| 3002. | XXX | XXX | 0 | 0 |
| 3003. | XXX | XXX | 0 | 0 |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above) | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|--|----------------------|--------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months..... | XXX..... | | 0..... | 0..... |
| 2. Net premium income (including \$ non-health premium income)..... | XXX..... | | 0..... | 0..... |
| 3. Change in unearned premium reserves and reserve for rate credits..... | XXX..... | | 0..... | 0..... |
| 4. Fee-for-service (net of \$ medical expenses)..... | XXX..... | | 0..... | 0..... |
| 5. Risk revenue..... | XXX..... | | 0..... | 0..... |
| 6. Aggregate write-ins for other health care related revenues..... | XXX..... | 0..... | 0..... | 13,728,473..... |
| 7. Aggregate write-ins for other non-health revenues..... | XXX..... | 0..... | 0..... | 0..... |
| 8. Total revenues (Lines 2 to 7)..... | XXX..... | 0..... | 0..... | 13,728,473..... |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits..... | | | (73,585)..... | 0..... |
| 10. Other professional services..... | | | 0..... | 0..... |
| 11. Outside referrals..... | | | 0..... | 0..... |
| 12. Emergency room and out-of-area..... | | | 0..... | 0..... |
| 13. Prescription drugs..... | | | 0..... | 0..... |
| 14. Aggregate write-ins for other hospital and medical..... | 0..... | 0..... | 0..... | 0..... |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | | 0..... | 0..... |
| 16. Subtotal (Lines 9 to 15)..... | 0..... | 0..... | (73,585)..... | 0..... |
| Less: | | | | |
| 17. Net reinsurance recoveries..... | | | 0..... | 0..... |
| 18. Total hospital and medical (Lines 16 minus 17)..... | 0..... | 0..... | (73,585)..... | 0..... |
| 19. Non-health claims (net)..... | | | 0..... | 0..... |
| 20. Claims adjustment expenses, including \$ cost containment expenses..... | | | 0..... | 0..... |
| 21. General administrative expenses..... | | 1,980..... | 4,852..... | (67,357)..... |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)..... | | | 0..... | 0..... |
| 23. Total underwriting deductions (Lines 18 through 22)..... | 0..... | 1,980..... | (68,733)..... | (67,357)..... |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23)..... | XXX..... | (1,980)..... | 68,733..... | 13,795,830..... |
| 25. Net investment income earned..... | 0..... | 2,618..... | 16,315..... | 14,874..... |
| 26. Net realized capital gains (losses) less capital gains tax of \$..... | | | 0..... | 0..... |
| 27. Net investment gains (losses) (Lines 25 plus 26)..... | 0..... | 2,618..... | 16,315..... | 14,874..... |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]..... | | | 0..... | 0..... |
| 29. Aggregate write-ins for other income or expenses..... | 0..... | 0..... | 0..... | 0..... |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)..... | XXX..... | 638..... | 85,048..... | 13,810,704..... |
| 31. Federal and foreign income taxes incurred..... | XXX..... | | 0..... | 0..... |
| 32. Net income (loss) (Lines 30 minus 31)..... | XXX..... | 638..... | 85,048..... | 13,810,704..... |
| DETAILS OF WRITE-INS | | | | |
| 0601. PPO ACCESS FEE REVENUE..... | XXX..... | | 0..... | 0..... |
| 0602. PAYMENT INNOVATION REVENUE..... | XXX..... | | 0..... | 0..... |
| 0603. TAXABLE SALES - LMS..... | XXX..... | | 0..... | 0..... |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... | XXX..... | 0..... | 0..... | 13,728,473..... |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)..... | XXX..... | 0..... | 0..... | 13,728,473..... |
| 0701. | XXX..... | | 0..... | 0..... |
| 0702. | XXX..... | | 0..... | 0..... |
| 0703. | XXX..... | | 0..... | 0..... |
| 0798. Summary of remaining write-ins for Line 7 from overflow page..... | XXX..... | 0..... | 0..... | 0..... |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)..... | XXX..... | 0..... | 0..... | 0..... |
| 1401. | | | 0..... | 0..... |
| 1402. | | | 0..... | 0..... |
| 1403. | | | 0..... | 0..... |
| 1498. Summary of remaining write-ins for Line 14 from overflow page..... | 0..... | 0..... | 0..... | 0..... |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)..... | 0..... | 0..... | 0..... | 0..... |
| 2901. | | | 0..... | 0..... |
| 2902. Gain in Sale of Insurance Business..... | | | 0..... | 0..... |
| 2903. Other Income..... | | | 0..... | 0..... |
| 2998. Summary of remaining write-ins for Line 29 from overflow page..... | 0..... | 0..... | 0..... | 0..... |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)..... | 0..... | 0..... | 0..... | 0..... |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|---|
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year | 17,346,229 | 3,539,526 | 3,538,512 |
| 34. Net income or (loss) from Line 32 | .638 | .85,048 | 13,810,704 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | .0 | 0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ | 4,728 | .0 | 0 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | .0 | 0 |
| 38. Change in net deferred income tax | | .0 | 0 |
| 39. Change in nonadmitted assets | 7,015 | 7,015 | 7,013 |
| 40. Change in unauthorized and certified reinsurance | .0 | .0 | 0 |
| 41. Change in treasury stock | .0 | .0 | 0 |
| 42. Change in surplus notes | .0 | .0 | 0 |
| 43. Cumulative effect of changes in accounting principles | | .0 | 0 |
| 44. Capital Changes: | | | |
| 44.1 Paid in | (13,000,000) | .0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend) | | .0 | 0 |
| 44.3 Transferred to surplus | | .0 | 0 |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | .0 | .0 | (10,000) |
| 45.2 Transferred to capital (Stock Dividend) | .0 | .0 | 0 |
| 45.3 Transferred from capital | | .0 | 0 |
| 46. Dividends to stockholders | | .0 | 0 |
| 47. Aggregate write-ins for gains or (losses) in surplus | .0 | .0 | 0 |
| 48. Net change in capital and surplus (Lines 34 to 47) | (12,987,619) | 92,063 | 13,807,717 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 4,358,610 | 3,631,589 | 17,346,229 |
| DETAILS OF WRITE-INS | | | |
| 4701. | | .0 | 0 |
| 4702. | | .0 | 0 |
| 4703. | | .0 | 0 |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | .0 | .0 | 0 |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above) | 0 | 0 | 0 |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance..... | 0 | 0 | 0 |
| 2. Net investment income..... | 2,618 | 16,315 | 14,874 |
| 3. Miscellaneous income..... | 0 | 0 | 13,728,473 |
| 4. Total (Lines 1 to 3)..... | 2,618 | 16,315 | 13,743,347 |
| 5. Benefit and loss related payments..... | 0 | (73,585) | 0 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 1,980 | 2,301 | (69,908) |
| 8. Dividends paid to policyholders..... | | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)..... | 0 | 0 | 0 |
| 10. Total (Lines 5 through 9)..... | 1,980 | (71,284) | (69,908) |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 638 | 87,599 | 13,813,255 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds..... | 0 | 400,000 | 400,000 |
| 12.2 Stocks..... | 0 | 0 | 0 |
| 12.3 Mortgage loans..... | 0 | 0 | 0 |
| 12.4 Real estate..... | 0 | 0 | 0 |
| 12.5 Other invested assets..... | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds..... | 4,728 | 0 | 1,961 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 4,728 | 400,000 | 401,961 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds..... | 0 | 412,002 | 412,002 |
| 13.2 Stocks..... | 0 | 0 | 0 |
| 13.3 Mortgage loans..... | 0 | 0 | 0 |
| 13.4 Real estate..... | 0 | 0 | 0 |
| 13.5 Other invested assets..... | 0 | 0 | 0 |
| 13.6 Miscellaneous applications..... | 0 | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 0 | 412,002 | 412,002 |
| 14. Net increase (or decrease) in contract loans and premium notes..... | 0 | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | 4,728 | (12,002) | (10,041) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes..... | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | (13,000,000) | 0 | (10,000) |
| 16.3 Borrowed funds..... | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | | 0 | 0 |
| 16.5 Dividends to stockholders..... | 0 | 0 | 0 |
| 16.6 Other cash provided (applied)..... | (38,389) | (2,076) | (28,805) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)..... | (13,038,389) | (2,076) | (38,805) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)..... | (13,033,023) | 73,521 | 13,764,409 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 16,902,574 | 3,138,164 | 3,138,164 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 3,869,550 | 3,211,686 | 16,902,574 |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|-------|---------------------------------------|-------|---|---|----|---|---|---|----|
| | | 2 | 3 | | | | | | | |
| | Total | Individual | Group | | | | | | | |
| Total Members at end of: | | | | | | | | | | |
| 1. Prior Year | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 |
| 2. First Quarter | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 |
| 3. Second Quarter | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 |
| 4. Third Quarter | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 |
| 5. Current Year | 0 | | | | | | | | | |
| 6. Current Year Member Months | 0 | | | | | | | | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | |
| 7. Physician | 0 | | | | | | | | | |
| 8. Non-Physician | 0 | | | | | | | | | |
| 9. Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 0 | | | | | | | | | |
| 11. Number of Inpatient Admissions | 0 | | | | | | | | | |
| 12. Health Premiums Written (a) | 0 | | | | | | | | | |
| 13. Life Premiums Direct | 0 | | | | | | | | | |
| 14. Property/Casualty Premiums Written | 0 | | | | | | | | | |
| 15. Health Premiums Earned | 0 | | | | | | | | | |
| 16. Property/Casualty Premiums Earned | 0 | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 0 | | | | | | | | | |
| 18. Amount Incurred for Provision of Health Care Services | 0 | | | | | | | | | |

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

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

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

Aging Analysis of Unpaid Claims

| 1 Account | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 91 - 120 Days | 6 Over 120 Days | 7 Total |
|---|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| Claims unpaid (Reported) | | | | | | |
| 0199999 Individually listed claims unpaid..... | 0 | .0 | 0 | .0 | 0 | 0 |
| 0299999 Aggregate accounts not individually listed-uncovered..... | | | | | | 0 |
| 0399999 Aggregate accounts not individually listed-covered..... | | | | | | 0 |
| 0499999 Subtotals..... | 0 | 0 | 0 | 0 | 0 | 0 |
| 0599999 Unreported claims and other claim reserves..... | XXX | XXX | XXX | XXX | XXX | |
| 0699999 Total amounts withheld..... | XXX | XXX | XXX | XXX | XXX | |
| 0799999 Total claims unpaid..... | XXX | XXX | XXX | XXX | XXX | 0 |
| 0899999 Accrued medical incentive pool and bonus amounts..... | XXX | XXX | XXX | XXX | XXX | 0 |

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

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 | 6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year |
|---|---|---|--|---|---|--|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid Dec. 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | | | | | 0 | .0 |
| 2. Medicare Supplement | | | | | 0 | .0 |
| 3. Dental only | | | | | 0 | .0 |
| 4. Vision only | | | | | 0 | .0 |
| 5. Federal Employees Health Benefits Plan | | | | | 0 | .0 |
| 6. Title XVIII - Medicare | | | | | 0 | .0 |
| 7. Title XIX - Medicaid | | | | | 0 | .0 |
| 8. Other health | | | | | 0 | .0 |
| 9. Health subtotal (Lines 1 to 8)..... | 0 | 0 | 0 | 0 | 0 | .0 |
| 10. Health care receivables (a)..... | | | | | 0 | .0 |
| 11. Other non-health | | | | | 0 | .0 |
| 12. Medical incentive pools and bonus amounts | | | | | 0 | .0 |
| 13. Totals (Lines 9-10+11+12)..... | 0 | 0 | 0 | 0 | 0 | 0 |

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

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

1. Summary of Significant Accounting Policies and Going Concern

a. Accounting Practices

The accompanying statutory financial statements of HealthSpan Inc. (“HealthSpan or the Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures* manual, (“NAIC SAP”), the NAIC Annual Statement Instructions, and other accounting practices as prescribed or permitted by the State of Ohio – Ohio Department of Insurance (ODI). There were no reported differences to net income, statutory surplus, or risk based capital for specific practices, prescribed or permitted by the State of Ohio, that deviate from NAIC SSAP in the reported periods.

| | SSAP # | F/S Page | F/S Line # | Three Months Ended 9/30/2021 (in thousands) | Year Ended 12/31/20 (in thousands) |
|---|--------|-------------|---------------|---|--|
| NET INCOME | | | | | |
| (1) HealthSpan state basis (page 4, Line 32, Columns 2 & 3) | | | | \$ - | \$ 13,811 |
| (2) State Prescribed Practices that increase / (decrease) NAIC SAP: | | | | | |
| (3) State Permitted Practices that increase / (decrease) NAIC SAP: | | | | - - | - - |
| (4) NAIC SAP (1-2-3=4) | | | | <u>\$ -</u> | <u>\$ 13,811</u> |
| SURPLUS | | | | | |
| (5) HealthSpan state basis (page 3, Line 33, Columns 3 & 4) | | | | \$ 4,357 | \$ 17,357 |
| (6) State Prescribed Practices that increase / (decrease) NAIC SAP: | | | | - - | - - |
| (7) State Permitted Practices that increase / (decrease) NAIC SAP: | | | | - - | - - |
| (8) NAIC SAP (5-6-7=8) | | | | <u>\$ 4,357</u> | <u>\$ 17,357</u> |

b. Use of Management Estimates in the Preparation of the Financial Statements

The preparation of the statutory financial statements in conformity with NAIC SAP, the NAIC Annual Statement Instructions, and other accounting practices as prescribed or permitted by the ODI requires management to make estimates and assumptions that affect the reported amounts. The estimated fair value of investments; revenue accruals; the reserves for unpaid claims and claims adjustment expense; the premium deficiency reserves; legal liabilities; real estate, property, and equipment impairment and useful lives; and investment impairments represent significant estimates. Actual results could differ materially from those estimates.

c. Accounting Policies

Cash and Short Term Investments

Cash and short term investments – net include interest bearing deposits purchased with an original or remaining maturity of twelve months or less. Cash and investments that are restricted by contractual or regulatory requirements are classified as bonds and other invested assets and excluded from cash and short-term investments.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

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

c. Accounting Policies (continued)

Premiums and Health Care Receivables

Premium receivables reflected in the financial statements are the result of payments collect for prior years. HealthSpan exited all insurance lines of business effective December 31, 2016.

d. Accounting Policies (continued)

Bonds and Other Invested Assets

Bonds and other invested assets include money market funds and U.S. Treasury securities. Recognized gains and losses are recorded on the specific identification basis. Interest income is included in net investment and other income.

Bonds are reported in accordance with NAIC Annual Statement Instructions (Statement Value). Accordingly, bonds that are designated highest quality, NAIC Designation 1 and 2, are reported at amortized cost using the effective interest method, and bonds that are classified as NAIC Designation 3 or lower are reported at lower of amortized cost or fair value.

Investments are regularly reviewed for impairment and a charge is recognized when the fair value is below cost basis and is judged to be other than temporary. Impairment is included in recognized losses.

The Company's investment transactions are recorded on a trade date basis.

HealthSpan is required to keep investments on deposit in the State of Ohio, where it is licensed. At September 30, 2021 and December 31, 2020, \$400 thousand in long term U.S. Treasury notes were restricted to satisfy the state's regulatory requirements.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

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

c. Accounting Policies (continued)

Reserves for Claims Unpaid and Unpaid Claims Adjustment Expenses

The cost of health care services is recognized in the period in which services are provided. Reserves for unpaid claims and claims adjustment expense consists of unpaid health care expenses, which include an estimate of the cost of services provided to HealthSpan's members by third party providers that have been incurred but not reported. The estimate for incurred but not reported claims is based on actuarial projections of costs using historical paid claims and other relevant data. Estimates are monitored and reviewed and, as settlements are made or estimates are revised, adjustments are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amount of paid claims is dependent on future developments, management is of the opinion that the reserves for unpaid claims and claims adjustment expense are adequate to cover such claims.

No claims liability is recorded at September 30, 2021 or at December 31, 2020 as HealthSpan exited all insurance lines of business effective December 31, 2016, and there are no known claims outstanding for dates of services prior to December 31, 2016.

Negative amounts reported for incurred claims related to prior years result from claims being adjudicated and paid for amounts less than originally estimated.

Receivables and Payables for Securities

Receivables and payables for securities represent current amounts for unsettled securities purchases or sales.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

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

c. Accounting Policies (continued)

Donations and Grants Made or Received

Donations and grants made are recognized at fair value in the period in which a commitment is made, provided the payment of the donation or grant is probable and the amount is determinable. Donations or grants received are recognized at fair value in the period the donation or grant was committed unconditionally by the grantor or in the period the donation or grant requirements are met, if later.

No donations or grants were made or received during the first three months of 2021 or during 2020.

Revenue Recognition

No premium was written in 2021 or 2020.

Pension and Other Postretirement Benefits

HealthSpan does not have defined benefit pension plans and does not offer postretirement benefits. HealthSpan offers a defined contribution plan.

Cost Allocations

For reporting lines of business activity, expenses are specifically identified or allocated using methodologies that yield the most accurate results.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

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

c. Accounting Policies (continued)

Going Concern

Effective February 29, 2016, HealthSpan entered into a definitive agreement with a buyer to transition its insurance business to buyer during 2016 with full exit by HealthSpan from the insurance business effective January 1, 2017 as follows:

- HealthSpan exited the employer group commercial business effective August 31, 2016 and endorsed buyer as the replacement carrier;
- HealthSpan exited the individual commercial line of business effective December 31, 2016.

HealthSpan has sufficient cash to fund run-out operations during 2021 and beyond, as needed, including claims payments related to services provided to covered members.

2. Accounting Changes and Corrections of Errors – None

3. Business Combinations and Goodwill – None

4. Discontinued Operations – None

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

5. Investments

a. Mortgage Loans

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in mortgage loans.

b. Debt Restructuring

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in restructured debt.

c. Reverse Mortgages

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in reverse mortgages.

d. Loan Backed Securities

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in loan backed securities.

e. Repurchase Agreements and Securities Lending Transactions

As of September 30, 2021 and December 31, 2020, HealthSpan had no repurchase agreements or securities lending transactions.

f. Real Estate

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in real estate.

g. Investments in Low-Income Housing Tax Credits

As of September 30, 2021 and December 31, 2020, HealthSpan had no investments in low-income housing credits.

HealthSpan Inc.
 Notes to Financial Statements
 For the Nine Months ended September 30, 2021 and the Year
 Ended December 31, 2020

5. Investments (continued)

h. Restricted Assets – HealthSpan is required to keep investments on deposit in the State of Ohio, where it is licensed. At September 30, 2021 and December 31, 2020, Healthspan maintained \$400 thousand in restricted long-term U.S. Treasury notes to satisfy the state's regulatory requirements.

| | | (in thousands) | | | | | |
|------------|---|--|---|--|---|--|--|
| Restricted | Asset Category | 1 Total Gross Restricted from Current Year | 2 Total Gross Restricted from Prior Year | 3 Increase (Decrease) (1 minus 2) | 4 Total Current Year Admitted Restricted | 5 Percentage Gross Restricted to Total Assets | 6 Percentage Admitted Restricted to Total Admitted Assets |
| a | Subject to contractual obligation for which liability is not shown | | | | | | |
| b | Collateral held under security lending agreements | | | | | | |
| 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 | | | | | | |
| i | On deposit with states | \$ 400 | \$ 400 | \$ - | \$ 400 | 0.12% | 0.12% |
| j | On deposit with other regulatory bodies | | | | | | |
| k | Pledged as collateral not captured in other categories | | | | | | |
| l | Other restricted assets | | | | | | |
| m | Total Restricted Assets | 400 | 400 | - | 400 | 0.12% | 0.12% |

i. Working Capital Finance Investments

As of September 30, 2021 and December 31, 2020, HealthSpan had no working capital finance investments.

j. Offsetting and Netting of Assets and Liabilities

As of September 30, 2021 and December 31, 2020, HealthSpan had no offsetting of derivative, repurchase, or securities borrowing and lending assets or liabilities.

k. Structured Notes

As of September 30, 2021 and December 31, 2020, HealthSpan had no structured notes.

6. Joint Ventures, Partnerships and Limited Liability Companies – None.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

7. Investment Income

There is no investment income due or accrued at September 30, 2021 and December 31, 2020.

8. Derivative Instruments – None.

9. Income Taxes

There were no significant changes in Income Taxes from the 2020 annual statement.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

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

In 2014, Mercy Health (formerly Catholic Health Partners, or CHP) sold all of the outstanding capital stock of HealthSpan, Inc. to HealthSpan Partners (HSP) for \$3.6 million in the form of a promissory note due on December 31, 2023. HSP is a distinct, secular and tax-exempt organization which had the primary objective of developing provider networks and insurance products. HSP is a partner organization of Bon Secours Mercy Health (formerly Mercy Health). HealthSpan exited all insurance lines of business effective December 31, 2016 and all other lines of business effective June 30, 2017. HealthSpan is no longer in operation except to complete run out activities. Bon Secours Mercy Health is a Catholic health organization, supervising market delivery systems consisting of hospitals, nursing homes, and other organizations providing health-related services. The Company was issued its Certificate of Authority by the Ohio Department of Insurance in July 2013.

On February 29, 2016, HealthSpan Inc (“HSI”) and Bon Secours Mercy Health entered into a Definitive Agreement with Medical Mutual of Ohio (“MMO”) for the sale of its insurance company assets. Through the sale, HSI transitioned certain lines of business to MMO in a sequenced manner throughout 2016 and ceased operating all lines of business as of December 31, 2016. HSI discontinued all coverage in the individual health insurance markets effective December 31, 2016. Prior to the withdrawals, HSI endorsed MMO as the preferred replacement carrier.

HSI continued its operations in 2018 and 2019 for the limited purpose of processing claims incurred prior to the effective date of discontinuation and winding down its operations.

On September 1, 2018, Bon Secours Mercy Health and Bon Secours Health System, Inc. (“BSHSI”), a Maryland nonstock, nonprofit corporation headquartered in Marriottsville, Maryland merged to create a Catholic health system that spans seven states in the eastern half of the United States. BSHSI, whose name was changed to Bon Secours Mercy Health, Inc. (“BSMH”), became the sole corporate member of Bon Secours Mercy Health. Bon Secours Mercy Health continued operations as the same corporate entity under its then current tax identification number. All existing Bon Secours Mercy Health subsidiaries at this time remained subsidiaries of Bon Secours Mercy Health. HealthSpan Partners and its subsidiaries were unaffected by this first step of the merger.

On January 1, 2020, Mercy Health merged up and into BSMH. The assets of Mercy Health automatically transferred to and vested in BSMH. BSMH is the successor to and is liable for all the debts, and obligations of Bon Secours Mercy Health. All Mercy Health subsidiaries remain subsidiaries of BSMH. HealthSpan Partners and its subsidiaries were unaffected by this second step of the merger.

For the three months ended September 30, 2021 and the year ended December 31, 2020, HealthSpan, Inc. received \$0.0 of contributed surplus from HSP.

At September 30, 2021 and December 31, 2020, related party and affiliate balances were as follows (in thousands):

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

| | <u>9/30/2021</u> | <u>12/31/2020</u> |
|----------------------------|----------------------|----------------------|
| Bon Secours Mercy Health | \$ (65) | \$ (24) |
| HealthSpan Partners | - | - |
| HealthSpan Physicians | - | - |
| HealthSpan Integrated Care | - | - |
| | <hr/> <u>\$ (65)</u> | <hr/> <u>\$ (24)</u> |

10. Debt

As of September 30, 2021 and December 31, 2020, HealthSpan did not have an agreement with the Federal Home Loan Bank or other third party lenders.

11. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and other Postretirement Benefit Plans

As of September 30, 2021 and December 31, 2020, the Company has no retirement plans, deferred compensation, post-employment benefits and compensated absences, and post-retirement benefit plans.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

12. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

HealthSpan is a nonprofit, charitable corporation and does not issue stock. HealthSpan Partners (HSP) is the sole corporate member of HealthSpan and no individual or entity has any ownership interest in HealthSpan. HealthSpan and HSP share certain corporate officers.

(1) – (2)

HealthSpan is a nonprofit, charitable organization and does not issue stock. HealthSpan Partners (HSP) is the sole corporate member of HealthSpan and no individual or entity has any ownership interest in HealthSpan. HealthSpan and HSP share certain corporate officers.

(3) – (6)

On February 3, 2021, HealthSpan's Board of Directors declared an extraordinary dividend of \$13,000,000 payable to HealthSpan Partners, parent company of HealthSpan. The Ohio Department of Insurance approved payment of the extraordinary dividend on March 9, 2021. HealthSpan transferred the extraordinary dividend of \$13,000,000 in cash to HealthSpan Partners on March 9, 2021.

(7) – (8)

At September 30, 2021 and December 31, 2020, HealthSpan held no stock for special purpose and is not a mutual reciprocal entity.

(9)

As of September 30, 2021 and December 31, 2020, HealthSpan has no changes in special surplus.

(10)

No portion of surplus is represented by cumulative unrealized gains or losses.

(11)

The Company has no surplus notes at September 30, 2021 and December 31, 2020.

(12) – (13)

HealthSpan did not undergo any quasi-reorganization during the Year ended September 30, 2021 or in the year ended December 31, 2020.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

13. Liabilities, Contingencies and Assessments

A - Contingent commitments

As of September 30, 2021 and December 31, 2020, HealthSpan was not a guarantor, and had no commitments to a subsidiary, controlled or affiliated entity.

B – C Assessments and Gain Contingencies

As of September 30, 2021 and December 31, 2020, HealthSpan had no assessments or gain contingencies that could have a material effect on the financial statements.

D – Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

For the six months ended September 30, 2021 and the year ended December 31, 2020, HealthSpan paid the following amounts in the reporting periods to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits (in thousands):

| | <u>12/31/2020</u> | <u>12/31/2019</u> |
|---|-------------------|-------------------|
| Claims related ECO and bad faith losses paid during the reporting period: | \$ _____ - | \$ _____ - |

The number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period were:

| | 0 - 25 Claims | 25 - 50 Claims | 51 - 100 Claims | 101 - 500 Claims | More than 500 Claims |
|------|---------------|----------------|-----------------|------------------|----------------------|
| 2020 | X | | | | |
| 2019 | X | | | | |

The claim count information above is disclosed per claim.

E – Joint and Several Liabilities.

HealthSpan is involved in various legal proceedings arising in the ordinary course of business operations. Such litigation proceedings include: administrative litigation, employment litigation, breach of contract and other commercial and tort litigation, consistent with the health care industry.

In the opinion of management, based upon current facts and circumstances, the resolution of these matters is not expected to have a material adverse effect on the financial position or results of operations of HealthSpan. Where appropriate, reserves have been established in accordance with SSAP No. 5R, *Liabilities, Contingencies, and Impairment of Assets*. The outcome of litigation and other legal and regulatory matters is inherently uncertain, however, and it is possible that one or more of the legal or regulatory matters currently pending or threatened could have a material adverse effect.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

14. Leases

A – Operating Leases

- (1) HealthSpan had no operating leases for the Year ended September 30, 2021 and the year ending December 31, 2020.
- (2) At September 30, 2021 and December 31, 2020, there were no minimum aggregate commitments under noncancelable operating leases extending beyond one year.
- (3) The Company is not involved in any material sales-leaseback transactions.

B – Lessor Leases

Leasing is not a material part of the Company's activities in terms of revenue, net income, or assets.

15. Information About Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Financial instruments that potentially subject HealthSpan to concentrations of credit risk consist primarily of investment securities and accounts receivable. All investments in securities are managed within guidelines established by HealthSpan's management, which, as a matter of policy and procedure, limit the amounts that may be invested in each type of security, with any one issuer, and in various credit quality classifications. Concentrations of credit risk with respect to accounts receivable is limited due to the large number of payers comprising HealthSpan's customer base. Accordingly, HealthSpan does not believe any significant concentration of off-balance sheet or credit risk existed at September 30, 2021 or December 31, 2020.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

16. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – None

17. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A-B – ASO and ASC Plans – None

C – Medicare or Similarly Structured Cost Based Reimbursement Contract - None

18. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators - None

19. Fair Value Measurements

HealthSpan has no nonfinancial assets or liabilities that are required to be measured and reported at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. HealthSpan's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels.

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.
- Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement.

19. Fair Value Measurements (continued)

Investments, as discussed in the *Investments* note, are reported at lower of amortized cost or fair value, with impairment recorded if amortized cost is greater than fair value. The fair values of investments are based on quoted market prices, if available, or estimated using quoted market prices for similar investments. If listed prices or quotes are not available, fair value is based upon other observable inputs or models that primarily use market-based or independently sourced market parameters as inputs. In addition to market information, models also incorporate transaction details such as maturity. Fair value adjustments, including credit, liquidity, and other factors are included, as appropriate, to arrive at a fair value measurement.

Investments at statement value and estimated fair value at September 30, 2021 (in thousands).

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

| Asset Description | Aggregate | Admitted | | | |
|------------------------------------|---------------|---------------|-------------|---------------|-------------|
| | Fair Value | Assets | Level 1 | Level 2 | Level 3 |
| U.S Treasury Bonds | \$ 400 | \$ 400 | | \$ 400 | \$ - |
| Industrial and miscellaneous Bonds | - | - | | - | - |
| Total Investments | \$ 400 | \$ 400 | \$ - | \$ 400 | \$ - |

Investments at statement value and estimated fair value at December 31, 2020 (in thousands).

| Asset Description | Aggregate | Admitted | | | |
|------------------------------------|---------------|---------------|-------------|---------------|-------------|
| | Fair Value | Assets | Level 1 | Level 2 | Level 3 |
| U.S Treasury Bonds | \$ 400 | \$ 400 | \$ - | \$ 400 | \$ - |
| Industrial and miscellaneous Bonds | - | - | | - | - |
| Total Investments | \$ 400 | \$ 400 | \$ - | \$ 400 | \$ - |

20. Other Items

- a. Extraordinary Items – Not Applicable
- b. Troubled Debt Restructuring – Not applicable
- c. Other Disclosure and Unusual Items – Not Applicable
- d. Business Interruption Insurance Recoveries – Not Applicable
- e. State Transferrable and Non-transferrable Tax Credits – Not applicable
- f. Subprime Mortgage Related Risk Exposure – Not applicable.
- g. Retained Assets – Not applicable

21. Reinsurance

HealthSpan did not write any insurance business or cover lives during 2020 or 2019. Therefore, HealthSpan had no reinsurance.

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

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

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
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(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

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

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

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

None

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

23. Reinsurance (continued)

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

Yes () No (X)

B. Uncollectible Reinsurance (None)

(1) The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of: \$0.0, which is reflected as:

| | | |
|--------------------------------------|---------------|---|
| a. Losses incurred | \$ | - |
| b. Loss adjustment expenses incurred | \$ | - |
| c. Premiums earned | \$ | - |
| d. Other | \$ | - |
| e. Company | <u>Amount</u> | |

C. Commutation of Ceded Reinsurance (None)

The Company has reported in its operations in the current year as a result of commutation of reinsurance, amounts, which are reflected as:

| | | |
|--------------------------------------|---------------|---|
| a. Losses incurred | \$ | - |
| b. Loss adjustment expenses incurred | \$ | - |
| c. Premiums earned | \$ | - |
| d. Other | \$ | - |
| e. Company | <u>Amount</u> | |

D. Certified Reinsurer Rating Downgraded or Status Subject To Revocation (None)

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating Was Downgraded or Status Subject to Revocation

| Name of Certified Reinsurer | Relationship to Reporting Entity | Date of Action | Jurisdiction of Action | Collateral Percentage Requirement | | Net Obligation Subject to Collateral | Collateral Required (but not Received) |
|-----------------------------|----------------------------------|----------------|------------------------|-----------------------------------|-------|--------------------------------------|--|
| | | | | Before | After | | |
| | | | | | | | |
| | | | | | | | |

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
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24. Retrospectively Rated Contracts

The ACA established risk sharing programs, known as risk adjustment, reinsurance, and risk corridors, to protect health insurers against the incurrence of high claims which may occur as a result of the guarantee issue rules of the ACA. Two of the programs, reinsurance and risk corridors, were temporary and concluded in 2016. The risk adjustment program is permanent.

The risk adjustment program shifts risk by transferring funds to individual and small group plans that report high risk based on the demographic factors and health status of each member as derived from current year medical diagnosis as reported throughout the year. This program transfers funds from lower risk plans to higher risk plans within similar plans in the same state. Under the risk adjustment program, a risk score is assigned to each covered member to determine an average risk score at the individual and small group level by legal entity in a particular market in a state. Additionally, an average risk score is determined for the entire subject population for each market in each state. Settlements are determined on a net basis by legal entity and state. Each health insurance issuer's average risk score is compared to the state's average risk score. Plans with an average risk score below the state average will pay into a pool, and health insurance issuers with an average risk score that is greater than the state average risk score will receive money from that pool. The Company's estimate of amounts receivable and/or payable under the risk adjustment program is based on our estimate of both our own and the state average risk scores. As of December 31, 2016, the risk adjustment reserve was \$0.7 million. HealthSpan paid \$0.1 million for risk adjustment during 2017 for the 2016 assessments, the difference of \$0.8 million is reflected as a change in estimate within net premium revenue. HealthSpan has recorded contributions to the risk adjustment program as assessments which are included in the statement of admitted assets, liabilities, and surplus.

The risk corridor program limits issuer gains and losses for qualified health plans in the individual and small markets by comparing allowable medical costs to a target amount, each defined/prescribed by Department of Health and Human Services (HHS), and sharing the risk for allowable costs with the federal government. Allowable medical costs are adjusted for risk adjustment settlements, transitional reinsurance recoveries, and cost sharing reductions received from HHS. Variances from the target exceeding certain thresholds may result in HHS making additional payments to HealthSpan or require HealthSpan to refund HHS a portion of the premiums we received. HHS guidance provides that risk corridor collections over the life of the three-year program will first be applied to any shortfalls from previous benefit years before application to current year obligations.

On December 21, 2020, HealthSpan Inc received \$13.7M in funds resulting from the settlement of a class action lawsuit related to unpaid Risk Corridor receivables. The amount received was reported as Other Revenue for the year ended December 31, 2020 net of a 5% reduction for attorney and other fees. A schedule reflecting the final amounts due and collected is depicted in the Risk Corridor table below.

During 2017, HealthSpan recognized \$0 thousand and collected \$848 thousand in income related to the 2014 Risk Corridor receivable. No receivable from 2015 or 2016 was reflected in the financial statements as the program was not funded and management has determined that the collectability is uncertain. Additionally, the NAIC's position on the risk corridor required that any receivable recorded be non-admitted on the statutory-basis financial statements. As of September 30, 2021, the 2014, 2015 and 2016 receivables were fully settled.

HealthSpan Inc.
 Notes to Financial Statements
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The reinsurance program requires HealthSpan to make reinsurance contributions for calendar years 2014 through 2016 to HHS based on a national contribution rate per covered member as determined by HHS. While all commercial medical plans, including self-funded plans, are required to fund the reinsurance entity, only fully-insured non-grandfathered plans compliant with the ACA in the individual commercial market will be eligible for recoveries if individual claims exceed a specified threshold. Accordingly, plan contributions are recorded as premium reductions and recoveries are recorded as a reduction of claim expense. For group members, the ACA reinsurance program is accounted for as an assessment because claims incurred for group members are not eligible for recovery under the program.

For individual members, who may incur high claim costs eligible for reimbursement, the ACA reinsurance program is accounted for as reinsurance. Accordingly, plan contributions are recorded as premium reductions and recoveries are recorded as a reduction of claim expense. For group members, the ACA reinsurance program is accounted for as an assessment because claims incurred for group members are not eligible for recovery under the program.

The following table summarizes the medical loss ratio rebates required pursuant to the Public Health Service Act - -NONE as HealthSpan ceased insurance operations effective December 31, 2016.

| | 1 Individual | 2 Small Group Employer | 3 Large Group Employer | 4 Other Categories with Rebates | 5 Total |
|---|-----------------|------------------------------|------------------------------|---------------------------------------|------------|
| Prior Reporting Year | | | | | |
| (1) Medical loss ratio rebates incurred | | | | | |
| (2) Medical loss ratio rebates paid | | | | | |
| (3) Medical loss ratio rebates unpaid | | | | | |
| (4) Plus reinsurance assumed amounts | | | | | |
| (5) Less reinsurance ceded amounts | | | | | |
| (6) Rebates unpaid net of reinsurance | | | | | |
| Current Reporting Year | | | | | |
| (7) Medical loss ratio rebates incurred | | | | | |
| (8) Medical loss ratio rebates paid | | | | | |
| (9) Medical loss ratio rebates unpaid | | | | | |
| (10) Plus reinsurance assumed amounts | | | | | |
| (11) Less reinsurance ceded amounts | | | | | |
| (12) Rebates unpaid net of reinsurance | | | | | |

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

24. Retrospectively Rated Contracts (Continued)

The following table summarizes the impacts of the risk sharing provisions of the ACA on admitted assets, liabilities and revenue of HealthSpan for the Year ended September 30, 2021 (*in thousands*):

| a. Permanent ACA Risk Adjustment Program | <u>12/31/2020</u> |
|---|--------------------------|
| Assets | |
| 1. Premium adjustments receivable | \$ - |
| Liabilities | |
| 2. User fees payable | \$ - |
| 3. Premium adjustments payable | \$ - |
| Operations | |
| 4. Reported as revenue in premium for accident and health contracts (written / collected) | \$ - |
| 5. Reported in expenses user fees (incurred / paid) | \$ - |
| b. Transitional ACA Reinsurance | |
| Assets | |
| 1. Amount recoverable for claims paid | \$ - |
| 2. Amounts recoverable for claims unpaid | \$ - |
| 3. amounts receivable relating to uninsured plans for contributions | \$ - |
| Liabilities | |
| 4. Liabilities for contributions payable -not reported as ceded premium | \$ - |
| 5. Ceded reinsurance premiums payable | \$ - |
| 6. Liabilities for amounts held under uninsured plans contributions for reinsurance (2). | \$ - |
| Operations | |
| 7. Ceded reinsurance premiums due | \$ - |
| 8. Reinsurance recoveries (income statement) due to reinsurance payments or expected payments | \$ - |
| 9. Reinsurance contributions -not reported as ceded premium | \$ - |
| c. Temporary ACA Risk Corridors Program | |
| Assets | |
| 1. Accrued retrospective premium due (1) | \$ - |
| Liabilities | |
| 2. Reserve for rate credits or policy experience rating refunds (1) | \$ - |
| Operations | |
| 3. Effect on net premium income (paid / received) (1) | \$ - |
| 4. Change in reserves for rate credits (1) | \$ - |

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

24. Retrospectively Rated Contracts (continued)

| | Accrued prior year on business written before December 31 of the prior year | | Received or paid as of the current year on business written before December 31 of the prior year | | Prior year accrued less payments col(1-3) | Prior year accrued less payments col(2-4) | To prior year balances | To prior year balances | Cumulative balance from prior years Col(1-3+7) | Cumulative balance from prior years Col(2-4+8) | |
|---|---|----------------|--|----------------|---|---|------------------------|------------------------|--|--|-----------------|
| | 1 Receivable | 2 (Payable) | 3 Receivable | 4 (Payable) | 5 Receivable | 6 (Payable) | 7 Receivable | 8 (Payable) | Ref | 9 Receivable | 10 (Payable) |
| | | | | | | | | | | | |
| a. Permanent ACA Risk Adjustment Program | | | | | | | | | | | |
| 1. Premium adjustment receivable | - | - | - | - | - | - | - | - | A | - | |
| 2. Premium adjustment (payable) | - | - | - | - | - | - | - | - | B | - | |
| 3. Subtotal ACA Permanent Risk Adjustment Program | - | - | - | - | - | - | - | - | | | |
| b. Transitional ACA Permanent Risk Adjustment Program | | | | | | | | | | | |
| 1. Amounts recoverable for claims paid | - | - | - | - | - | - | - | - | C | - | |
| 2. Amounts recoverable for claims unpaid (contra liability) | - | - | - | - | - | - | - | - | D | - | |
| 3. Amounts receivable relating to uninsured plans | - | - | - | - | - | - | - | - | E | - | |
| 4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium | - | - | - | - | - | - | - | - | F | - | |
| 5. Ceded reinsurance premiums payable | - | - | - | - | - | - | - | - | G | - | |
| 6. Liability for amounts held under uninsured plans | - | - | - | - | - | - | - | - | H | - | |
| 7. Subtotal ACA transitional reinsurance program | - | - | - | - | - | - | - | - | | | |
| c. Temporary ACA risk corridor program | | | | | | | | | | | |
| 1. Accrued retrospective premium | - | - | - | - | - | - | - | - | I | - | |
| 2. Reserve for rate credits or policy experience rating refunds | - | - | - | - | - | - | - | - | J | - | |
| 3. Subtotal ACA risk corridor program | - | - | - | - | - | - | - | - | | | |
| d. Total for ACA risk Sharing Programs | - | - | - | - | - | - | - | - | | | |

Explanations

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.
- D. Not applicable.
- E. Not applicable.
- F. Not applicable.
- G. Not applicable.
- H. Not applicable
- I. Not applicable.
- J. Estimate was less than actual.

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
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24. Retrospectively Rated Contracts (continued)

Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

| Risk Corridors Program Year | Accrued during the Prior Year on Business Written Before Dec 31 of the Prior Year | | Received or Paid as of the Current Year on Balances Written Before Dec 31 of the Prior Year | | Differences | | Adjustments | | Unadjusted Balances as of the Reporting Date | |
|---|---|--------------|---|--------------|---|---|------------------------|------------------------|---|--------------------------------------|
| | | | | | Prior year Accrued less Payments (Col. 1-3) | Prior year Accrued less Payments (Col. 2-4) | To Prior year Balances | To Prior year Balances | Cumulative Balance from Prior Years (Col 1-3+7) | Balance from Prior Years (Col 2-4+8) |
| | 1 Receivable | 2 Payable | 3 Receivable | 4 Payable | 5 Receivable | 6 Payable | 7 Receivable | 8 Payable | 9 Ref Receivable | 10 Payable |
| a. 2014 | | | | | | | | | A | |
| 1. Accrued retrospective premium | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2. Reserve for rate credits or policy experience rating refunds | - | - | - | - | - | - | - | - | B | - |
| b. 2015 | | | | | | | | | C | - |
| 1. Accrued retrospective premium | - | - | - | - | - | - | - | - | D | - |
| 2. Reserve for rate credits or policy experience rating refunds | - | - | - | - | - | - | - | - | E | - |
| c. 2016 | | | | | | | | | F | - |
| 1. Accrued retrospective premium | - | - | - | - | - | - | - | - | | |
| 2. Reserve for rate credits or policy experience rating refunds | - | - | - | - | - | - | - | - | | |
| Total Risk Corridors | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Explanation of Adjustments | | | | | | | | | | |
| A - Figure was adjusted to final results | | | | | | | | | | |
| B N/A | | | | | | | | | | |
| C N/A | | | | | | | | | | |
| D N/A | | | | | | | | | | |
| E - Figure was adjusted to final results | | | | | | | | | | |
| F - N/A | | | | | | | | | | |

ACA Risk Corridors Receivable as of Reporting Date

| Risk Corridors Program year | 1 | 2 | 3 | 4 | 5 | 6 |
|-----------------------------|---|---|---------------------------|--|---------------------|--------------------------|
| | Estimated Amount to be Filed or Final Amount Filed with CMS | Non-Accrued Amounts for Impairment or Other Reasons | Amounts received from CMS | Asset Balance (Gross of Non-admission) (1-2-3) | Non-admitted Amount | Net Admitted Asset (4-5) |
| a. 2014 | \$ 5,067 | \$ 211 | \$ 4,856 | \$ - | \$ - | \$ - |
| b. 2015 | 8,659 | 433 | 8,226 | - | - | - |
| c. 2016 | 1,547 | 77 | 1,470 | - | - | - |
| d. Total (a+b+c) | \$ 15,273 | \$ 721 | \$ 14,552 | \$ - | \$ - | \$ - |

HealthSpan Inc.
Notes to Financial Statements
For the Nine Months ended September 30, 2021 and the Year
Ended December 31, 2020

25. Change in Incurred Claims and Claim Adjustment Expenses

| | <u>9/30/2021</u> | <u>12/31/2020</u> |
|--|--------------------|--------------------|
| Claims Payable: | | |
| Balance beginning of period | \$ - | \$ - |
| Incurred Claims: | | |
| Insured Events of Current Year | \$ - | \$ - |
| Increase (decrease) insured events of prior year | - - | - - |
| Total incurred claims | <u>\$ -</u> | <u>\$ -</u> |
| Payment of claims: | | |
| Claims incurred in prior years | \$ - | \$ - |
| Claims incurred in current year | - - | - - |
| Claims Adjustment Expense | - - | - - |
| Total claims and related expenses paid | <u>\$ -</u> | <u>\$ -</u> |
| Balance end of the period | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

26. Intercompany Pooling Arrangements

HealthSpan has no intercompany pooling arrangements.

27. Structured Settlements

Not applicable for health entities.

HealthSpan Inc.
Notes to Financial Statements
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28. Health Care Receivables

a. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables under Government Insured Plans* (SSAP No. 84). No pharmaceutical rebate receivables were recorded at September 30, 2021 and December 31, 2020 are \$0

29. Participating Policies - None

30. Premium Deficiency Reserves

HealthSpan had no Premium Deficiency Reserve included in as a reduction of loss reserves for the Year ended September 30, 2021 and the year ended December 31, 2020, respectively.

31. Anticipated Salvage and Subrogation

HealthSpan had no salvage and subrogation included in as a reduction of loss reserves for the Year ended September 30, 2021 and the year ended December 31, 2020, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change:

3.1 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 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.
.....

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

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....

4.1 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.

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] NA [X]
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015

6.3 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). 01/30/2017

6.4 By what department or departments?
.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] NA [X]

7.1 Has this 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]

7.2 If yes, give full information:
.....

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]
 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

13. Amount of real estate and mortgages held in short-term investments: \$

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No []

14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|--|--|---|
| 14.21 Bonds | \$0 | \$ |
| 14.22 Preferred Stock | \$0 | \$ |
| 14.23 Common Stock | \$0 | \$ |
| 14.24 Short-Term Investments | \$0 | \$ |
| 14.25 Mortgage Loans on Real Estate | \$0 | \$ |
| 14.26 All Other | \$0 | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$0 | \$0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$0 | \$ |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]

If no, attach a description with this statement.

16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 16.3 Total payable for securities lending reported on the liability page \$.....0

GENERAL INTERROGATORIES

17. 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 []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|----------------------------------|---|
| State Street Bank and Trust..... | 801 Pennsylvania, Kansas City, MO 64105..... |
| Fifth Third Bank..... | 38 Fountain Square Plaza, Cincinnati, OH 45263..... |

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [] No []

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

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

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

| 1 Name of Firm or Individual | 2 Affiliation |
|---------------------------------|------------------|
| | |
| | |
| | |

17.5097 For those firms/individuals listed in the table for Question 17.5, 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]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes [] No [X]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

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

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

Yes [X] No []

18.2 If no, list exceptions:

.....

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

Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or

- a. 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 []

20. 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.

The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is

- c. 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 []

GENERAL INTERROGATORIES

21. 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 []

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent..... 0.0 %

1.2 A&H cost containment percent..... 0.0 %

1.3 A&H expense percent excluding cost containment expenses..... %

2.1 Do you act as a custodian for health savings accounts?..... Yes No [X]

2.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ _____

2.3 Do you act as an administrator for health savings accounts?..... Yes No [X]

2.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ _____

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

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

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

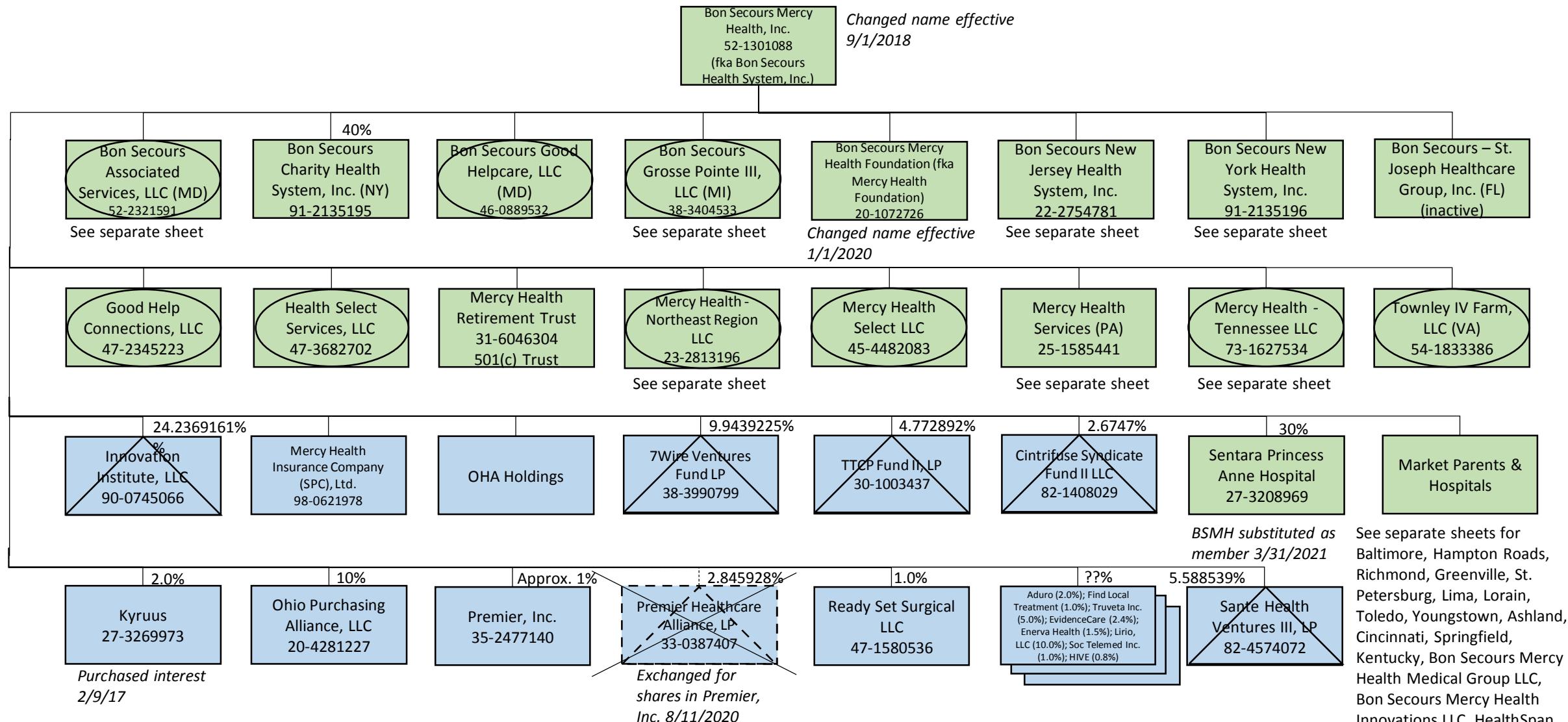
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| States, Etc. | 1 Active Status (a) | Direct Business Only | | | | | | | | |
|--|------------------------|---------------------------------|--------------------------|-------------------------|---------------------|---|---|----------------------------------|--------------------------------|------------------------------|
| | | 2 Accident & Health Premiums | 3 Medicare Title XVII | 4 Medicaid Title XIX | 5 CHIP Title XXI | 6 Federal Employees Health Benefits Program Premiums | 7 Life & Annuity Premiums & Other Considerations | 8 Property/ Casualty Premiums | 9 Total Columns 2 Through 8 | 10 Deposit-Type Contracts |
| 1. Alabama | AL | N | | | | | | | 0 | |
| 2. Alaska | AK | N | | | | | | | 0 | |
| 3. Arizona | AZ | N | | | | | | | 0 | |
| 4. Arkansas | AR | N | | | | | | | 0 | |
| 5. California | CA | N | | | | | | | 0 | |
| 6. Colorado | CO | N | | | | | | | 0 | |
| 7. Connecticut | CT | N | | | | | | | 0 | |
| 8. Delaware | DE | N | | | | | | | 0 | |
| 9. Dist. Columbia | DC | N | | | | | | | 0 | |
| 10. Florida | FL | N | | | | | | | 0 | |
| 11. Georgia | GA | N | | | | | | | 0 | |
| 12. Hawaii | HI | N | | | | | | | 0 | |
| 13. Idaho | ID | N | | | | | | | 0 | |
| 14. Illinois | IL | N | | | | | | | 0 | |
| 15. Indiana | IN | N | | | | | | | 0 | |
| 16. Iowa | IA | N | | | | | | | 0 | |
| 17. Kansas | KS | N | | | | | | | 0 | |
| 18. Kentucky | KY | N | | | | | | | 0 | |
| 19. Louisiana | LA | N | | | | | | | 0 | |
| 20. Maine | ME | N | | | | | | | 0 | |
| 21. Maryland | MD | N | | | | | | | 0 | |
| 22. Massachusetts | MA | N | | | | | | | 0 | |
| 23. Michigan | MI | N | | | | | | | 0 | |
| 24. Minnesota | MN | N | | | | | | | 0 | |
| 25. Mississippi | MS | N | | | | | | | 0 | |
| 26. Missouri | MO | N | | | | | | | 0 | |
| 27. Montana | MT | N | | | | | | | 0 | |
| 28. Nebraska | NE | N | | | | | | | 0 | |
| 29. Nevada | NV | N | | | | | | | 0 | |
| 30. New Hampshire | NH | N | | | | | | | 0 | |
| 31. New Jersey | NJ | N | | | | | | | 0 | |
| 32. New Mexico | NM | N | | | | | | | 0 | |
| 33. New York | NY | N | | | | | | | 0 | |
| 34. North Carolina | NC | N | | | | | | | 0 | |
| 35. North Dakota | ND | N | | | | | | | 0 | |
| 36. Ohio | OH | L | | | | | | | 0 | |
| 37. Oklahoma | OK | N | | | | | | | 0 | |
| 38. Oregon | OR | N | | | | | | | 0 | |
| 39. Pennsylvania | PA | N | | | | | | | 0 | |
| 40. Rhode Island | RI | N | | | | | | | 0 | |
| 41. South Carolina | SC | N | | | | | | | 0 | |
| 42. South Dakota | SD | N | | | | | | | 0 | |
| 43. Tennessee | TN | N | | | | | | | 0 | |
| 44. Texas | TX | N | | | | | | | 0 | |
| 45. Utah | UT | N | | | | | | | 0 | |
| 46. Vermont | VT | N | | | | | | | 0 | |
| 47. Virginia | VA | N | | | | | | | 0 | |
| 48. Washington | WA | N | | | | | | | 0 | |
| 49. West Virginia | WV | N | | | | | | | 0 | |
| 50. Wisconsin | WI | N | | | | | | | 0 | |
| 51. Wyoming | WY | N | | | | | | | 0 | |
| 52. American Samoa | AS | N | | | | | | | 0 | |
| 53. Guam | GU | N | | | | | | | 0 | |
| 54. Puerto Rico | PR | N | | | | | | | 0 | |
| 55. U.S. Virgin Islands | VI | N | | | | | | | 0 | |
| 56. Northern Mariana Islands | MP | N | | | | | | | 0 | |
| 57. Canada | CAN | N | | | | | | | 0 | |
| 58. Aggregate other alien | OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | | XXX | | | | | | | 0 | |
| 61. Total (Direct Business) | | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 58001 | | XXX | | | | | | | | |
| 58002 | | XXX | | | | | | | | |
| 58003 | | XXX | | | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) | | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 1 R – Registered – Non-domiciled RRGs 0
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state 0 Q – Qualified – Qualified or accredited reinsurer 0
 N – None of the above – Not allowed to write business in the state 56



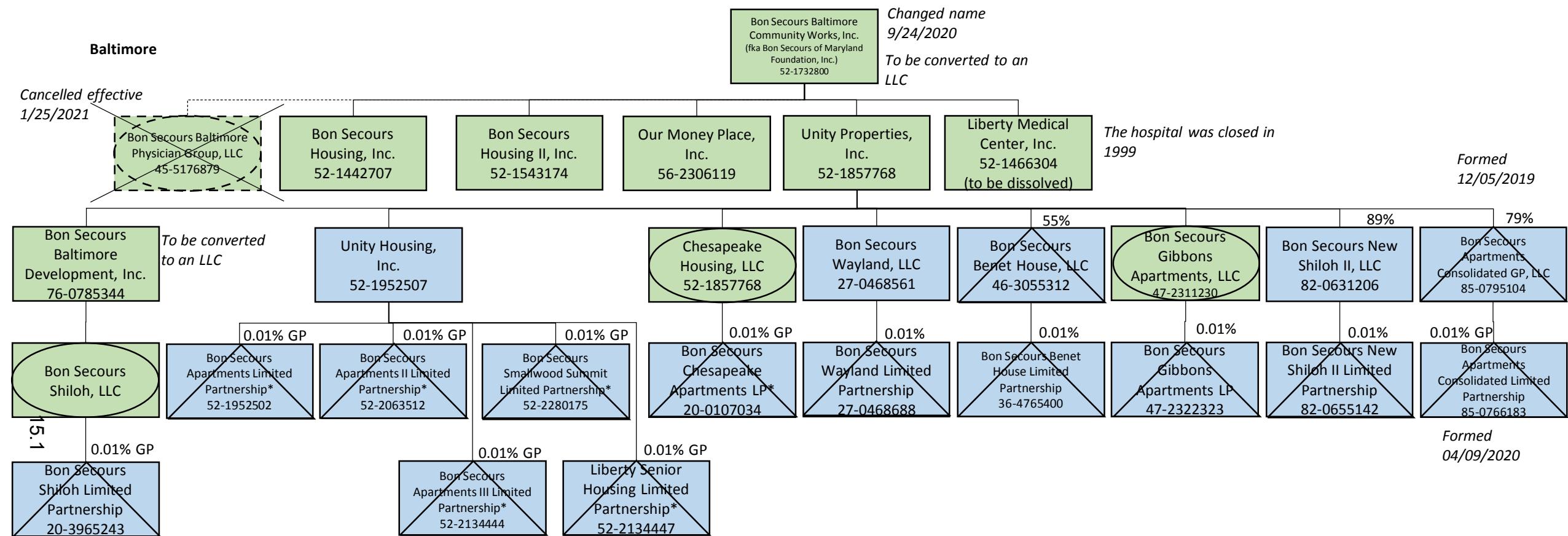
Tax Exempt 501(c)(3) / Foreign Tax Exempt Corporations

Disregarded single member LLC

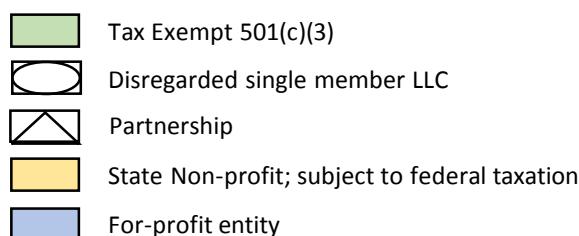
 State Non-profit; subject to federal taxation

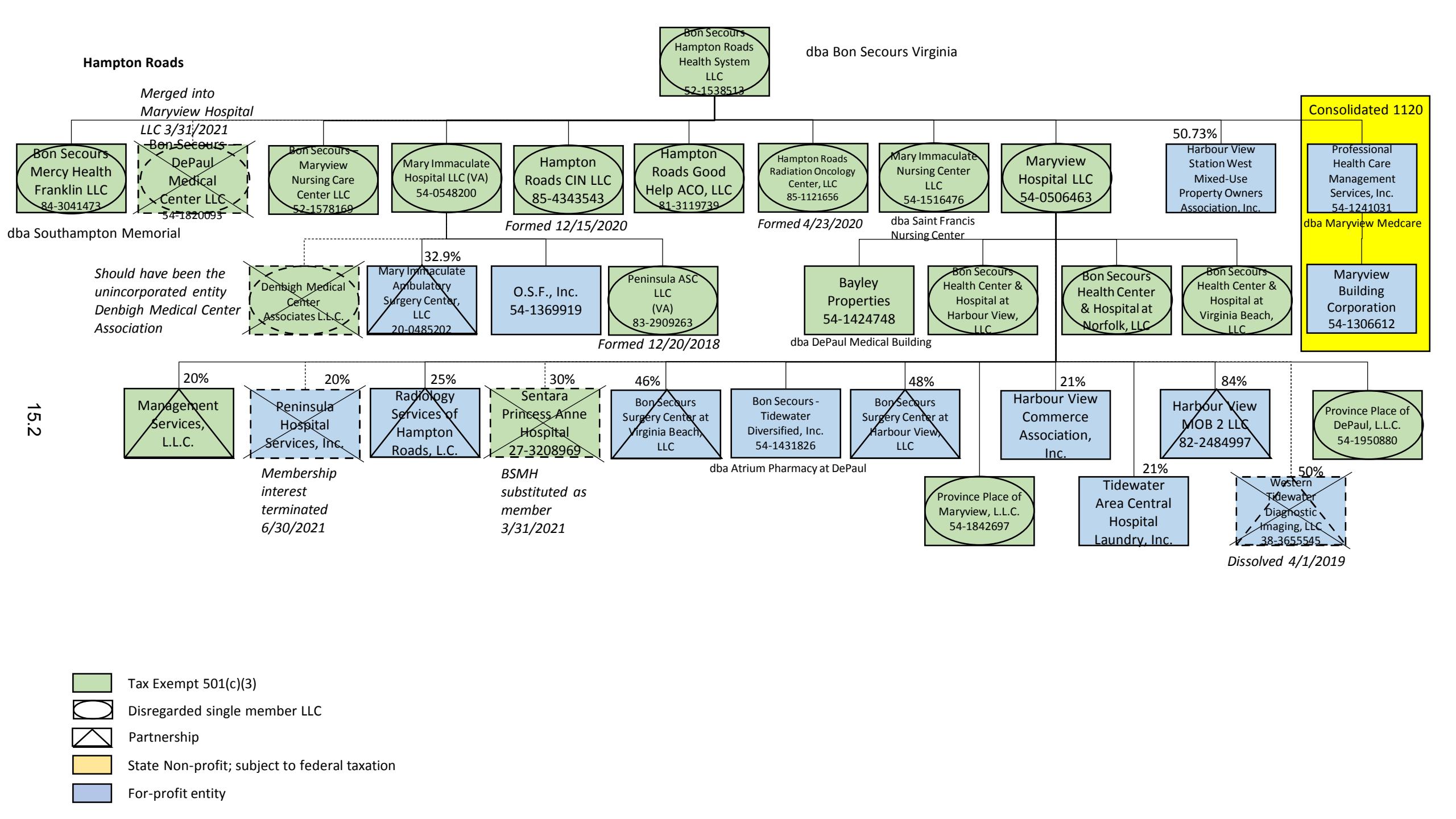
For-profit entity

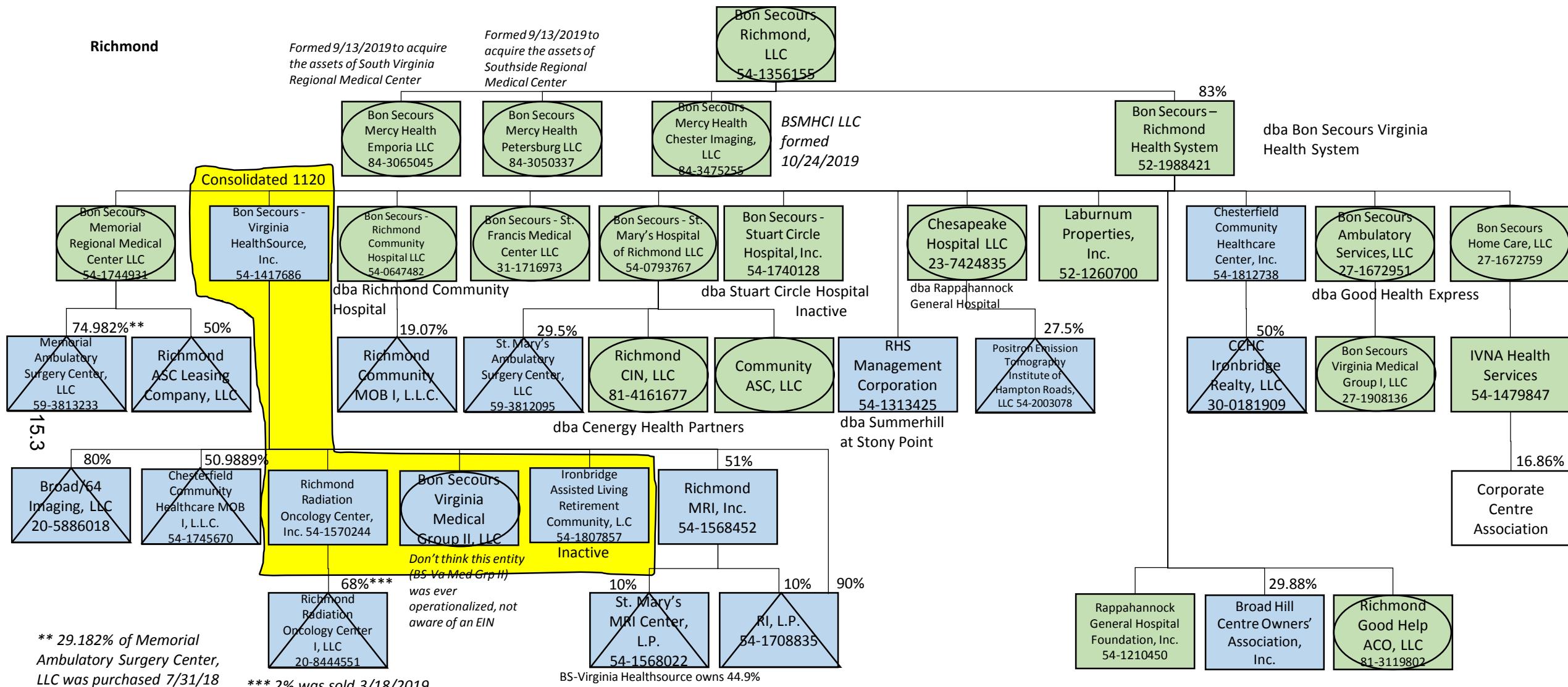
See separate sheets for
Baltimore, Hampton Roads,
Richmond, Greenville, St.
Petersburg, Lima, Lorain,
Toledo, Youngstown, Ashland,
Cincinnati, Springfield,
Kentucky, Bon Secours Mercy
Health Medical Group LLC,
Bon Secours Mercy Health
Innovations LLC, HealthSpan
Partners, and Bon Secours
Ireland



* Unity Properties, Inc. is a 99.99% Limited Partner

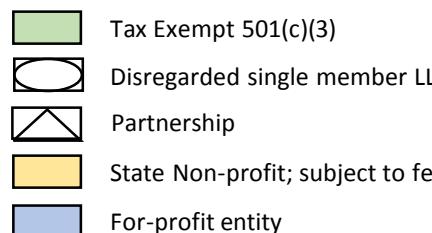




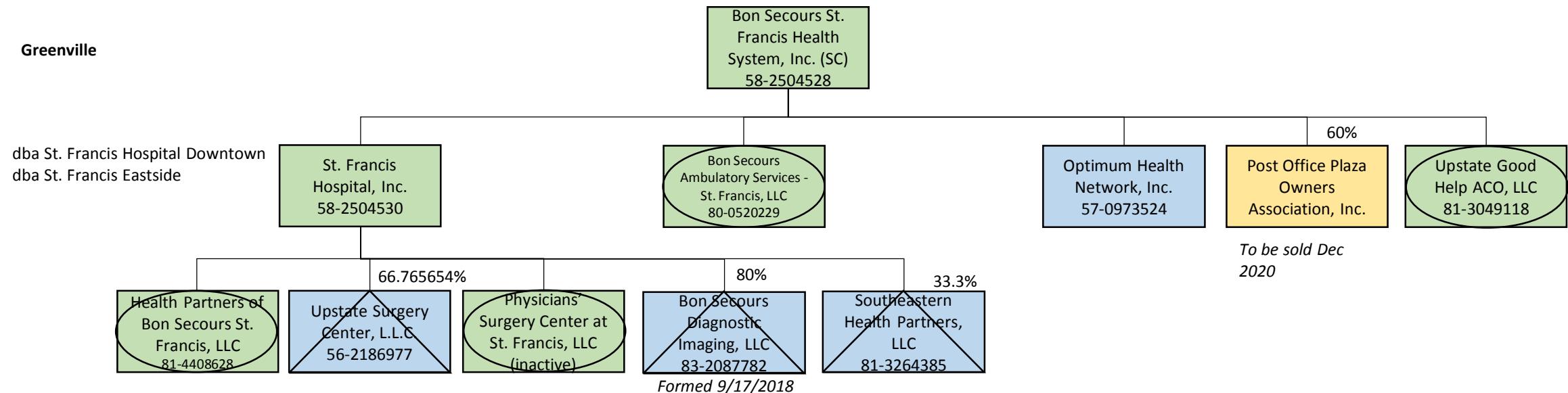


** 29.182% of Memorial Ambulatory Surgery Center, LLC was purchased 7/31/18

*** 2% wgs sold 3/18/2019

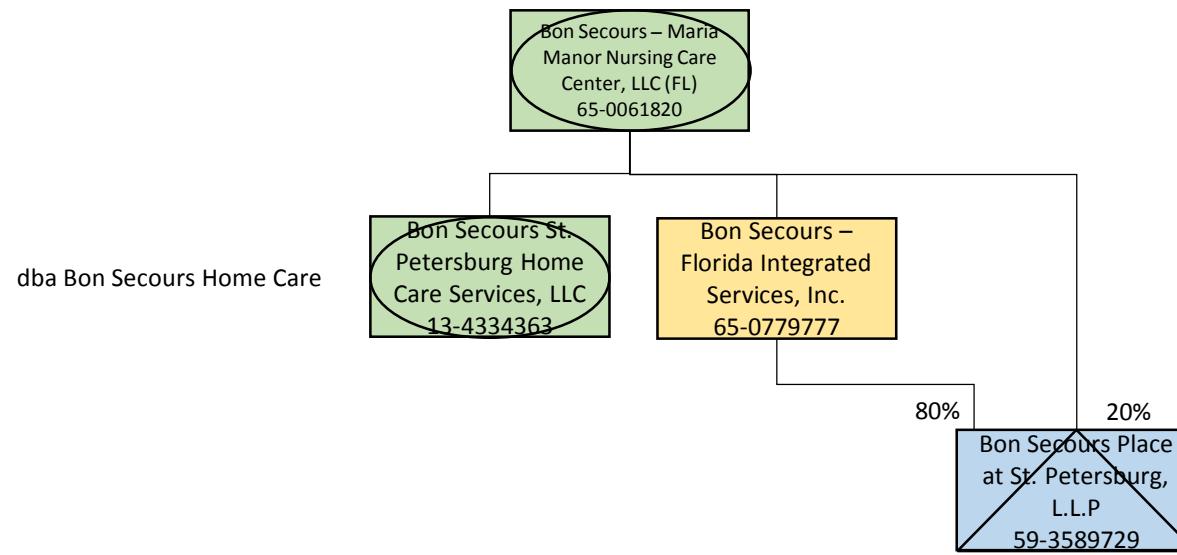


Greenville

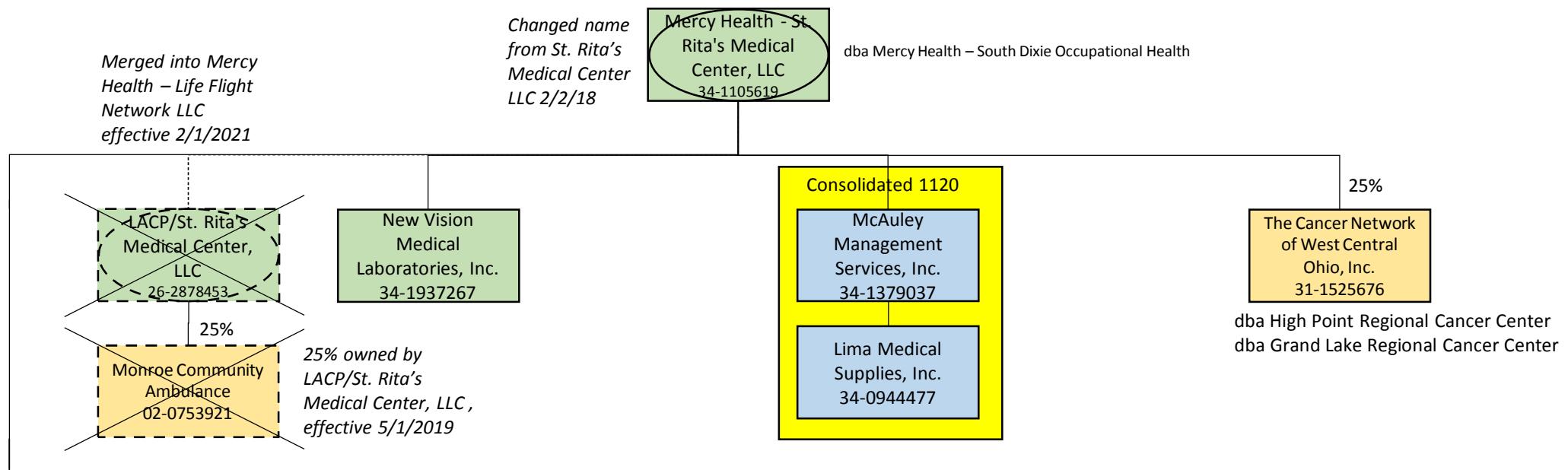


- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- State Non-profit; subject to federal taxation
- For-profit entity

St. Petersburg

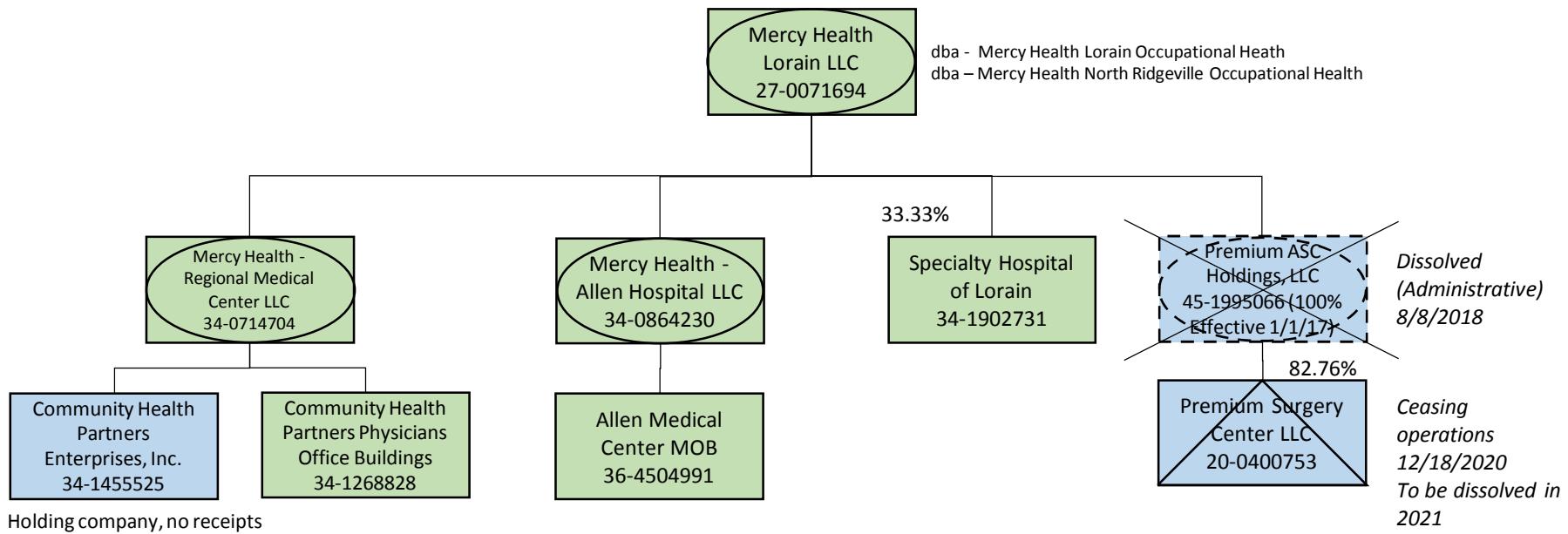


- [Green square] Tax Exempt 501(c)(3)
- [Oval with diagonal line] Disregarded single member LLC
- [Blue triangle] Partnership
- [Yellow square] State Non-profit; subject to federal taxation
- [Blue square] For-profit entity



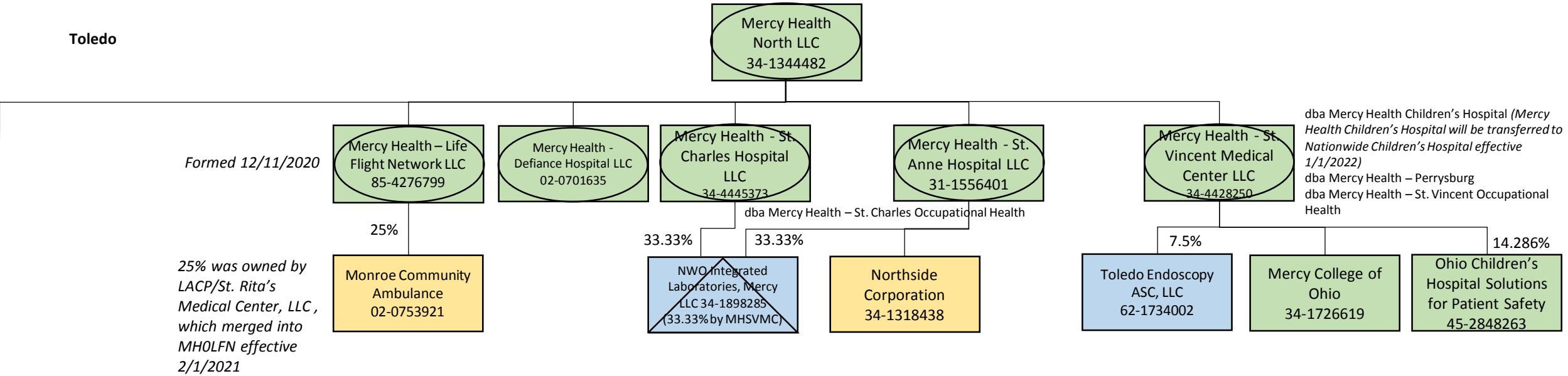
- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

Lorain

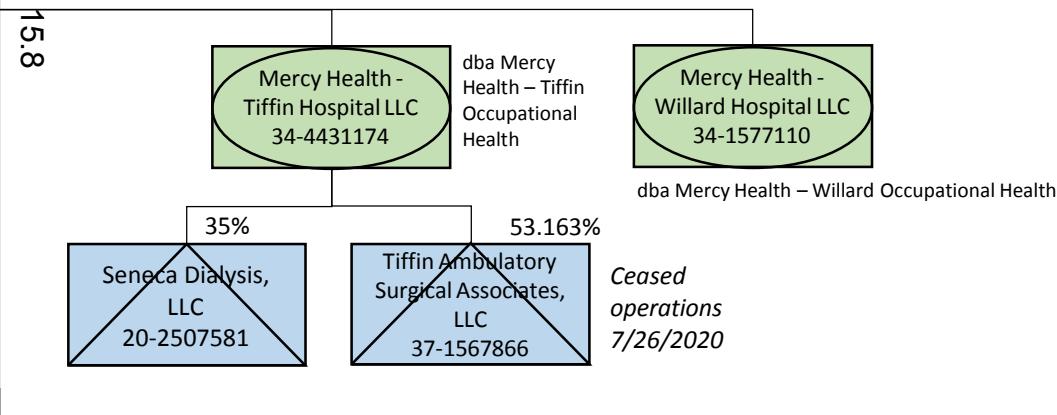


- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

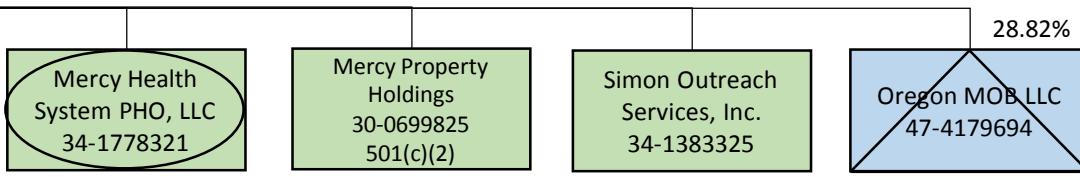
Toledo



58

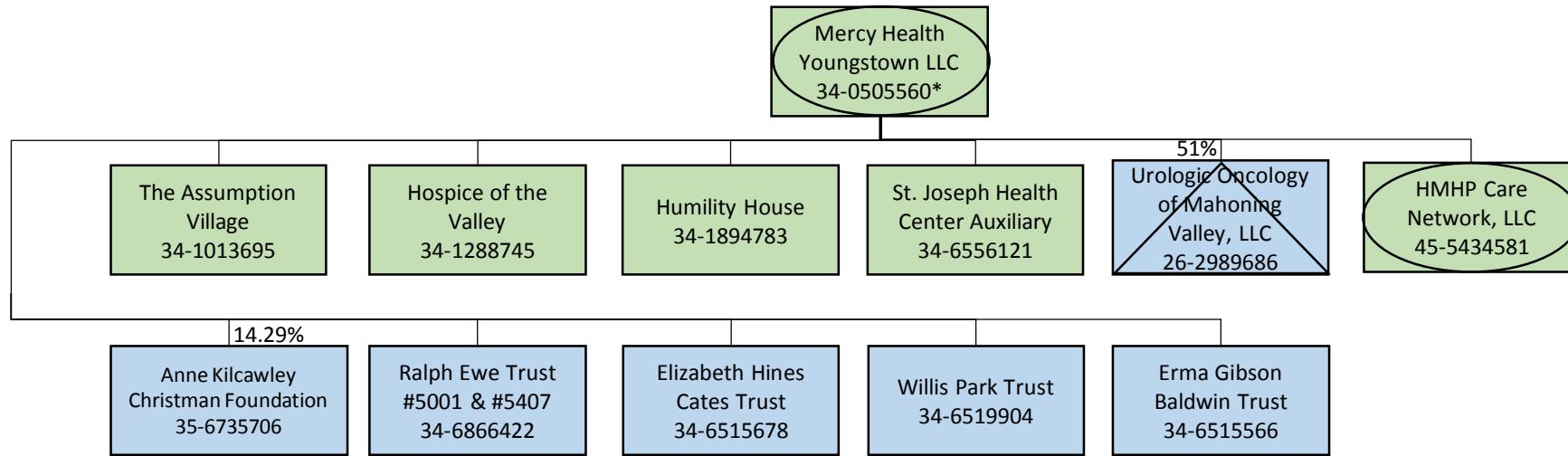


Converted to a SMLLC
1/1/2020



-  Tax Exempt 501(c)(3)
-  Disregarded single member LLC
-  Partnership
-  Ohio Non-profit; subject to federal taxation
-  For-profit entity

Youngstown

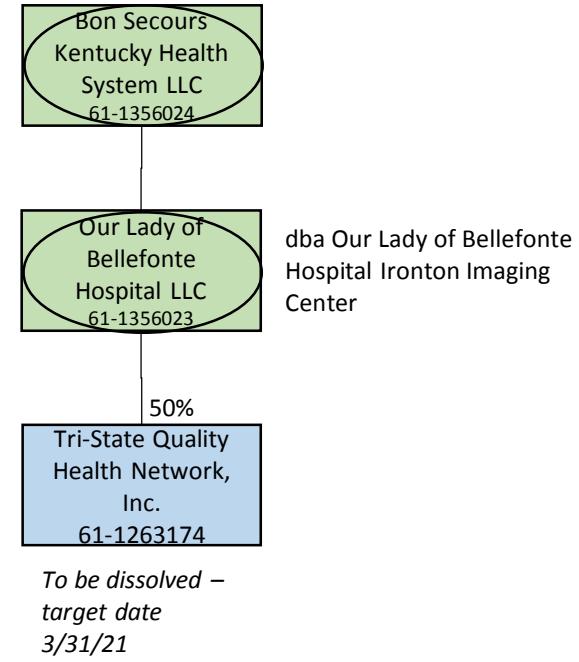


15.9

*dba St. Elizabeth Youngstown Hospital
dba St. Elizabeth Boardman Hospital
dba St. Joseph Warren Hospital
dba Mercy Health – Boardman Occupational Health
dba Mercy Health – Warren Occupational Health

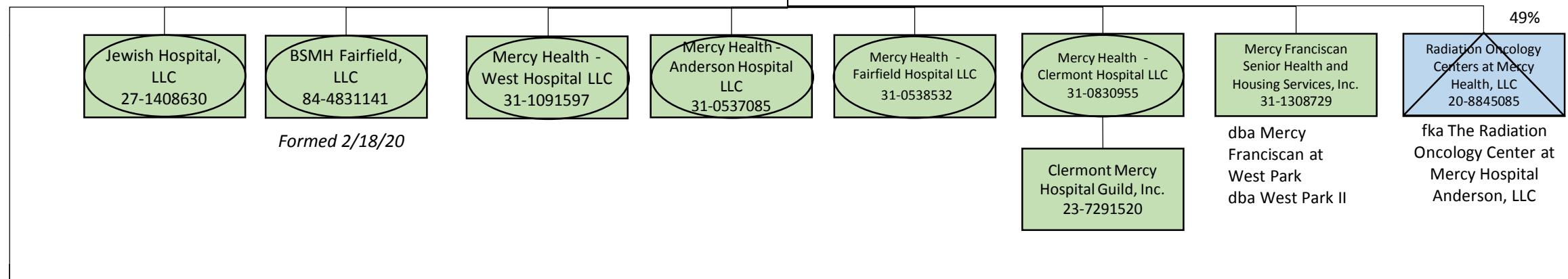
-  Tax Exempt 501(c)(3)
-  Disregarded single member LLC
-  Partnership
-  Ohio Non-profit; subject to federal taxation
-  For-profit entity

Ashland

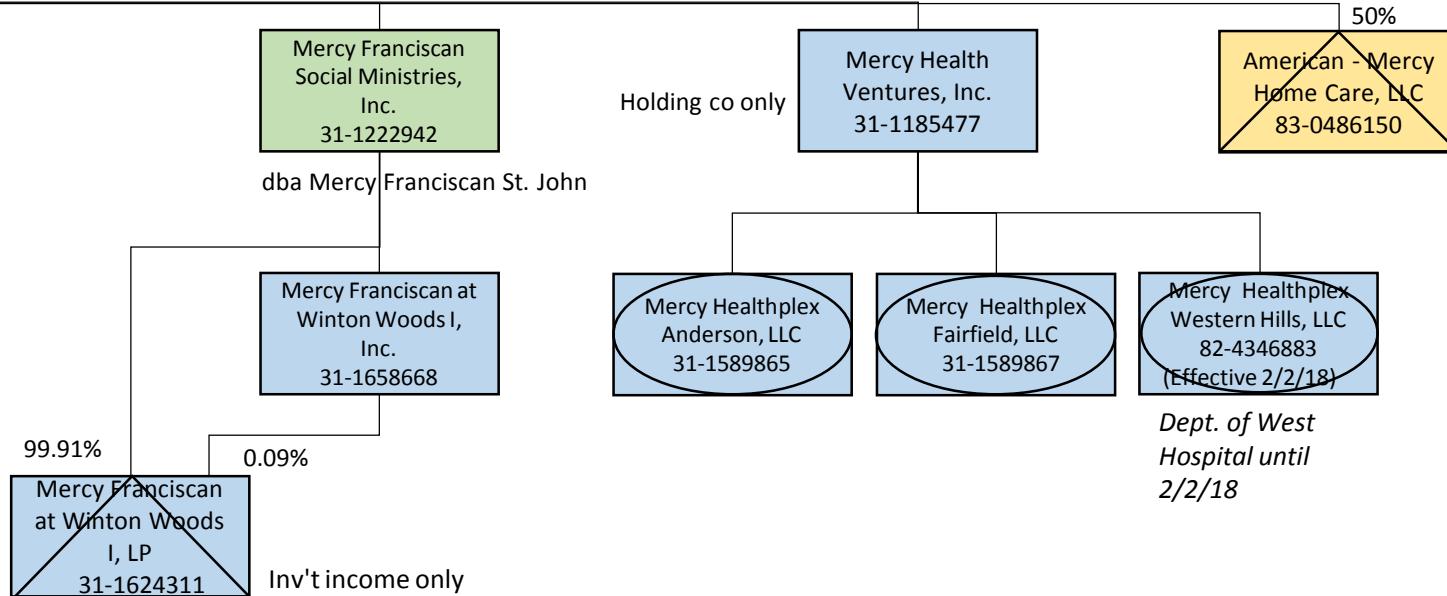


-  Tax Exempt 501(c)(3)
-  Disregarded single member LLC
-  Partnership
-  State Non-profit; subject to federal taxation
-  For-profit entity

Cincinnati

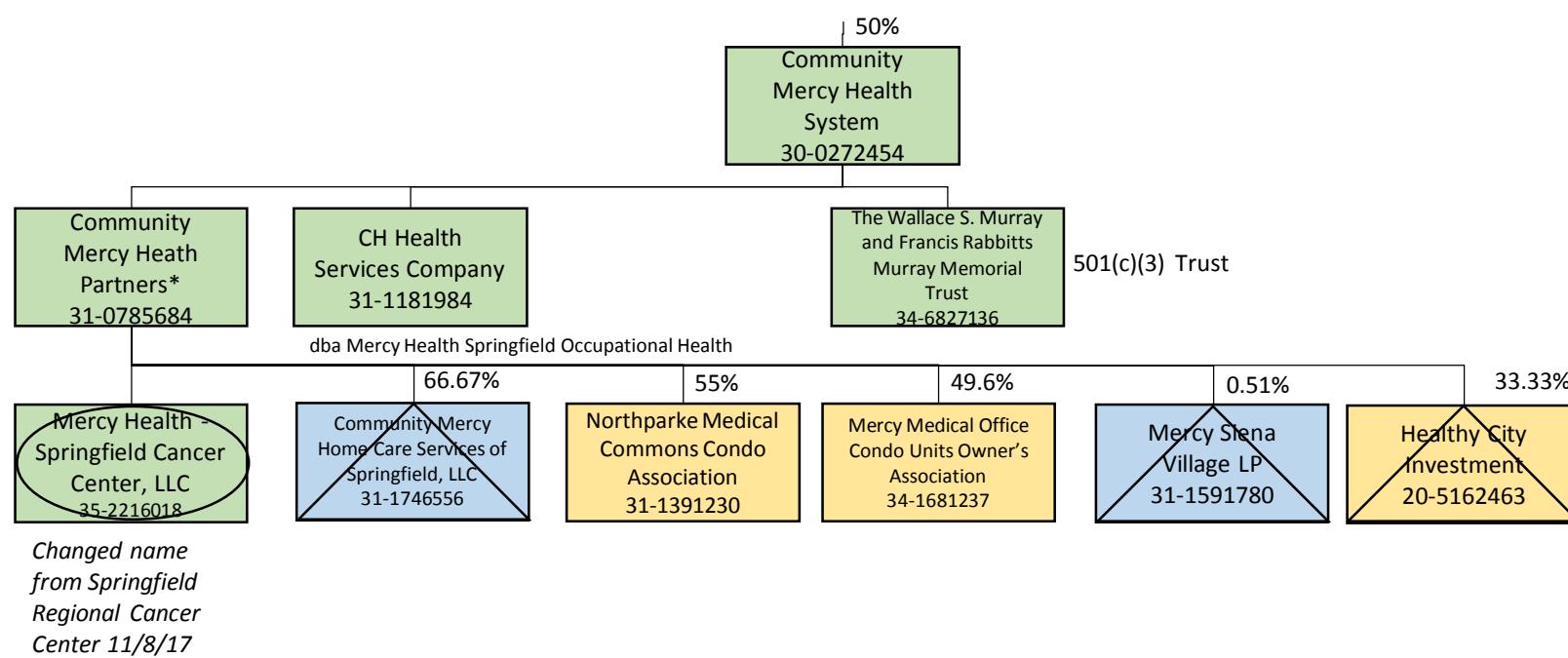


15.11



- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

Springfield

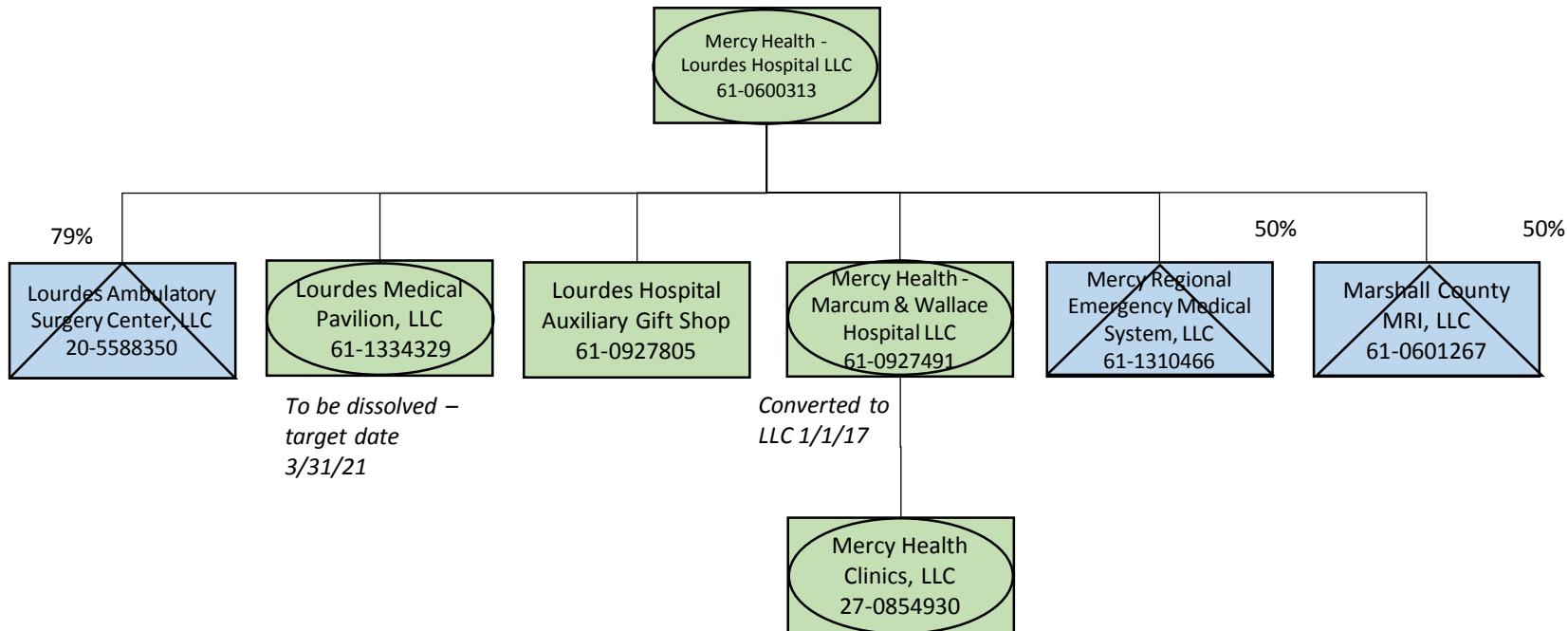


15.12

*dba Mercy Health - Springfield Regional Medical Center
 dba Mercy Health - Urbana Hospital
 dba Mercy Health - McAuley Senior Living
 dba Mercy Health - Oakwood Village Senior Living

- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

Kentucky

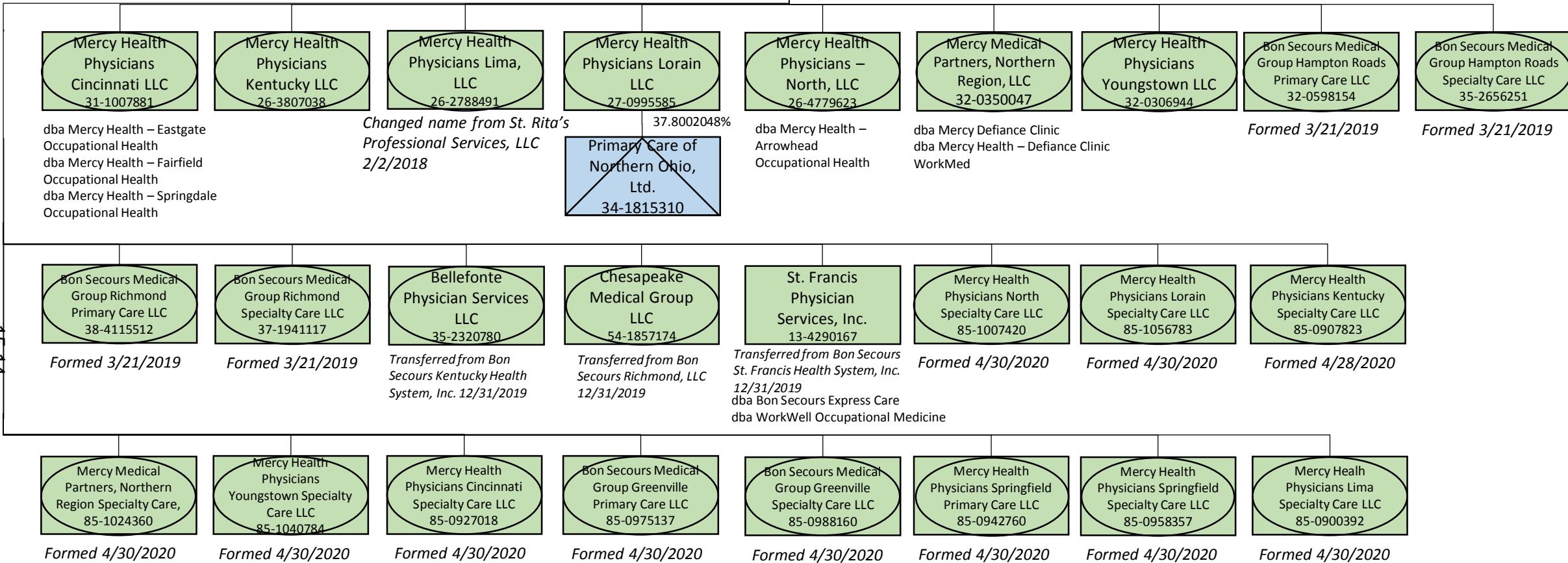


- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

Bon Secours Mercy Health Medical Group

Bon Secours Mercy
Health Medical
Group LLC
46-3521617

Changed name from Mercy
Health Physicians LLC
5/22/2019



Tax Exempt 501(c)(3)

Disregarded single member LLC

Partnership

Ohio Non-profit; subject to federal taxation

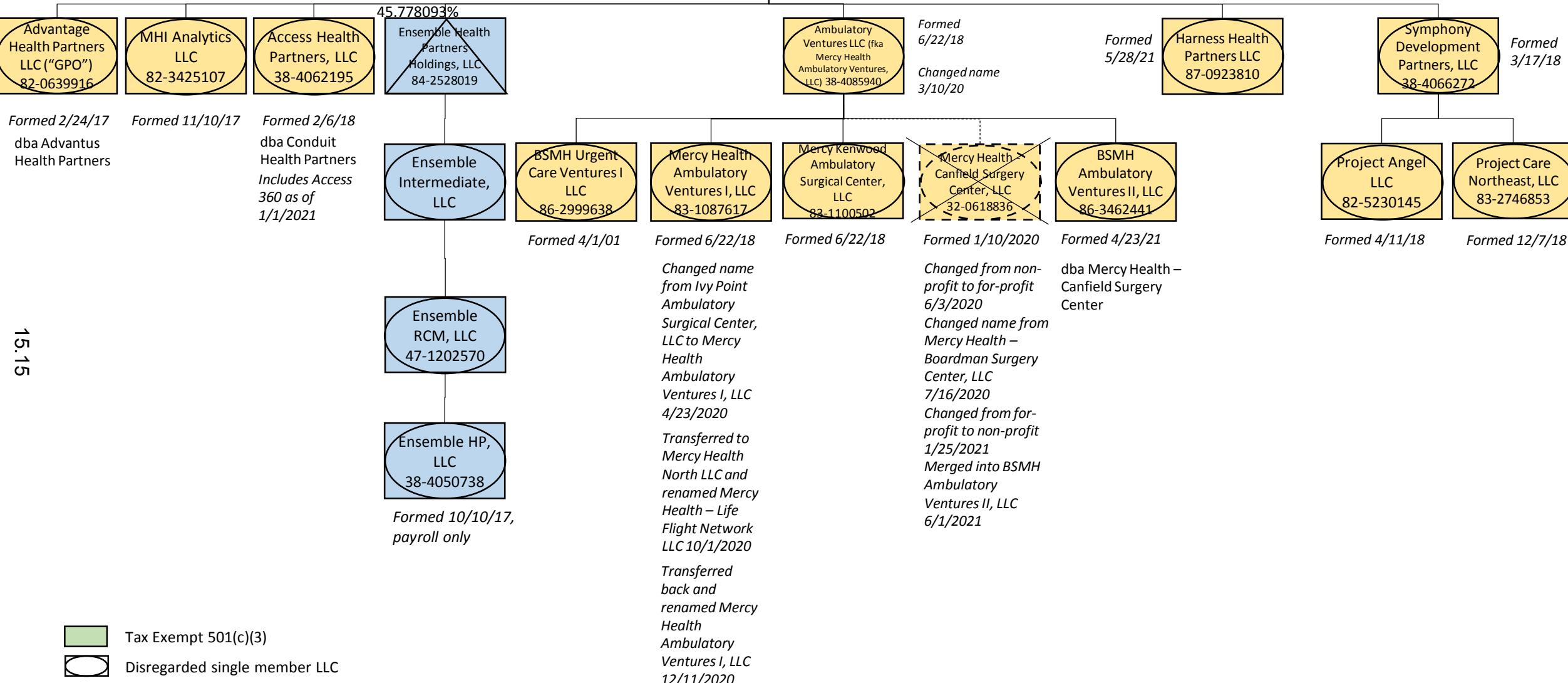
For-profit entity

Bon Secours Mercy Health Innovations

Bon Secours Mercy Health Innovations LLC (fka Mercy Health Innovations LLC) 82-0639499 (99.99%)

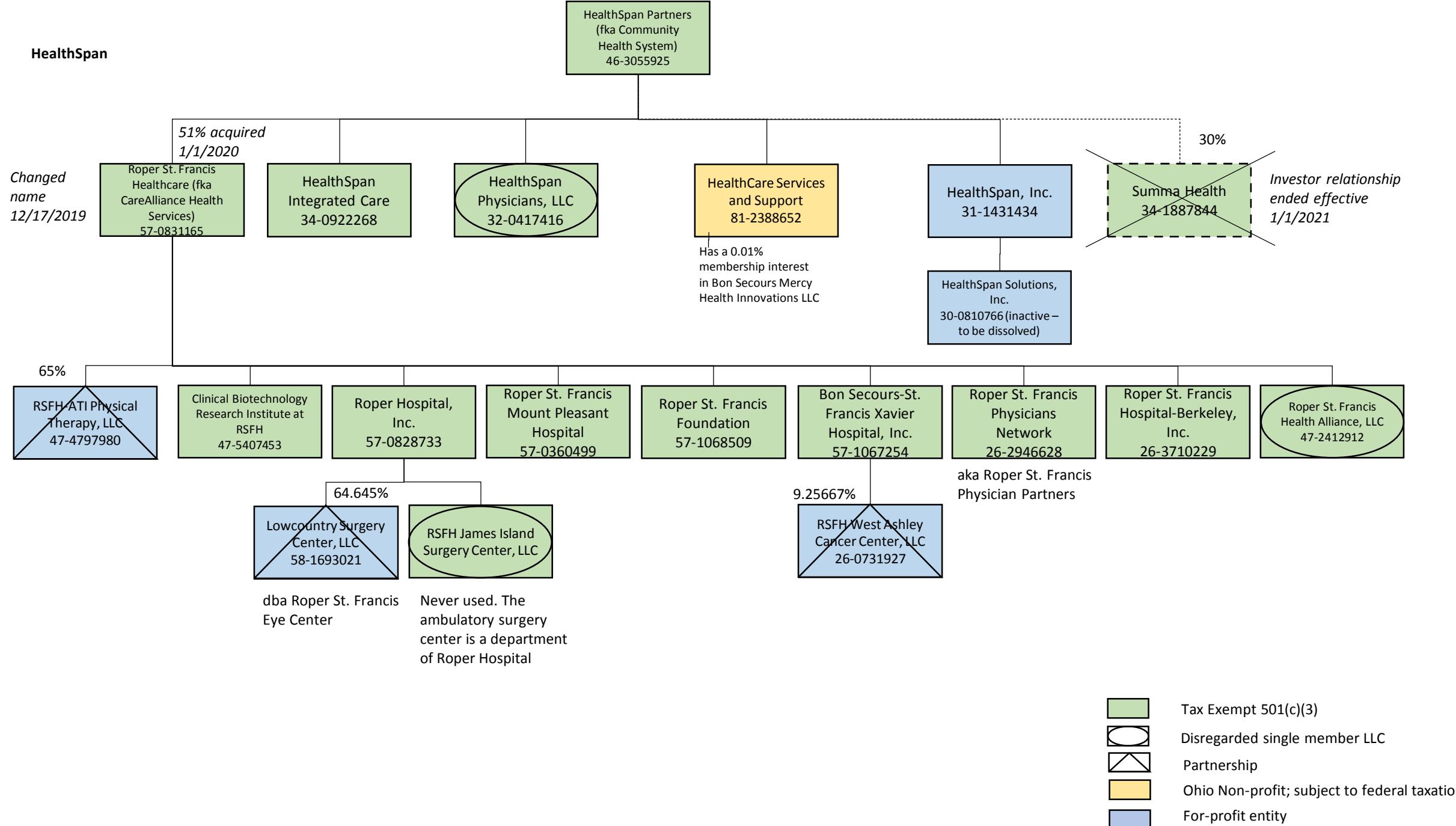
HealthCare Services and Support is a 0.01% member

Changed name 3/10/20

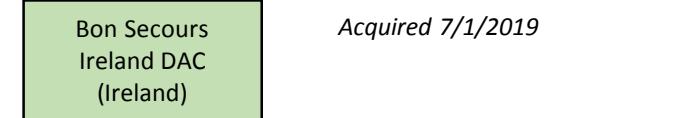


- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- Ohio Non-profit; subject to federal taxation
- For-profit entity

HealthSpan



Bon Secours Ireland



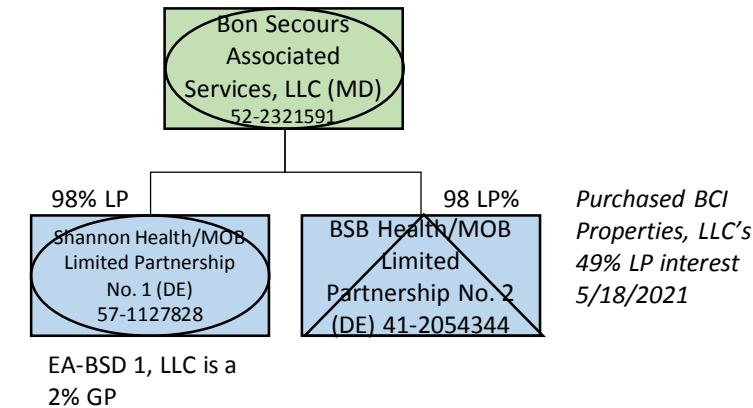
 Tax Exempt 501(c)(3) / Foreign Tax Exempt Corporation

 Disregarded single member LLC

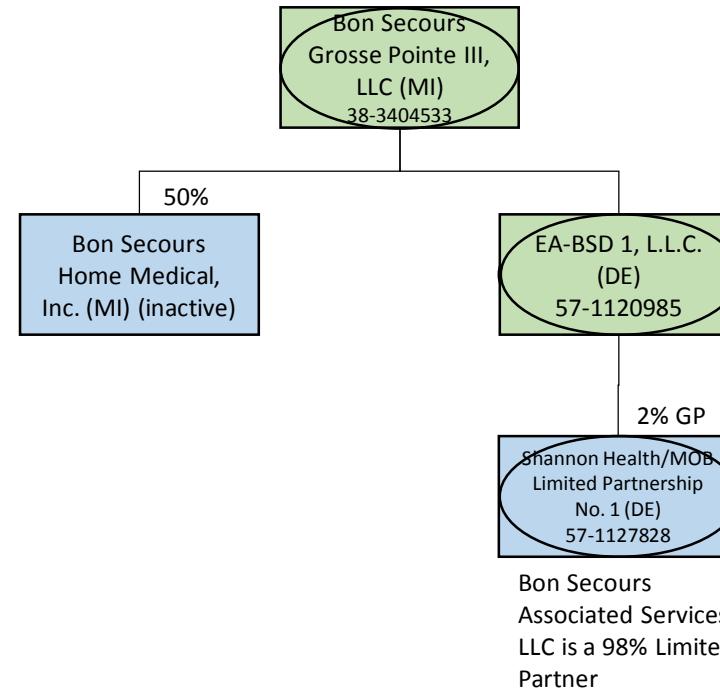
 Partnership

 State Non-profit; subject to federal taxation

 For-profit entity



- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- State Non-profit; subject to federal taxation
- For-profit entity



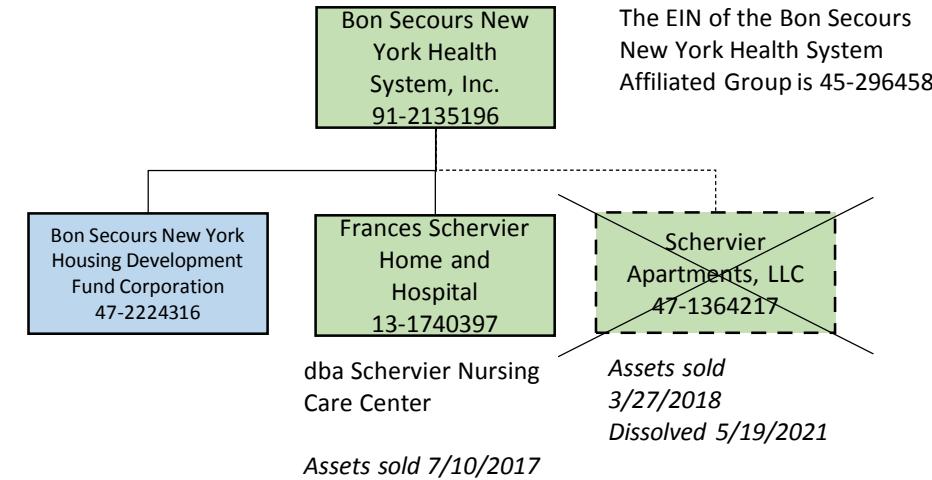
- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- State Non-profit; subject to federal taxation
- For-profit entity

Bon Secours New
Jersey Health
System, Inc.
22-2754781

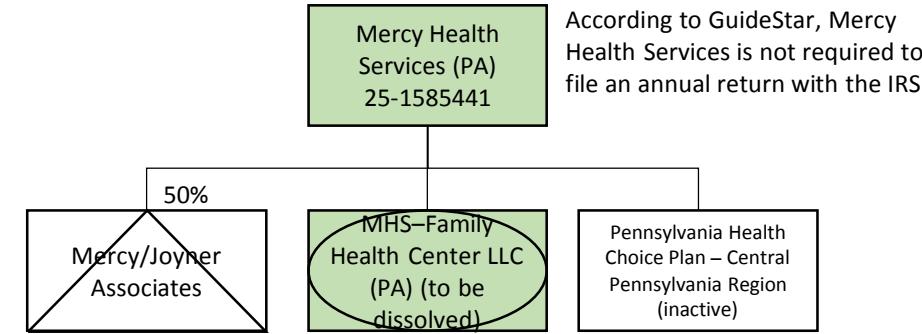
St. Mary Hospital,
Inc.
22-1487324 (to
be dissolved)

*The City of Hoboken
purchased the hospital and
assumed its debts in 2007
and renamed it Hoboken
University Medical Center*

-  Tax Exempt 501(c)(3)
-  Disregarded single member LLC
-  Partnership
-  State Non-profit; subject to federal taxation
-  For-profit entity



- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- 
 Partnership
- State Non-profit; subject to federal taxation
- For-profit entity

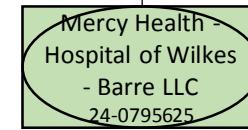


15.22

- Tax Exempt 501(c)(3)
- Disregarded single member LLC
- Partnership
- State Non-profit; subject to federal taxation
- For-profit entity



PA Parent
Converted to LLC 1/1/17
Assets sold to CHS 5/1/11



Converted to LLC
1/1/17

Assets sold to
Geisinger Health
System 12/1/05



Tax Exempt 501(c)(3)



Disregarded single member LLC



Partnership



Ohio Non-profit; subject to federal taxation



For-profit entity



TN Parent, Mercy Health Partners, Inc., converted to disregarded single member LLC 1/1/17

15.24



Tax Exempt 501(c)(3)



Disregarded single member LLC



Partnership



Ohio Non-profit; subject to federal taxation



For-profit entity

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

6

| Asterisk | Explanation |
|----------|-------------|
| | |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

Response

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

Bar Code:



OVERFLOW PAGE FOR WRITE-INS

MQ004 Additional Aggregate Lines for Page 04 Line 6.

*REVEX1

| | 1 Current Year To Date Uncovered | 2 Current Year To Date Total | 3 Prior Year To Date Total | 4 Prior Year Ended December 31 Total |
|--|---|---------------------------------------|-------------------------------------|---|
| 0604. RELATED PARTY CONSULTING AND HEALTH BENEFIT PLAN | XXX | | 0 | 0 |
| 0605. PAYMENT INNOVATIONS CLAIMS EXPENSE | XXX | | 0 | 0 |
| 0606. INVESTMENT REVENUE | XXX | | 0 | 13,728,473 |
| 0607. | XXX | | 0 | 0 |
| 0608. | XXX | | 0 | 0 |
| 0609. | XXX | | 0 | 0 |
| 0610. | XXX | | 0 | 0 |
| 0611. | XXX | | 0 | 0 |
| 0612. | XXX | | 0 | 0 |
| 0613. | XXX | | 0 | 0 |
| 0614. | XXX | | 0 | 0 |
| 0697. Summary of remaining write-ins for Line 6 from Page 04 | XXX | 0 | 0 | 13,728,473 |

SCHEDULE A – VERIFICATION

| Real Estate | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 0 | 0 |
| 2.2 Additional investment made after acquisition | 0 | 0 |
| 3. Current year change in encumbrances | 0 | 0 |
| 4. Total gain (loss) on disposals | 0 | 0 |
| 5. Deduct amounts received on disposals | 0 | 0 |
| 6. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 7. Deduct current year's other-than-temporary impairment recognized | 0 | 0 |
| 8. Deduct current year's depreciation | 0 | 0 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) | 0 | 0 |
| 10. Deduct total nonadmitted amounts | 0 | 0 |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 0 | 0 |

SCHEDULE B – VERIFICATION

| Mortgage Loans | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 0 | 0 |
| 2.2 Additional investment made after acquisition | 0 | 0 |
| 3. Capitalized deferred interest and other | 0 | 0 |
| 4. Accrual of discount | 0 | 0 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 6. Total gain (loss) on disposals | 0 | 0 |
| 7. Deduct amounts received on disposals | 0 | 0 |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees | 0 | 0 |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest | 0 | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized | 0 | 0 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 0 | 0 |
| 12. Total valuation allowance | 0 | 0 |
| 13. Subtotal (Line 11 plus Line 12) | 0 | 0 |
| 14. Deduct total nonadmitted amounts | 0 | 0 |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 0 | 0 |

SCHEDULE BA – VERIFICATION

| Other Long-Term Invested Assets | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 0 | 0 |
| 2.2 Additional investment made after acquisition | 0 | 0 |
| 3. Capitalized deferred interest and other | 0 | 0 |
| 4. Accrual of discount | 0 | 0 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 6. Total gain (loss) on disposals | 0 | 0 |
| 7. Deduct amounts received on disposals | 0 | 0 |
| 8. Deduct amortization of premium and depreciation | 0 | 0 |
| 9. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized | 0 | 0 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 0 | 0 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 0 | 0 |

SCHEDULE D – VERIFICATION

| Bonds and Stocks | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 409,979 | 399,938 |
| 2. Cost of bonds and stocks acquired | 412,002 | |
| 3. Accrual of discount | 0 | |
| 4. Unrealized valuation increase (decrease) | (4,481) | (1,961) |
| 5. Total gain (loss) on disposals | 0 | 0 |
| 6. Deduct consideration for bonds and stocks disposed of | | 400,000 |
| 7. Deduct amortization of premium | | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | | 0 |
| 9. Deduct current year's other-than-temporary impairment recognized | | 0 |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees | | 0 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) | 405,498 | 409,979 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 405,498 | 409,979 |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

| NAIC Designation | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|--|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a)..... | 407,009 | | | (1,511) | 409,978 | 407,009 | 405,498 | 409,978 |
| 2. NAIC 2 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 3. NAIC 3 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 4. NAIC 4 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 5. NAIC 5 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 6. NAIC 6 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 7. Total Bonds..... | 407,009 | 0 | 0 | (1,511) | 409,978 | 407,009 | 405,498 | 409,978 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1..... | 0 | | | | 0 | 0 | 0 | 0 |
| 9. NAIC 2..... | 0 | | | | 0 | 0 | 0 | 0 |
| 10. NAIC 3..... | 0 | | | | 0 | 0 | 0 | 0 |
| 11. NAIC 4..... | 0 | | | | 0 | 0 | 0 | 0 |
| 12. NAIC 5..... | 0 | | | | 0 | 0 | 0 | 0 |
| 13. NAIC 6..... | 0 | | | | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds & Preferred Stock..... | 407,009 | 0 | 0 | (1,511) | 409,978 | 407,009 | 405,498 | 409,978 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

S102

SCHEDULE DA - PART 1

Short-Term Investments

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|---------|--------------------------------------|----------------|------------------|---|---|
| 9199999 | | XXX | | | |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 0 | 0 |
| 2. Cost of short-term investments acquired | 0 | |
| 3. Accrual of discount | 0 | |
| 4. Unrealized valuation increase (decrease)..... | 0 | |
| 5. Total gain (loss) on disposals | 0 | |
| 6. Deduct consideration received on disposals | 0 | |
| 7. Deduct amortization of premium..... | 0 | |
| 8. Total foreign exchange change in book/adjusted carrying value.. | 0 | |
| 9. Deduct current year's other-than-temporary impairment recognized..... | 0 | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 0 | 0 |
| 11. Deduct total nonadmitted amounts..... | 0 | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 0 | 0 |

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

| | |
|---|---|
| 1. Book/Adjusted Carrying Value, December 31, prior year (Line 10, prior year) | 0 |
| 2. Cost Paid/(Consideration Received) on additions..... | |
| 3. Unrealized Valuation increase/(decrease) | |
| 4. SSAP No. 108 adjustments..... | |
| 5. Total gain (loss) on termination recognized..... | |
| 6. Considerations received/(paid) on terminations..... | |
| 7. Amortization | |
| 8. Adjustment to the Book/Adjusted Carrying Value of hedged item | |
| 9. Total foreign exchange change in Book/Adjusted Carrying Value | |
| 10. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4+5-6+7+8+9) | 0 |
| 11. Deduct nonadmitted assets..... | |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... | 0 |

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

| | |
|--|---|
| 1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)..... | 0 |
| 2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change column)..... | 0 |
| 3.1 Add: | |
| Change in variation margin on open contracts – Highly Effective Hedges | |
| 3.11 Section 1, Column 15, current year to date minus..... | 0 |
| 3.12 Section 1, Column 15, prior year..... | 0 |
| Change in variation margin on open contracts – All Other | |
| 3.13 Section 1, Column 18, current year to date minus..... | 0 |
| 3.14 Section 1, Column 18, prior year..... | 0 |
| 3.2 Add: | |
| Change in adjustment to basis of hedged item | |
| 3.21 Section 1, Column 17, current year to date minus..... | 0 |
| 3.22 Section 1, Column 17, prior year..... | 0 |
| Change in amount recognized | |
| 3.23 Section 1, Column 19, current year to date minus..... | 0 |
| 3.24 Section 1, Column 19, prior year plus..... | 0 |
| 3.25 SSAP No. 108 adjustments..... | 0 |
| 3.3 Subtotal (Line 3.1 minus Line 3.2)..... | 0 |
| 4.1 Cumulative variation margin on terminated contracts during the year..... | |
| 4.2 Less: | |
| 4.21 Amount used to adjust basis of hedged item..... | |
| 4.22 Amount recognized..... | |
| 4.23 SSAP No. 108 adjustments..... | 0 |
| 4.3 Subtotal (Line 4.1 minus Line 4.2)..... | 0 |
| 5. Dispositions gains (losses) on contracts terminated in prior year: | |
| 5.1 Total gain (loss) recognized for terminations in prior year..... | |
| 5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year..... | |
| 6. Book/Adjusted carrying value at end of current period (Lines 1+2+3-4-3-5.1-5.2)..... | 0 |
| 7. Deduct total nonadmitted amounts..... | |
| 8. Statement value at end of current period (Line 6 minus Line 7)..... | 0 |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART C - SECTION 1

Replication (Synthetic Asset) Transactions Open as of Current Statement Date

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART C - SECTION 2

Replication (Synthetic Asset) Transactions Open

| | First Quarter | | Second Quarter | | Third Quarter | | Fourth Quarter | | Year To Date | |
|---|--------------------------|--|--------------------------|--|--------------------------|--|--------------------------|--|--------------------------|---|
| | 1 Number of Positions | 2 Total Replication (Synthetic Asset) Transactions Statement Value | 3 Number of Positions | 4 Total Replication (Synthetic Asset) Transactions Statement Value | 5 Number of Positions | 6 Total Replication (Synthetic Asset) Transactions Statement Value | 7 Number of Positions | 8 Total Replication (Synthetic Asset) Transactions Statement Value | 9 Number of Positions | 10 Total Replication (Synthetic Asset) Transactions Statement Value |
| 1. Beginning Inventory | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Add: Opened or Acquired Transactions | | | | | | | | | 0 | 0 |
| 3. Add: Increases in Replication (Synthetic Asset) Transactions Statement Value..... | XXX | | XXX | | XXX | | XXX | | XXX | 0 |
| 4. Less: Closed or Disposed of Transactions | | | | | | | | | 0 | 0 |
| 5. Less: Positions Disposed of for Failing Effectiveness Criteria | | | | | | | | | 0 | 0 |
| 6. Less: Decreases in Replication (Synthetic Asset) Transactions Statement Value | XXX | | XXX | | XXX | | XXX | | XXX | 0 |
| 7. Ending Inventory | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

| | Book/Adjusted Carrying Value Check |
|--|------------------------------------|
| 1. Part A, Section 1, Column 14..... | 0 |
| 2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote – Total Ending Cash Balance..... | 0 |
| 3. Total (Line 1 plus Line 2)..... | 0 |
| 4. Part D, Section 1, Column 6..... | 0 |
| 5. Part D, Section 1, Column 7..... | 0 |
| 6. Total (Line 3 minus Line 4 minus Line 5)..... | 0 |

| | Fair Value Check |
|---|------------------|
| 7. Part A, Section 1, Column 16..... | 0 |
| 8. Part B, Section 1, Column 13..... | 0 |
| 9. Total (Line 7 plus Line 8)..... | 0 |
| 10. Part D, Section 1, Column 9..... | 0 |
| 11. Part D, Section 1, Column 10..... | 0 |
| 12. Total (Line 9 minus Line 10 minus Line 11)..... | 0 |

| | Potential Exposure Check |
|---|--------------------------|
| 13. Part A, Section 1, Column 21..... | 0 |
| 14. Part B, Section 1, Column 20..... | 0 |
| 15. Part D, Section 1, Column 12..... | 0 |
| 16. Total (Line 13 plus Line 14 minus Line 15)..... | 0 |

SCHEDULE E – PART 2 – VERIFICATION
(Cash Equivalents)

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|----------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 2,811,703 | 2,806,847 |
| 2. Cost of cash equivalents acquired | 7,098 | 4,857 |
| 3. Accrual of discount | 0 | 0 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals..... | 0 | 0 |
| 6. Deduct consideration received on disposals | 0 | 0 |
| 7. Deduct amortization of premium | 0 | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other-than-temporary impairment recognized | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 2,818,801 | 2,811,703 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 2,818,801 | 2,811,703 |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 Description of Property | Location | | 4 Date Acquired | 5 Name of Vendor | 6 Actual Cost at Time of Acquisition | 7 Amount of Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances | 9 Additional Investment Made After Acquisition |
|------------------------------|-----------|------------|--------------------|---------------------|---|-----------------------------|--|---|
| | 2 City | 3 State | | | | | | |
| 0399999 Totals | | | | | 0 | 0 | 0 | 0 |

SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

| 1 Description of Property | Location | | 4 Disposal Date | 5 Name of Purchaser | 6 Actual Cost | 7 Expended for Additions, Permanent Improvements and Changes in Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances Prior Year | Changes in Book/Adjusted Carrying Value Less Encumbrances | | | | | 14 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 15 Amounts Received During Year | 16 Foreign Exchange Gain (Loss) on Disposal | 17 Realized Gain(Loss) on Disposal | 18 Total Gain (Loss) on Disposal | 19 Gross Income Earned Less Interest Incurred on Encumbrances | 20 Taxes, Repairs and Expenses Incurred | |
|------------------------------|-----------|------------|-----------------------|------------------------|------------------|---|--|---|--|---|---|--|--|---------------------------------------|---|---|---|---|--|---|
| | 2 City | 3 State | | | | | | 9 Current Year's Depreciation | 10 Current Year's Other Than Temporary Impairment Recognized | 11 Current Year's Change in Encumbrances | 12 Total Change in B/A. C.V. (11-9-10) | 13 Total Foreign Exchange Change in B/A. C. V. | | | | | | | | |
| 0399999 Totals | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

E01

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc.

SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

E02

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 CUSIP Identification | 2 Name or Description | Location | | 5 Name of Vendor or General Partner | 6 NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol | 7 Date Originally Acquired | 8 Type and Strategy | 9 Actual Cost at Time of Acquisition | 10 Additional Investment Made After Acquisition | 11 Amount of Encumbrances | 12 Commitment for Additional Investment | 13 Percentage of Ownership |
|------------------------------------|--------------------------|-----------|------------|---|---|-------------------------------------|------------------------------|---|---|---------------------------------|--|-------------------------------------|
| | | 3 City | 4 State | | | | | | | | | |
| 4899999 - Subtotals - Unaffiliated | | | | | | | | 0 | 0 | 0 | 0 | XXX |
| 4999999 - Subtotals - Affiliated | | | | | | | | 0 | 0 | 0 | 0 | XXX |
| 5099999 Totals | | | | | | | | 0 | 0 | 0 | 0 | XXX |

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

| 1 CUSIP Identification | 2 Name or Description | Location | | 5 Name of Purchaser or Nature of Disposal | 6 Date Originally Acquired | 7 Disposal Date | 8 Book/ Adjusted Carrying Value Less Encumbrances Prior Year | Change in Book/Adjusted Carrying Value | | | | | | 15 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 16 Consideration | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Investment Income |
|------------------------------------|-----------------------------|-----------|------------|---|-------------------------------------|-----------------------|--|--|---|---|--|--|--|---|---------------------|---|---|--|----------------------------|
| | | 3 City | 4 State | | | | | 9 Unrealized Valuation Increase (Decrease) | 10 Current Year's (Depreciation) or (Amortization)/ Accretion | 11 Current Year's Other-Than- Temporary Impairment Recognized | 12 Capitalized Deferred Interest and Other | 13 Total Change in B./A.C.V. (9+10+11+12) | 14 Total Foreign Exchange Change in B./A.C.V. | | | | | | |
| 4899999 - Subtotals - Unaffiliated | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4999999 - Subtotals - Affiliated | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5099999 Totals | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

E03

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

E04

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

GOE

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

906

| (a) | Code | Description of Hedged Risk(s) |
|-----|------|-------------------------------|
| | | |
| | | |
| | | |
| | | |

| (b) | Code | Financial or Economic Impact of the Hedge at the End of the Reporting Period |
|-----|------|--|
| | | |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART B - SECTION 1

EO7

| Broker Name | Beginning Cash Balance | Cumulative Cash Change | Ending Cash Balance |
|-------------------------|------------------------|------------------------|---------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total Net Cash Deposits | 0 | 0 | 0 |

| (a) | Code | Description of Hedged Risk(s) |
|-----|------|-------------------------------|
| | | |
| | | |
| | | |
| | | |

| (b) | Code | Financial or Economic Impact of the Hedge at the End of the Reporting Period |
|-----|------|--|
| | | |
| | | |
| | | |
| | | |

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of the Current Statement Date

99999999 Gross Totals

1. Offset per SSAP No. 64
2. Net after right of offset per SSAP No. 64

108

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of the Current Statement Date

Collateral Pledged by Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|---|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|--------------------|-------------------------------------|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| 0199999999 Total | | | | 0 | 0 | 0 | XXX | XXX |

Collateral Pledged to Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|---|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|--------------------|-------------------------------------|
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| | | | | | | XXX | | |
| 0299999999 Total | | | | 0 | 0 | XXX | XXX | XXX |

E09

SCHEDULE DL - PART 1

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date
(Securities lending collateral assets reported in aggregate on Line 10 of the asset page
and not included on Schedules A, B, BA, D, DB and E.)

General Interrogatories:

1. Total activity for the year to date Fair Value \$ Book/Adjusted Carrying Value \$
 2. Average balance for the year to date Fair Value \$ Book/Adjusted Carrying Value \$
 3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
 NAIC 1 \$ NAIC 2 \$ NAIC 3 \$ NAIC 4 \$ NAIC 5 \$ NAIC 6 \$

SCHEDULE DL - PART 2

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date
(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E
and not reported in aggregate on Line 10 of the Asset page)

General Interrogatories:

1. Total activity for the year to date..... Fair Value \$ Book/Adjusted Carrying Value \$
 2. Average balance for the year to date..... Fair Value \$ Book/Adjusted Carrying Value \$

SCHEDULE DB - PART E

Derivatives Hedging Variable Annuity Guarantees as of Current Statement Date

This schedule is specific for the derivatives and the hedging programs captured in SSAP No. 108

E10

SCHEDULE E - PART 1 - CASH

Q3 STATEMENT AS OF SEPTEMBER 30, 2021 OF THE HealthSpan Inc

SCHEDULE E - PART 2 - CASH EQUIVALENTS

E14