



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022
OF THE CONDITION AND AFFAIRS OF THE

Community Insurance Company

NAIC Group Code 0671 0671 NAIC Company Code 10345 Employer's ID Number 31-1440175
(Current) (Prior)
 Organized under the Laws of Ohio, State of Domicile or Port of Entry OH
 Country of Domicile United States of America
 Licensed as business type: Property/Casualty
 Is HMO Federally Qualified? Yes [] No [X]
 Incorporated/Organized 07/08/1995 Commenced Business 10/01/1995
 Statutory Home Office 4361 Irwin Simpson Road, Mason, OH, US 45040-9498
(Street and Number) (City or Town, State, Country and Zip Code)
 Main Administrative Office 4361 Irwin Simpson Road
(Street and Number)
Mason, OH, US 45040-9498 513-872-8100
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
 Mail Address N17 W24222 Riverwood Drive, Suite 300, Waukesha, WI, US 53188
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)
 Primary Location of Books and Records N17 W24222 Riverwood Drive, Suite 300
(Street and Number)
Waukesha, WI, US 53188 800-331-1476
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
 Internet Website Address www.elevancehealth.com
 Statutory Statement Contact Jill M. Waddell, 262-202-1569
(Name) (Area Code) (Telephone Number)
jill.waddell@elevancehealth.com 262-523-4945
(E-mail Address) (FAX Number)

OFFICERS

President/Chairperson Jane Marie Peterson # Vice President/Treasurer Vincent Edward Scher
 Secretary Kathleen Susan Kiefer Assistant Secretary Kristin Kim Cherie Howard

OTHER

Eric (Rick) Kenneth Noble, Assistant Treasurer Kristen Louise Metzger, Vice President Bradley Scott Jackson, Medical Director
Gregory Alfonso LaManna, Vice President and Medicaid Plan President

DIRECTORS OR TRUSTEES

Laurie Helm Benintendi Ronald William Penczek Bradley Scott Jackson
Jane Marie Peterson # Heather Chockley Steinmeyer

State of Indiana SS
 County of Johnson

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.

DocuSigned by: Jane Peterson DocuSigned by: Kathleen Susan Kiefer DocuSigned by: Vincent E. Scher
 Jane Marie Peterson Kathleen Susan Kiefer Vincent Edward Scher
 President/Chairperson Secretary Vice President/Treasurer

Subscribed and sworn to before me this 30th day of January 2023
Rita F. Gentry
 Rita F. Gentry
 Executive Assistant
 1/17/2029

- 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.....

Rita F. Gentry
 Notary Public
 SEAL
 Johnson County, State of Indiana
 My Commission Expires January 17, 2029
 Commission No: NP0641321

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	1,653,183,481		1,653,183,481	1,390,719,443
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	2,850
2.2 Common stocks	5,099,935		5,099,935	6,662,872
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	75,980,000		75,980,000	10,016,993
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
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 (\$ (286,333,635) , Schedule E - Part 1), cash equivalents (\$103,610,135 , Schedule E - Part 2) and short-term investments (\$ 11,050,757 , Schedule DA)	(171,672,743)		(171,672,743)	(365,213,979)
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	63,765,236		63,765,236	80,087,198
9. Receivables for securities	2,962,837	316,685	2,646,152	2,291,247
10. Securities lending reinvested collateral assets (Schedule DL)	72,724,060		72,724,060	46,810,473
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,702,042,805	316,685	1,701,726,120	1,171,377,097
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	13,537,232	16,049	13,521,183	10,838,285
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	131,146,077	3,444,098	127,701,979	45,005,590
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$130,272,270 earned but unbilled premiums)	130,272,270		130,272,270	125,474,162
15.3 Accrued retrospective premiums (\$7,565,017) and contracts subject to redetermination (\$132,118,486)	139,683,503		139,683,503	109,490,257
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	31,625,464		31,625,464	31,870,790
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	2,025,253		2,025,253	1,813,333
17. Amounts receivable relating to uninsured plans	377,359,439	31,244,514	346,114,925	404,918,099
18.1 Current federal and foreign income tax recoverable and interest thereon	22,067,441		22,067,441	16,272,079
18.2 Net deferred tax asset	70,893,128	13,733,786	57,159,342	54,684,182
19. Guaranty funds receivable or on deposit	1,675,629		1,675,629	6,160,752
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)	10,868,998	10,868,998	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	203,926,445		203,926,445	97,894,503
24. Health care (\$ 94,796,131) and other amounts receivable	157,536,877	62,740,746	94,796,131	72,035,160
25. Aggregate write-ins for other than invested assets	318,922,435	90,235,017	228,687,418	207,071,111
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,313,582,996	212,599,893	3,100,983,104	2,354,905,400
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	3,313,582,996	212,599,893	3,100,983,104	2,354,905,400
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Investments in corporate-owned life insurance	227,692,495		227,692,495	205,013,067
2502. Other miscellaneous accounts receivable	3,970,448	3,341,982	628,467	220,795
2503. Bluecard receivables	366,457		366,457	1,837,249
2598. Summary of remaining write-ins for Line 25 from overflow page	86,893,035	86,893,035	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	318,922,435	90,235,017	228,687,418	207,071,111

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ 53,944,970 reinsurance ceded)	965,248,972	29,501,961	994,750,933	703,552,467
2. Accrued medical incentive pool and bonus amounts	79,263,935		79,263,935	47,637,271
3. Unpaid claims adjustment expenses	26,057,642		26,057,642	17,989,486
4. Aggregate health policy reserves, including the liability of \$ 5,151,767 for medical loss ratio rebate per the Public Health Service Act	55,435,655		55,435,655	29,741,251
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	53,182,373		53,182,373	57,201,667
9. General expenses due or accrued	121,503,016		121,503,016	148,633,399
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	0		0	0
10.2 Net deferred tax liability	0		0	0
11. Ceded reinsurance premiums payable	38,069,448		38,069,448	36,994,437
12. Amounts withheld or retained for the account of others	45,835,259		45,835,259	39,494,280
13. Remittances and items not allocated	41,253,592		41,253,592	69,241,680
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)	0		0	0
15. Amounts due to parent, subsidiaries and affiliates	0		0	0
16. Derivatives			0	0
17. Payable for securities	8,466,542		8,466,542	10,578,636
18. Payable for securities lending	72,724,060		72,724,060	46,810,473
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 0 unauthorized reinsurers and \$ 0 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	115,103,480		115,103,480	79,692,148
23. Aggregate write-ins for other liabilities (including \$ 39,307,922 current)	108,713,660	0	108,713,660	62,415,503
24. Total liabilities (Lines 1 to 23)	1,730,857,634	29,501,961	1,760,359,595	1,349,982,698
25. Aggregate write-ins for special surplus funds	XXX	XXX	1,931,686	2,435,605
26. Common capital stock	XXX	XXX	1,142,307	1,142,307
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	395,393,523	195,393,523
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	942,155,993	805,951,267
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	1,340,623,509	1,004,922,702
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	3,100,983,104	2,354,905,400
DETAILS OF WRITE-INS				
2301. Contingent liability	49,287,875		49,287,875	
2302. Escheat liabilities	39,533,928		39,533,928	42,453,591
2303. Other accrued expenses - non trade	13,658,207		13,658,207	15,059,630
2398. Summary of remaining write-ins for Line 23 from overflow page	6,233,650	0	6,233,650	4,902,282
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	108,713,660	0	108,713,660	62,415,503
2501. Deferred gain on sale-leaseback transactions	XXX	XXX	1,931,686	2,435,605
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	1,931,686	2,435,605
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	31,631,604	27,569,562
2. Net premium income (including \$ non-health premium income)	XXX	9,236,280,911	7,009,075,094
3. Change in unearned premium reserves and reserve for rate credits	XXX	(18,096,727)	12,526,513
4. Fee-for-service (net of \$ medical expenses)	XXX	0	
5. Risk revenue	XXX	444,917,409	357,951,596
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	9,663,101,593	7,379,553,203
Hospital and Medical:			
9. Hospital/medical benefits		5,945,387,197	4,697,298,242
10. Other professional services		646,337,141	470,203,166
11. Outside referrals	188,774,417	188,590,748	135,189,894
12. Emergency room and out-of-area	51,081,982	698,056,876	446,420,849
13. Prescription drugs		1,121,399,820	855,361,174
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		135,967,439	118,617,330
16. Subtotal (Lines 9 to 15)	239,856,400	8,735,739,221	6,723,090,655
Less:			
17. Net reinsurance recoveries		350,629,565	350,122,444
18. Total hospital and medical (Lines 16 minus 17)	239,856,400	8,385,109,656	6,372,968,211
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$182,854,728 cost containment expenses		308,987,451	224,128,777
21. General administrative expenses		718,844,908	438,124,490
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		(1,833,857)	(1,990,812)
23. Total underwriting deductions (Lines 18 through 22).....	239,856,400	9,411,108,158	7,033,230,666
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	251,993,435	346,322,537
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		67,996,600	37,817,355
26. Net realized capital gains (losses) less capital gains tax of \$(219,720)		(30,579,326)	1,689,800
27. Net investment gains (losses) (Lines 25 plus 26)	0	37,417,274	39,507,155
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$771,084)]		(771,084)	(887,924)
29. Aggregate write-ins for other income or expenses	0	27,956,437	15,289,135
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	316,596,062	400,230,903
31. Federal and foreign income taxes incurred	XXX	45,356,132	80,490,379
32. Net income (loss) (Lines 30 minus 31)	XXX	271,239,930	319,740,524
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Change in cash surrender value of investment in corporate-owned life insurance		22,679,427	13,280,487
2902. Miscellaneous income (expense)		5,277,010	2,008,648
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	27,956,437	15,289,135

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	1,004,922,702	850,904,188
34. Net income or (loss) from Line 32	271,239,930	319,740,524
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ (7,389,488)	(27,798,552)	24,967,554
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	8,819,458	9,270,548
39. Change in nonadmitted assets	(116,056,111)	(24,456,194)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in	200,000,000	0
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		(175,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	(503,918)	(503,918)
48. Net change in capital and surplus (Lines 34 to 47)	335,700,807	154,018,514
49. Capital and surplus end of reporting period (Line 33 plus 48)	1,340,623,509	1,004,922,702
DETAILS OF WRITE-INS		
4701. Deferred gain on sale-leaseback activity	(503,918)	(503,918)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	(503,918)	(503,918)

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	9,124,622,351	6,983,919,056
2. Net investment income	69,824,967	51,204,988
3. Miscellaneous income	444,917,409	357,951,596
4. Total (Lines 1 through 3)	9,639,364,727	7,393,075,640
5. Benefit and loss related payments	8,103,332,074	6,401,794,298
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	930,562,508	810,134,932
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ (219,720) tax on capital gains (losses)	50,931,774	75,567,896
10. Total (Lines 5 through 9)	9,084,826,356	7,287,497,126
11. Net cash from operations (Line 4 minus Line 10)	554,538,371	105,578,514
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	514,108,798	513,824,687
12.2 Stocks	2,093,677	1,789,648
12.3 Mortgage loans	319,500	0
12.4 Real estate	0	0
12.5 Other invested assets	9,328,726	32,867,804
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(72,966)	(109,032)
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	525,777,735	548,373,107
13. Cost of investments acquired (long-term only):		
13.1 Bonds	840,152,329	579,669,659
13.2 Stocks	465,351	1,947,063
13.3 Mortgage loans	66,280,000	10,019,500
13.4 Real estate	0	0
13.5 Other invested assets	400,106	1,091,380
13.6 Miscellaneous applications	28,469,243	35,535,778
13.7 Total investments acquired (Lines 13.1 to 13.6)	935,767,029	628,263,380
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(409,989,294)	(79,890,273)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	200,000,000	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	175,000,000
16.6 Other cash provided (applied)	(151,007,841)	2,572,542
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	48,992,159	(172,427,458)
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)	193,541,236	(146,739,217)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(365,213,979)	(218,474,762)
19.2 End of year (Line 18 plus Line 19.1)	(171,672,743)	(365,213,979)

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

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	9,236,280,911	2,509,498,324	166,212,994	80,081,629	23,930,700	948,370,813	3,859,211,141	1,404,019,164	244,956,146	
2. Change in unearned premium reserves and reserve for rate credit	(18,096,727)	(4,359,983)	(517,849)				(13,218,895)			
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	444,917,409								444,917,409	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	9,663,101,593	2,505,138,341	165,695,145	80,081,629	23,930,700	948,370,813	3,845,992,246	1,404,019,164	689,873,555	0
8. Hospital/medical benefits	5,945,387,197	1,295,444,747	105,921,918		131	889,736,913	2,500,703,031	606,991,171	546,589,286	XXX
9. Other professional services	646,337,141	119,877,122	20,308,434	38,697,829	21,022,317	94,832,794	250,263,765	101,334,880		XXX
10. Outside referrals	188,590,748	43,338,856		24,082,118	60,001	7,335,364	99,809,427	13,964,982		XXX
11. Emergency room and out-of-area	698,056,876	324,805,101	3,074,257			42,988,897	158,234,812	168,953,809		XXX
12. Prescription drugs	1,121,399,820	407,323,085	(2,937,327)	(364)		236,630,852	168,639,292	254,905,290	56,838,992	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	135,967,439	15,111,023				7,829,122	112,936,483		90,811	XXX
15. Subtotal (Lines 8 to 14)	8,735,739,221	2,205,899,934	126,367,282	62,779,583	21,082,449	1,279,353,942	3,290,586,810	1,146,150,132	603,519,089	XXX
16. Net reinsurance recoveries	350,629,565				6,052,153	381,435,385		(37,048,232)	190,259	XXX
17. Total medical and hospital (Lines 15 minus 16)	8,385,109,656	2,205,899,934	126,367,282	62,779,583	15,030,296	897,918,557	3,290,586,810	1,183,198,364	603,328,830	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 182,854,728 cost containment expenses	308,987,450	70,700,721	10,146,477	5,936,849	1,342,216	13,932,637	141,194,638	64,521,736	1,212,176	
20. General administrative expenses	718,844,909	184,878,287	26,532,450	15,524,516	3,509,816	36,433,039	369,215,793	168,720,600	(85,969,592)	
21. Increase in reserves for accident and health contracts	(1,833,857)		(1,833,857)							XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	9,411,108,158	2,461,478,942	161,212,352	84,240,948	19,882,328	948,284,233	3,800,997,241	1,416,440,700	518,571,414	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	251,993,435	43,659,399	4,482,793	(4,159,319)	4,048,372	86,580	44,995,005	(12,421,536)	171,302,141	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual	270,361,658			270,361,658
2. Comprehensive (hospital and medical) group	2,239,136,674			2,239,136,674
3. Medicare Supplement	166,212,994			166,212,994
4. Dental only	80,081,629			80,081,629
5. Vision only	31,423,355		7,492,663	23,930,692
6. Federal Employees Health Benefits Plan	1,354,815,447		406,444,634	948,370,813
7. Title XVIII - Medicare	3,859,211,141			3,859,211,141
8. Title XIX - Medicaid	1,362,175,432	43,227,809	1,384,076	1,404,019,165
9. Credit A&H				0
10. Disability Income				0
11. Long-Term Care				0
12. Other health	245,434,128		477,982	244,956,146
13. Health subtotal (Lines 1 through 12)	9,608,852,458	43,227,809	415,799,355	9,236,280,912
14. Life	0			0
15. Property/casualty	0			0
16. Totals (Lines 13 to 15)	9,608,852,458	43,227,809	415,799,355	9,236,280,912

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	8,350,385,334	201,238,107	1,934,352,474	123,059,698	62,781,735	21,080,374	1,271,629,136	3,158,095,427	978,793,485				599,354,898	
1.2 Reinsurance assumed	36,281,957								36,281,957					
1.3 Reinsurance ceded	387,675,994					6,087,656	381,511,620						76,718	
1.4 Net	7,998,991,297	201,238,107	1,934,352,474	123,059,698	62,781,735	14,992,718	890,117,516	3,158,095,427	1,015,075,442	0	0	0	599,278,180	0
2. Paid medical incentive pools and bonuses	104,340,776	1,202,345	12,968,348				8,380,290	81,700,580					89,213	
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	1,044,448,644	34,197,194	262,429,145	16,478,315	4,471,951	942,625	178,847,739	291,990,189	167,356,648	0	0	0	87,734,838	0
3.2 Reinsurance assumed	4,247,260	0	0	0	0	0	0	0	4,247,260	0	0	0	0	0
3.3 Reinsurance ceded	53,944,970	0	0	0	0	0	53,654,020	0	0	0	0	0	290,950	0
3.4 Net	994,750,934	34,197,194	262,429,145	16,478,315	4,471,951	942,625	125,193,719	291,990,189	171,603,908	0	0	0	87,443,888	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0													
4.2 Reinsurance assumed	0													
4.3 Reinsurance ceded	0													
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	79,263,935	1,556,606	1,483,036				870,787	75,351,907					1,599	
6. Net health care receivables (a)	41,292,875	886,709	1,128,417	50,589	24,810	2,038	468,177	25,687,629					13,044,506	
7. Amounts recoverable from reinsurers December 31, current year	31,625,464					375,000	31,256,819						(6,355)	
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	753,769,322	17,262,994	222,149,890	13,120,143	4,449,294	938,512	178,483,877	246,747,659	0				70,616,953	0
8.2 Reinsurance assumed	3,480,985			0	0	0	0	0	3,480,985				0	0
8.3 Reinsurance ceded	53,697,839			0	0	0	53,543,281	0	0				154,558	0
8.4 Net	703,552,468	17,262,994	222,149,890	13,120,143	4,449,294	938,512	124,940,596	246,747,659	3,480,985	0	0	0	70,462,395	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0													
9.2 Reinsurance assumed	0													
9.3 Reinsurance ceded	0													
9.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	47,637,270	899,902	1,199,410	0	0	0	1,421,955	44,116,003	0				0	0
11. Amounts recoverable from reinsurers December 31, prior year	31,870,790			0	0	410,503	31,443,792	0	0				16,495	
12. Incurred Benefits:														
12.1 Direct	8,599,771,781	217,285,598	1,973,503,312	126,367,281	62,779,582	21,082,449	1,271,524,821	3,177,650,328	1,146,150,133	0	0	0	603,428,277	0
12.2 Reinsurance assumed	37,048,232	0	0	0	0	0	0	0	37,048,232				0	0
12.3 Reinsurance ceded	387,677,799	0	0	0	0	6,052,153	381,435,386	0	0	0	0	0	190,260	0
12.4 Net	8,249,142,214	217,285,598	1,973,503,312	126,367,281	62,779,582	15,030,296	890,089,435	3,177,650,328	1,183,198,365	0	0	0	603,238,017	0
13. Incurred medical incentive pools and bonuses	135,967,441	1,859,049	13,251,974	0	0	0	7,829,122	112,936,484	0	0	0	0	90,812	0

(a) Excludes \$ 1,575,310 loans or advances to providers not yet expensed.

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	219,288,786	4,348,103	52,737,734	1,178,375	1,913,596	479,995	29,232,636	99,611,396	24,480,349	0	0	0	5,306,602	0
1.2 Reinsurance assumed	866,959	0	0	0	0	0	0	0	866,959	0	0	0	0	0
1.3 Reinsurance ceded	8,769,489	0	0	0	0	0	8,769,489	0	0	0	0	0	0	0
1.4 Net	211,386,256	4,348,103	52,737,734	1,178,375	1,913,596	479,995	20,463,147	99,611,396	25,347,308	0	0	0	5,306,602	0
2. Incurred but Unreported:														
2.1 Direct	825,159,858	29,849,091	209,691,411	15,299,940	2,558,355	462,630	149,615,103	192,378,793	142,876,299	0	0	0	82,428,236	0
2.2 Reinsurance assumed	3,380,301	0	0	0	0	0	0	0	3,380,301	0	0	0	0	0
2.3 Reinsurance ceded	45,175,481	0	0	0	0	0	44,884,531	0	0	0	0	0	290,950	0
2.4 Net	783,364,678	29,849,091	209,691,411	15,299,940	2,558,355	462,630	104,730,572	192,378,793	146,256,600	0	0	0	82,137,286	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct	1,044,448,644	34,197,194	262,429,145	16,478,315	4,471,951	942,625	178,847,739	291,990,189	167,356,648	0	0	0	87,734,838	0
4.2 Reinsurance assumed	4,247,260	0	0	0	0	0	0	0	4,247,260	0	0	0	0	0
4.3 Reinsurance ceded	53,944,970	0	0	0	0	0	53,654,020	0	0	0	0	0	290,950	0
4.4 Net	994,750,934	34,197,194	262,429,145	16,478,315	4,471,951	942,625	125,193,719	291,990,189	171,603,908	0	0	0	87,443,888	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual	14,405,519	188,692,185	297,231	33,899,963	14,702,750	17,262,994
2. Comprehensive (hospital and medical) group	207,367,940	1,748,704,459	13,611,407	248,817,738	220,979,347	222,149,890
3. Medicare Supplement	11,267,775	113,406,056	12,423	16,465,892	11,280,198	13,120,143
4. Dental Only	3,904,318	58,993,503	154,208	4,317,743	4,058,526	4,449,294
5. Vision Only	749,298	14,312,663	290	942,335	749,588	938,512
6. Federal Employees Health Benefits Plan	137,954,599	753,081,789	932,940	124,260,778	138,887,539	124,940,595
7. Title XVIII - Medicare	198,427,454	3,010,860,695	(2,036,579)	294,026,768	196,390,875	246,747,659
8. Title XIX - Medicaid	4,098,467	1,010,976,975	(104,702)	171,708,610	3,993,765	3,480,985
9. Credit A&H	0	0	0	0	0	0
10. Disability Income	0	0	0	0	0	0
11. Long-Term Care	0	0	0	0	0	0
12. Other health	63,239,156	573,462,466	3,568,537	83,875,352	66,807,693	70,462,395
13. Health subtotal (Lines 1 to 12)	641,414,526	7,472,490,791	16,435,755	978,315,179	657,850,281	703,552,467
14. Health care receivables (a)	8,153,441	147,808,125	0	0	8,153,441	0
15. Other non-health	0	0	0	0	0	0
16. Medical incentive pools and bonus amounts	24,994,262	79,346,513	7,086,586	72,177,350	32,080,848	47,637,271
17. Totals (Lines 13 - 14 + 15 + 16)	658,255,347	7,404,029,179	23,522,341	1,050,492,529	681,777,688	751,189,738

(a) Excludes \$ 1,575,310 loans or advances to providers not yet expensed.

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	214,525	217,746	218,145	218,277	218,277
2. 2018	1,605,987	1,781,049	1,786,231	1,787,163	1,787,556
3. 2019	XXX	1,695,161	1,885,457	1,890,617	1,895,104
4. 2020	XXX	XXX	1,652,681	1,814,608	1,822,178
5. 2021	XXX	XXX	XXX	1,820,388	2,037,523
6. 2022	XXX	XXX	XXX	XXX	1,918,161

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	219,917	218,327	218,538	218,518	218,277
2. 2018	1,800,887	1,785,300	1,786,502	1,787,156	1,786,922
3. 2019	XXX	1,900,919	1,890,459	1,892,058	1,896,008
4. 2020	XXX	XXX	1,881,856	1,821,558	1,823,007
5. 2021	XXX	XXX	XXX	2,053,276	2,050,578
6. 2022	XXX	XXX	XXX	XXX	2,203,673

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	2,194,892	1,787,556	106,995	6.0	1,894,551	86.3	(634)	(203)	1,893,714	86.3
2. 2019	2,285,816	1,895,104	99,101	5.2	1,994,205	87.2	904	207	1,995,316	87.3
3. 2020	2,276,644	1,822,178	101,830	5.6	1,924,008	84.5	829	(63)	1,924,774	84.5
4. 2021	2,355,049	2,037,523	91,732	4.5	2,129,255	90.4	13,055	140	2,142,450	91.0
5. 2022	2,505,138	1,918,161	58,140	3.0	1,976,301	78.9	285,512	9,203	2,271,016	90.7

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	9,311	9,219	9,203	9,241	9,241
2. 2018	89,713	98,654	98,623	98,705	98,690
3. 2019	XXX	95,361	105,079	105,101	105,063
4. 2020	XXX	XXX	92,101	102,261	102,173
5. 2021	XXX	XXX	XXX	106,334	117,710
6. 2022	XXX	XXX	XXX	XXX	111,775

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	9,317	9,219	9,203	9,241	9,241
2. 2018	99,989	98,763	98,627	98,756	98,690
3. 2019	XXX	105,947	105,192	105,226	105,063
4. 2020	XXX	XXX	104,633	102,438	102,173
5. 2021	XXX	XXX	XXX	119,102	117,722
6. 2022	XXX	XXX	XXX	XXX	128,241

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	135,557	98,690	9,904	10.0	108,594	80.1	0	0	108,594	80.1
2. 2019	141,181	105,063	12,996	12.4	118,059	83.6	0	0	118,059	83.6
3. 2020	150,044	102,173	12,369	12.1	114,542	76.3	0	0	114,542	76.3
4. 2021	159,689	117,710	13,214	11.2	130,924	82.0	12	0	130,936	82.0
5. 2022	165,695	111,775	8,714	7.8	120,489	72.7	16,466	416	137,371	82.9

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	2,471	2,542	2,545	2,554	2,554
2. 2018	38,351	40,944	40,982	40,992	40,993
3. 2019	XXX	42,355	45,040	45,117	45,123
4. 2020	XXX	XXX	38,500	42,697	42,775
5. 2021	XXX	XXX	XXX	53,456	57,254
6. 2022	XXX	XXX	XXX	XXX	58,874

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	2,534	2,550	2,545	2,554	2,554
2. 2018	41,020	40,999	40,986	40,992	40,993
3. 2019	XXX	45,268	45,097	45,126	45,123
4. 2020	XXX	XXX	42,820	42,793	42,790
5. 2021	XXX	XXX	XXX	57,801	57,392
6. 2022	XXX	XXX	XXX	XXX	63,192

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	55,400	40,993	5,573	13.6	46,566	84.1	0	0	46,566	84.1
2. 2019	59,008	45,123	5,835	12.9	50,958	86.4	0	0	50,958	86.4
3. 2020	62,545	42,775	6,150	14.4	48,925	78.2	15	0	48,940	78.2
4. 2021	74,521	57,254	6,921	12.1	64,175	86.1	138	4	64,317	86.3
5. 2022	80,082	58,874	5,183	8.8	64,057	80.0	4,318	110	68,485	85.5

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	1,235	1,237	1,237	1,237	1,237
2. 2018	16,208	17,314	17,304	17,303	17,303
3. 2019	XXX	17,671	19,001	18,998	18,996
4. 2020	XXX	XXX	11,326	11,943	11,938
5. 2021	XXX	XXX	XXX	13,346	14,097
6. 2022	XXX	XXX	XXX	XXX	14,282

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	1,236	1,237	1,237	1,237	1,237
2. 2018	17,365	17,310	17,304	17,303	17,303
3. 2019	XXX	19,117	19,001	18,998	18,996
4. 2020	XXX	XXX	12,112	11,944	11,938
5. 2021	XXX	XXX	XXX	14,284	14,097
6. 2022	XXX	XXX	XXX	XXX	15,224

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	24,659	17,303	1,342	7.8	18,645	75.6	0	0	18,645	75.6
2. 2019	26,767	18,996	1,368	7.2	20,364	76.1	0	0	20,364	76.1
3. 2020	21,075	11,938	1,547	13.0	13,485	64.0	0	0	13,485	64.0
4. 2021	23,412	14,097	1,731	12.3	15,828	67.6	0	0	15,828	67.6
5. 2022	23,931	14,282	1,180	8.3	15,462	64.6	942	26	16,430	68.7

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	114,198	114,143	112,950	112,080	112,080
2. 2018	754,824	847,612	846,195	846,148	845,925
3. 2019	XXX	719,945	798,690	799,728	799,423
4. 2020	XXX	XXX	703,203	786,526	790,404
5. 2021	XXX	XXX	XXX	769,691	902,229
6. 2022	XXX	XXX	XXX	XXX	762,329

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	114,698	114,141	112,952	112,086	112,080
2. 2018	856,320	847,884	846,075	846,153	845,910
3. 2019	XXX	805,195	798,513	799,736	799,360
4. 2020	XXX	XXX	788,740	786,690	790,405
5. 2021	XXX	XXX	XXX	895,871	903,292
6. 2022	XXX	XXX	XXX	XXX	887,408

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	913,414	845,925	23,416	2.8	869,341	95.2	(15)	0	869,326	95.2
2. 2019	837,357	799,423	18,470	2.3	817,893	97.7	(63)	(2)	817,828	97.7
3. 2020	844,535	790,404	19,081	2.4	809,485	95.8	1	0	809,486	95.8
4. 2021	943,730	902,229	17,065	1.9	919,294	97.4	1,063	26	920,383	97.5
5. 2022	948,371	762,329	11,425	1.5	773,754	81.6	125,079	3,144	901,977	95.1

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	89,099	82,294	85,591	84,445	84,445
2. 2018	1,437,702	1,566,217	1,580,435	1,577,899	1,580,801
3. 2019	XXX	1,691,787	1,847,054	1,842,754	1,840,870
4. 2020	XXX	XXX	1,944,059	2,201,658	2,211,393
5. 2021	XXX	XXX	XXX	2,548,449	2,748,732
6. 2022	XXX	XXX	XXX	XXX	3,003,072

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	85,802	84,951	85,486	84,461	84,445
2. 2018	1,570,525	1,577,751	1,579,248	1,580,086	1,580,805
3. 2019	XXX	1,846,552	1,840,148	1,842,599	1,840,859
4. 2020	XXX	XXX	2,268,820	2,208,371	2,209,844
5. 2021	XXX	XXX	XXX	2,830,551	2,755,038
6. 2022	XXX	XXX	XXX	XXX	3,365,664

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	1,860,795	1,580,801	100,930	6.4	1,681,731	90.4	4	0	1,681,735	90.4
2. 2019	2,195,015	1,840,870	117,280	6.4	1,958,150	89.2	(11)	0	1,958,139	89.2
3. 2020	2,692,863	2,211,393	142,467	6.4	2,353,860	87.4	(1,549)	(45)	2,352,266	87.4
4. 2021	3,182,183	2,748,732	156,936	5.7	2,905,668	91.3	6,306	(14)	2,911,960	91.5
5. 2022	3,845,992	3,003,072	122,065	4.1	3,125,137	81.3	362,592	8,546	3,496,275	90.9

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	2	2	2	2	2
2. 2018	0	0	0	0	0
3. 2019	XXX	0	0	0	(73)
4. 2020	XXX	XXX	20,799	25,888	21,084
5. 2021	XXX	XXX	XXX	35,412	44,387
6. 2022	XXX	XXX	XXX	XXX	1,010,977

Section B - Incurred Health Claims - Title XIX

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	2	2	2	2	2
2. 2018	0	0	0	0	0
3. 2019	XXX	0	0	0	(73)
4. 2020	XXX	XXX	26,739	26,739	21,084
5. 2021	XXX	XXX	XXX	38,042	44,282
6. 2022	XXX	XXX	XXX	XXX	1,182,686

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2019		(73)	(2)	2.7	(75)	0.0	0	0	(75)	0.0
3. 2020	22,311	21,084	37	0.2	21,121	94.7	0	0	21,121	94.7
4. 2021	47,130	44,387	8,344	18.8	52,731	111.9	(105)	(2)	52,624	111.7
5. 2022	1,404,019	1,010,977	54,627	5.4	1,065,604	75.9	171,709	3,718	1,241,031	88.4

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	12,164	12,145	12,166	12,166	12,166
2.	2018	154,174	173,077	173,384	173,381	173,387
3.	2019	XXX	279,240	320,081	320,194	320,246
4.	2020	XXX	XXX	350,879	399,563	399,755
5.	2021	XXX	XXX	XXX	422,998	484,535
6.	2022	XXX	XXX	XXX	XXX	524,558

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	13,137	12,147	12,166	12,166	12,166
2.	2018	169,529	173,179	173,397	173,381	173,387
3.	2019	XXX	323,727	318,840	320,200	320,249
4.	2020	XXX	XXX	410,303	400,099	399,913
5.	2021	XXX	XXX	XXX	492,919	487,944
6.	2022	XXX	XXX	XXX	XXX	608,433

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	213,642	173,387	2,885	1.7	176,272	82.5	0	0	176,272	82.5
2. 2019	229,635	320,246	15,238	4.8	335,484	146.1	3	0	335,487	146.1
3. 2020	233,608	399,755	17,778	4.4	417,533	178.7	158	0	417,691	178.8
4. 2021	235,887	484,535	19,546	4.0	504,081	213.7	3,409	84	507,574	215.2
5. 2022	244,956	524,558	1,704	0.3	526,262	214.8	83,875	763	610,900	249.4

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	443,005	439,328	441,839	440,002	440,002
2.	2018	4,096,959	4,524,867	4,543,154	4,541,591	4,544,655
3.	2019	XXX	4,541,520	5,020,402	5,022,509	5,024,752
4.	2020	XXX	XXX	4,813,548	5,385,144	5,401,700
5.	2021	XXX	XXX	XXX	5,770,074	6,406,467
6.	2022	XXX	XXX	XXX	XXX	7,404,028

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	446,643	442,574	442,129	440,265	440,002
2.	2018	4,555,635	4,541,186	4,542,139	4,543,827	4,544,010
3.	2019	XXX	5,046,725	5,017,250	5,023,943	5,025,585
4.	2020	XXX	XXX	5,536,023	5,400,632	5,401,154
5.	2021	XXX	XXX	XXX	6,501,846	6,430,345
6.	2022	XXX	XXX	XXX	XXX	8,454,521

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

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2018	5,398,359	4,544,655	251,045	5.5	4,795,700	88.8	(645)	(203)	4,794,852	88.8
2. 2019	5,774,779	5,024,752	270,286	5.4	5,295,038	91.7	833	205	5,296,076	91.7
3. 2020	6,303,625	5,401,700	301,259	5.6	5,702,959	90.5	(546)	(108)	5,702,305	90.5
4. 2021	7,021,601	6,406,467	315,489	4.9	6,721,956	95.7	23,878	238	6,746,072	96.1
5. 2022	9,218,184	7,404,028	263,038	3.6	7,667,066	83.2	1,050,493	25,926	8,743,485	94.9

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves	5,070,185			5,070,185									
2. Additional policy reserves (a)	14,732,959			14,732,959									
3. Reserve for future contingent benefits	0												
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) ..	10,797,659		5,478,941	749,051				4,569,667					
5. Aggregate write-ins for other policy reserves	24,834,851	15,716,639	1,182,508	0	0	0	0	7,935,704	0	0	0	0	0
6. Totals (gross)	55,435,654	15,716,639	6,661,449	20,552,195	0	0	0	12,505,371	0	0	0	0	0
7. Reinsurance ceded	0												
8. Totals (Net)(Page 3, Line 4)	55,435,654	15,716,639	6,661,449	20,552,195	0	0	0	12,505,371	0	0	0	0	0
9. Present value of amounts not yet due on claims	0												
10. Reserve for future contingent benefits	0												
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0												
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. Policy reserves subject to redetermination	24,834,851	15,716,639	1,182,508					7,935,704					
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	24,834,851	15,716,639	1,182,508	0	0	0	0	7,935,704	0	0	0	0	0
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building)	1,844,356	2,079,011	4,176,700	0	8,100,067
2. Salary, wages and other benefits	101,895,786	54,078,894	394,320,509	0	550,295,189
3. Commissions (less \$ ceded plus \$ assumed)	0	0	262,224,760	0	262,224,760
4. Legal fees and expenses	364,079	60,655	6,438,465	0	6,863,199
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services ...	3,460,778	2,492,702	97,463,379	0	103,416,859
7. Traveling expenses	115,020	37,268	2,947,097	0	3,099,385
8. Marketing and advertising	359,513	585,903	51,844,519	0	52,789,935
9. Postage, express and telephone	1,882,523	1,634,706	25,850,109	0	29,367,338
10. Printing and office supplies	289,110	80,124	6,674,948	0	7,044,182
11. Occupancy, depreciation and amortization	7,691	13,838	1,913,524	0	1,935,053
12. Equipment	(6,234)	(4,677)	10,911	0	0
13. Cost or depreciation of EDP equipment and software	(1,168,547)	587,954	35,150,109	0	34,569,516
14. Outsourced services including EDP, claims, and other services	18,015,596	11,750,819	263,409,373	0	293,175,788
15. Boards, bureaus and association fees	30,146	1,019	2,489,457	0	2,520,622
16. Insurance, except on real estate	0	0	2,811,292	0	2,811,292
17. Collection and bank service charges	1,576	3	2,098,676	0	2,100,255
18. Group service and administration fees	1,161,216	4,188,432	63,925,113	0	69,274,761
19. Reimbursements by uninsured plans	0	0	(661,469,687)	0	(661,469,687)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	300,053	34,539	7,176,107	0	7,510,699
22. Real estate taxes	0	0	697,668	0	697,668
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	453	0	84,298,770	0	84,299,223
23.2 State premium taxes	0	0	33,536,288	0	33,536,288
23.3 Regulatory authority licenses and fees	104,751	22,137	3,963,407	0	4,090,295
23.4 Payroll taxes	5,995,671	3,413,857	23,889,121	0	33,298,649
23.5 Other (excluding federal income and real estate taxes)	0	0	6,617,761	0	6,617,761
24. Investment expenses not included elsewhere	0	0	0	3,633,834	3,633,834
25. Aggregate write-ins for expenses	48,201,191	45,075,539	(3,613,468)	0	89,663,262
26. Total expenses incurred (Lines 1 to 25)	182,854,728	126,132,723	718,844,908	3,633,834	(a) 1,031,466,193
27. Less expenses unpaid December 31, current year	0	26,057,642	121,503,016	0	147,560,658
28. Add expenses unpaid December 31, prior year	0	17,989,486	148,633,399	0	166,622,885
29. Amounts receivable relating to uninsured plans, prior year			426,638,754		426,638,754
30. Amounts receivable relating to uninsured plans, current year			377,359,439		377,359,439
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	182,854,728	118,064,567	696,695,976	3,633,834	1,001,249,105
DETAILS OF WRITE-INS					
2501. Miscellaneous expenses	48,201,191	45,075,539	(3,613,468)		89,663,262
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	48,201,191	45,075,539	(3,613,468)	0	89,663,262

(a) Includes management fees of \$ 1,091,745,501 to affiliates and \$ to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 1,327,177	1,629,877
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 51,232,563	53,345,929
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	880,396	880,396
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 1,336,548	1,583,473
4. Real estate	(d) 0	0
5. Contract Loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 4,865,880	4,868,160
7. Derivative instruments	(f) 0	0
8. Other invested assets	9,070,459	9,070,459
9. Aggregate write-ins for investment income	226,979	252,140
10. Total gross investment income	68,940,002	71,630,434
11. Investment expenses		(g) 3,633,834
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		3,633,834
17. Net investment income (Line 10 minus Line 16)		67,996,600
DETAILS OF WRITE-INS		
0901. Securities lending	182,994	208,155
0902. Miscellaneous income	43,985	43,985
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	226,979	252,140
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 3,609,314 accrual of discount less \$ 8,101,576 amortization of premium and less \$ 2,862,155 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 2,507 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 689,686 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(1,175,676)	0	(1,175,676)	0	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(14,126,914)	(15,341,888)	(29,468,802)	(17,425,502)	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	47,880	0	47,880	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	439,655	(1,100,262)	(660,607)	683,024	5,799
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	(70,013)	0	(70,013)	(2,953)	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	(18,410,598)	0
9. Aggregate write-ins for capital gains (losses)	(13,556)	541,728	528,172	(32,010)	(37,810)
10. Total capital gains (losses)	(14,898,624)	(15,900,422)	(30,799,046)	(35,188,039)	(32,011)
DETAILS OF WRITE-INS					
0901. Gain on sale-leaseback activity		503,918	503,918		
0902. Foreign exchange investments	(13,556)	37,810	24,254	(32,010)	(37,810)
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	(13,556)	541,728	528,172	(32,010)	(37,810)

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities	316,685	228,028	(88,657)
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	316,685	228,028	(88,657)
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued	16,049	8,514	(7,535)
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	3,444,098	3,197,950	(246,148)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	31,244,514	21,720,655	(9,523,859)
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	13,733,786		(13,733,786)
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets	10,868,998	8,182,584	(2,686,414)
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	62,740,746	44,602,670	(18,138,076)
25. Aggregate write-ins for other than invested assets	90,235,016	18,603,380	(71,631,636)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	212,599,892	96,543,781	(116,056,111)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	212,599,892	96,543,781	(116,056,111)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Intangibles	70,328,911	0	(70,328,911)
2502. Prepaid expenses	16,564,124	16,071,256	(492,868)
2503. Other miscellaneous accounts receivable	3,341,982	2,532,124	(809,858)
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	90,235,016	18,603,380	(71,631,636)

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	276,470	569,247	569,607	569,657	569,329	6,478,774
2. Provider Service Organizations						
3. Preferred Provider Organizations	1,553,474	1,605,297	1,603,555	1,574,740	1,562,431	19,032,189
4. Point of Service	274	270	287	287	288	3,345
5. Indemnity Only	71,626	76,228	77,217	78,556	79,235	930,809
6. Aggregate write-ins for other lines of business.....	417,997	438,809	431,852	429,701	428,940	5,186,487
7. Total	2,319,841	2,689,851	2,682,518	2,652,941	2,640,223	31,631,604
DETAILS OF WRITE-INS						
0601. Consumer Driven Health Plans	413,341	429,854	422,747	419,273	417,983	5,069,685
0602. Disability and Accident	4,656	8,955	9,105	10,428	10,957	116,802
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	417,997	438,809	431,852	429,701	428,940	5,186,487

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern**A. Accounting Practices**

The accompanying financial statements of Community Insurance Company (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the Ohio Insurance Department (the “Department”).

A reconciliation of the Company’s net income (loss) and capital and surplus between NAIC SAP and practices prescribed and permitted by the Department is shown below:

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2022</u>	<u>2021</u>
<u>Net Income</u>					
(1) Community Insurance Company state basis (Page 4, Line 32, Columns 2 & 3)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$ 271,239,930</u>	<u>\$ 319,740,524</u>
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				<u>—</u>	<u>—</u>
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				<u>—</u>	<u>—</u>
(4) NAIC SAP (1-2-3=4)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$ 271,239,930</u>	<u>\$ 319,740,524</u>
<u>Surplus</u>					
(5) Community Insurance Company state basis (Page 3, Line 33, Columns 3 & 4)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$1,340,623,509</u>	<u>\$1,004,922,702</u>
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				<u>—</u>	<u>—</u>
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				<u>—</u>	<u>—</u>
(8) NAIC SAP (5-6-7=8)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$1,340,623,509</u>	<u>\$1,004,922,702</u>

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

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed by pro rata methods for direct business and based on reports received from ceding companies for reinsurance.. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Department. Expenses incurred in connection with acquiring new

NOTES TO FINANCIAL STATEMENTS

insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, including underwriting expenses, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) Common stocks of unaffiliated companies are stated at fair value based upon security ratings prescribed by various third-party pricing sources.
- (4) Redeemable preferred stocks of unaffiliated companies of highest and high quality are stated at cost or amortized cost, and all other redeemable preferred stock are reported at lower of cost, amortized cost or fair value. Perpetual preferred stocks are carried at fair value, not to exceed any currently effective call prices.
- (5) Mortgage loans held for investment are reported on the balance sheet at their amortized cost basis, which is the amount at which the loan is originated, adjusted for accrued interest, amortization of premium, discount and net deferred fees or costs, collection of cash, and write-offs.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has ownership interests in unaffiliated joint ventures and limited liability companies. The Company reports these interests as Other Long-Term Invested Assets on Schedule BA. The Company carries these investments at their underlying GAAP equity value. The Company reports the net change in the equity, excluding changes in capital contributions and distributions received in excess of undistributed earnings, as a change in net unrealized capital gains and losses.
- (9) The Company has no derivative instruments.
- (10) The Company recognizes losses from other-than-temporary impairments (“OTTI”) of investments in accordance with Statements of Standard Accounting Practice (“SSAP”) No. 26R, *Bonds*; and SSAP No. 30, *Common Stock*; and SSAP No. 32R, *Preferred Stock*.
- (11) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (12) Unpaid claims and claims adjustment expenses include management’s best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (13) The Company has not modified its capitalization policy from the prior period.

NOTES TO FINANCIAL STATEMENTS

- (14) Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.
- (15) Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.
- (16) The Company records a liability for future policy benefits relating to certain Medicare supplement contracts. The liability represents the present value of future benefits to be paid to or on behalf of policy holders and related expenses less the present value of future net premiums. Changes in the liability for future benefits are reported as a component of net income in the period in which the change occurs.
- (17) Premium under the Federal Employee Program (“FEP”) is earned when chargeable benefit costs, allowable expenses and retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the Office of Personnel Management (“OPM”), when the claims are ultimately paid.
- (18) For investments in corporate-owned life insurance (“COLI”), the amount that could be realized on a life insurance policy as of the date to which premiums have been paid is reported as an admitted asset. The change in the cash surrender value, or contract value, of COLI during the period is treated as income.
- (19) A discount rate is applied to guaranty fund liabilities and assets related to assessments from insolvencies of entities that wrote long-term care contracts.

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2022 and 2021.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable.

B. Statutory Merger

Not applicable.

C. Assumption Reinsurance

Not applicable.

D. Impairment Loss

Not applicable.

E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2022 or 2021.

5. Investments

NOTES TO FINANCIAL STATEMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The maximum and minimum lending rates for mortgage loans during 2022 were:

Farm loans 0.0% and 0.0%, City loans 0.0% and 0.0%, Purchase money mortgages 4.3% and 3.8%.

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 63.9%

	<u>Current Year</u>	<u>Prior Year</u>
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:	\$ —	—

NOTES TO FINANCIAL STATEMENTS

(4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans in Which the Insurer is Participant or Co-lender in a Mortgage Loan Agreement:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
(a) Current	\$ —	\$ —	\$ —	\$ —	\$75,980,000	\$ —	\$75,980,000
(b) 30-59 Days Past Due	—	—	—	—	—	—	—
(c) 60-89 Days Past Due	—	—	—	—	—	—	—
(d) 90-179 Days Past Due	—	—	—	—	—	—	—
(e) 180+ Days Past Due	—	—	—	—	—	—	—
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Interest Accrued	—	—	—	—	—	—	—
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Interest Accrued	—	—	—	—	—	—	—
4. Interest Reduced							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Number of Loans	—	—	—	—	—	—	—
(c) Percent Reduced	—%	—%	—%	—%	—%	—%	—%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	\$ —	\$ —	\$ —	\$ —	\$10,016,993	\$ —	\$10,016,993
(b) 30-59 Days Past Due	—	—	—	—	—	—	—
(c) 60-89 Days Past Due	—	—	—	—	—	—	—
(d) 90-179 Days Past Due	—	—	—	—	—	—	—
(e) 180+ Days Past Due	—	—	—	—	—	—	—
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Interest Accrued	—	—	—	—	—	—	—
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Interest Accrued	—	—	—	—	—	—	—
4. Interest Reduced							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Number of Loans	—	—	—	—	—	—	—
(c) Percent Reduced	—%	—%	—%	—%	—%	—%	—%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

NOTES TO FINANCIAL STATEMENTS

(5) Investment in Impaired Loans With or Without Allowance for Credit Losses and Impaired Loans Subject to a Participant or Co-lender Mortgage Loan Agreement for Which the Reporting Entity is Restricted from Unilaterally Foreclosing on the Mortgage Loan:

	Farm	Residential		Commercial		Mezzanine	Total	
		Insured	All Other	Insured	All Other			
a. Current Year								
1. With Allowance for Credit Losses	\$	—	\$	—	\$	—	\$	—
2. No Allowances for Credit Losses		—		—		—		—
3. Total (1+2)		—		—		—		—
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan.		—		—		—		—
b. Prior Year								
1. With Allowance for Credit Losses	\$	—	\$	—	\$	—	\$	—
2. No Allowances for Credit Losses		—		—		—		—
3. Total (1+2)		—		—		—		—
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan.		—		—		—		—

(6) Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

	Farm	Residential		Commercial		Mezzanine	Total	
		Insured	All Other	Insured	All Other			
a. Current Year								
1. Average Recorded Investment	\$	—	\$	—	\$	—	\$	—
2. Interest Income Recognized		—		—		—		—
3. Recorded Investments on Nonaccrual Status		—		—		—		—
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting		—		—		—		—
b. Prior Year								
1. Average Recorded Investment	\$	—	\$	—	\$	—	\$	—
2. Interest Income Recognized		—		—		—		—
3. Recorded Investments on Nonaccrual Status		—		—		—		—
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting		—		—		—		—

(7) Allowance for Credit Losses:

		Current Year	Prior Year
a. Balance at beginning of period	\$	—	\$ —
b. Additions charged to operations	\$	—	\$ —
c. Direct write-downs charged against the allowances	\$	—	\$ —
d. Recoveries of amounts previously charged off	\$	—	\$ —
e. Balance at end of period	\$	—	\$ —

NOTES TO FINANCIAL STATEMENTS

(8) Mortgage Loans Derecognized as a Result of Foreclosure:

	<u>Current Year</u>
a. Aggregate amount of mortgage loans derecognized	\$ —
b. Real estate collateral recognized	\$ —
c. Other collateral recognized	\$ —
d. Receivables recognized from a government guarantee of the foreclosed mortgage loan	\$ —

(9) The company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2022 or 2021.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2022 or 2021.

D. Loan-Backed Securities

(1) Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.

(2) The Company did not recognize OTTI on its loan-backed securities during the years ended December 31, 2022 and 2021.

(3) The Company did not recognize OTTI on its loan-backed securities at December 31, 2022 and 2021.

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:			
	1. Less than 12 Months	\$	(21,398,069)
	2. 12 Months or Longer	\$	(25,915,291)
b. The aggregate related fair value of securities with unrealized losses:			
	1. Less than 12 Months	\$	355,328,146
	2. 12 Months or Longer	\$	162,853,587

(5) The Company's bond portfolio is sensitive to interest rate fluctuations, which impact the fair value of individual securities. Unrealized losses on bonds were primarily caused by the effects of the interest rate environment and the widening of credit spreads on certain securities. The Company currently has the ability and intent to hold these securities until their full cost can be recovered. Therefore, the Company does not believe the unrealized losses represent an OTTI at December 31, 2022 or 2021.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not enter into repurchase agreements at December 31, 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

(2) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers based on, among other things, their creditworthiness in exchange for collateral initially equal to at least 102% of the market value of the loaned securities. The Company receives the collateral in cash or securities, and if cash is received the cash collateral is thereafter invested according to guidelines of the Company's Investment Policy.

(3) Collateral Received

a. Aggregate amount collateral received

	<u>Fair Value</u>
1. Securities Lending	
(a) Open	\$ 54,950,903
(b) 30 days or less	—
(c) 31 to 60 days	—
(d) 61 to 90 days	—
(e) Greater than 90 days	—
(f) Sub-total	<u>\$ 54,950,903</u>
(g) Securities received	<u>17,785,657</u>
(h) Total collateral received	<u><u>\$ 72,736,560</u></u>

2. Dollar repurchase agreement - Not applicable.

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged

\$	<u><u>72,736,560</u></u>
----	--------------------------

c. The Company receives cash collateral in an amount in excess of fair value of the securities lent. The Company reinvests the cash collateral according to guidelines of the Company's Investment Policy.

(4) Not applicable.

(5) Collateral Reinvestment

a. Aggregate amount collateral reinvested

	<u>Amortized Cost</u>	<u>Fair Value</u>
1. Securities Lending		
(a) Open	\$ —	\$ —
(b) 30 days or less	17,356,885	17,362,157
(c) 31 to 60 days	20,480,523	20,481,139
(d) 61 to 90 days	5,500,312	5,501,431
(e) 91 to 120 days	3,240,276	3,242,035
(f) 121 to 180 days	4,402,818	4,403,638
(g) 181 to 365 days	3,957,589	3,960,503
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Sub-total	<u>54,938,403</u>	<u>54,950,903</u>
(l) Securities received	<u>17,785,657</u>	<u>17,785,657</u>
(m) Total collateral reinvested	<u><u>\$ 72,724,060</u></u>	<u><u>\$ 72,736,560</u></u>

2. Dollar repurchase agreement - Not applicable.

b. Not applicable.

(6) Not applicable.

NOTES TO FINANCIAL STATEMENTS

(7) Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2022 or 2021.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2022 or 2021.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

J. Real Estate

The Company did not have investments in real estate and did not engage in retail land sales operations during 2022 or 2021.

K. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross Admitted and Nonadmitted Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	— %	— %
b. Collateral held under security lending agreements	72,724,060	46,810,473	25,913,587	—	72,724,060	2.19 %	2.35 %
c. Subject to repurchase agreements	—	—	—	—	—	— %	— %
d. Subject to reverse repurchase agreements	—	—	—	—	—	— %	— %
e. Subject to dollar repurchase agreements	—	—	—	—	—	— %	— %
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	— %	— %
g. Placed under option contracts	—	—	—	—	—	— %	— %
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock	—	—	—	—	—	— %	— %
i. FHLB capital stock	3,836,000	5,062,300	(1,226,300)	—	3,836,000	0.12 %	0.12 %
j. On deposit with states	4,344,989	434,354	3,910,636	—	4,344,989	0.13 %	0.14 %
k. On deposit with other regulatory bodies	—	—	—	—	—	— %	— %
l. Pledged as collateral to FHLB (including assets backing funding agreements)	269,467,255	260,058,536	9,408,719	—	269,467,255	8.13 %	8.69 %
m. Pledged as collateral not captured in other categories	—	—	—	—	—	— %	— %
n. Other restricted assets	—	—	—	—	—	— %	— %
o. Total Restricted Assets	\$ 350,372,304	\$ 312,365,663	\$ 38,006,642	\$ —	\$350,372,304	10.57 %	11.30 %

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

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

(2) Not applicable.

(3) Not applicable.

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1	2	3	4
	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted*)	% of BACV to Total Admitted Assets **
a. Cash	\$ —	\$ —	— %	— %
b. Schedule D, Part 1	—	—	—	—
c. Schedule D, Part 2 Section 1	—	—	—	—
d. Schedule D, Part 2 Section 2	—	—	—	—
e. Schedule B	—	—	—	—
f. Schedule A	—	—	—	—
g. Schedule BA, Part 1	—	—	—	—
h. Schedule DL, Part 1	72,724,060	72,736,560	2.19 %	2.35 %
i. Other	—	—	—	—
J. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 72,724,060	\$ 72,736,560	2.19 %	2.35 %

* Column 1 divided by Asset Page, Line 26 (Column 1)

** Column 1 divided by Asset Page, Line 26 (Column 3)

	<u>1</u>	<u>2</u>
	<u>Amount</u>	<u>% of Liability to Total Liabilities *</u>
k. Recognized Obligation to Return Collateral Asset	\$ 72,724,060	4.13 %

* Column 1 divided by Liability Page, Line 24 (Column 3)

M. Working Capital Finance Investments

The Company did not have any working capital finance investments at December 31, 2022 and 2021.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2022 and 2021.

O. 5GI Securities

The Company has no 5GI Securities as of December 31, 2022 and 2021.

P. Short Sales

The Company did not have any short sales at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

Q. Prepayment Penalty and Acceleration Fees

	General Account
(1) Number of CUSIPs	19
(2) Aggregate Amount of Investment Income \$	(115,377)

R. Reporting Entity's Share of Cash Pool by Asset Type

The Company did not participate in a cash pool at December 31, 2022 or 2021.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2022 or 2021.
- B. The Company did not recognize any impairment write downs for its investments in joint ventures, partnerships, or limited liability companies during 2022 or 2021.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
- B. At December 31, 2022 and 2021 there was \$16,049 and \$8,514 of nonadmitted accrued investment income, respectively.

8. Derivative Instruments

The Company has no derivative instruments.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of net deferred tax assets (liabilities):

(1) The components of net deferred tax asset (liabilities) are as follows:

	12/31/2022		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 75,679,188	\$ 5,771,921	\$ 81,451,109
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	75,679,188	5,771,921	81,451,109
(d) Deferred Tax Assets Nonadmitted	13,733,786	—	13,733,786
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	61,945,402	5,771,921	67,717,323
(f) Deferred Tax Liabilities	1,165,611	9,392,370	10,557,981
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 60,779,791	\$ (3,620,449)	\$ 57,159,342

	12/31/2021		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 60,828,994	\$ 1,292,928	\$ 62,121,922
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	60,828,994	1,292,928	62,121,922
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	60,828,994	1,292,928	62,121,922
(f) Deferred Tax Liabilities	833,718	6,604,022	7,437,740
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 59,995,276	\$ (5,311,094)	\$ 54,684,182

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 14,850,194	\$ 4,478,993	\$ 19,329,187
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	14,850,194	4,478,993	19,329,187
(d) Deferred Tax Assets Nonadmitted	13,733,786	—	13,733,786
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	1,116,408	4,478,993	5,595,401
(f) Deferred Tax Liabilities	331,893	2,788,348	3,120,241
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 784,515	\$ 1,690,645	\$ 2,475,160

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

NOTES TO FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under each component of SSAP No. 101, *Income Taxes* (“SSAP No. 101”) are as follows:

12/31/2022		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 50,665,933	\$ 2,788,574	\$ 53,454,507
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	2,164,468	1,540,367	3,704,835
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	2,164,468	1,540,367	3,704,835
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	192,519,625
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	9,115,001	1,442,980	10,557,981
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 61,945,402</u>	<u>\$ 5,771,921</u>	<u>\$ 67,717,323</u>

12/31/2021		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 52,824,986	\$ 1,115,065	\$ 53,940,051
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	1,116,911	—	1,116,911
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	1,116,911	—	1,116,911
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	142,535,778
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	6,887,097	177,863	7,064,960
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 60,828,994</u>	<u>\$ 1,292,928</u>	<u>\$ 62,121,922</u>

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ (2,159,053)	\$ 1,673,509	\$ (485,544)
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	1,047,557	1,540,367	2,587,924
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	1,047,557	1,540,367	2,587,924
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	49,983,847
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	2,227,904	1,265,117	3,493,021
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 1,116,408</u>	<u>\$ 4,478,993</u>	<u>\$ 5,595,401</u>

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

NOTES TO FINANCIAL STATEMENTS

		2022	2021
(3)	(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	373.13 %	354.95 %
	(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 1,283,464,167	\$ 950,238,520

	12/31/2022		12/31/2021		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital

Impact of Tax-Planning Strategies

(a)	Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
	1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$75,679,188	\$5,771,921	\$60,828,994	\$1,292,928	\$14,850,194	\$4,478,993
	2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	— %	— %	— %	— %	— %	— %
	3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	\$61,945,402	\$5,771,921	\$60,828,994	\$1,292,928	\$ 1,116,408	\$4,478,993
	4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	— %	— %	— %	— %	— %	— %
(b)	Does the Company's tax-planning strategies include the use of reinsurance?			Yes	_____	No	X _____

B. The Company has no unrecognized deferred tax liabilities at December 31, 2022 and 2021.

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

		(1)	(2)	(3)
		12/31/2022	12/31/2021	(Col 1-2) Change
(1)	Current Income Tax			
	(a) Federal	\$ 45,356,132	\$ 80,490,379	\$ (35,134,247)
	(b) Foreign	—	—	—
	(c) Subtotal	45,356,132	80,490,379	(35,134,247)
	(d) Federal income tax expense on net capital gains	(219,720)	2,362,751	(2,582,471)
	(e) Utilization of capital loss carry-forwards	—	—	—
	(f) Other	—	—	—
	(g) Federal and foreign income taxes incurred	\$ 45,136,412	\$ 82,853,130	\$ (37,716,718)

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2022	12/31/2021	(Col 1-2) Change
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 2,745,909	\$ 1,816,159	\$ 929,750
(2) Unearned premium reserve	2,443,441	2,597,961	(154,520)
(3) Policyholder reserves	5,082,000	3,864,000	1,218,000
(4) Investments	—	—	—
(5) Deferred acquisition costs	2,781,305	2,814,262	(32,957)
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	1,924,074	1,181,063	743,011
(8) Compensation and benefits accrual	2,332,551	3,385,444	(1,052,893)
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	18,926,857	14,552,119	4,374,738
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other	39,443,051	30,617,986	8,825,065
(99) Subtotal (sum of 2a1 through 2a13)	<u>75,679,188</u>	<u>60,828,994</u>	<u>14,850,194</u>
(b) Statutory valuation allowance adjustment	—	—	—
(c) Nonadmitted	<u>13,733,786</u>	—	<u>13,733,786</u>
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	61,945,402	60,828,994	1,116,408
(e) Capital			
(1) Investments	5,771,921	1,245,042	4,526,879
(2) Net capital loss carry-forward	—	—	—
(3) Real estate	—	—	—
(4) Other	—	47,886	(47,886)
(99) Subtotal (2e1+2e2+2e3+2e4)	<u>5,771,921</u>	<u>1,292,928</u>	<u>4,478,993</u>
(f) Statutory valuation allowance adjustment	—	—	—
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	<u>5,771,921</u>	<u>1,292,928</u>	<u>4,478,993</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 67,717,323</u>	<u>\$ 62,121,922</u>	<u>\$ 5,595,401</u>
(3) Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	—	—	—
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other	1,165,611	833,718	331,893
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	<u>1,165,611</u>	<u>833,718</u>	<u>331,893</u>
(b) Capital			
(1) Investments	—	—	—
(2) Real estate	423,291	317,468	105,823
(3) Other	8,969,079	6,286,554	2,682,525
(99) Subtotal (3b1+3b2+3b3)	<u>9,392,370</u>	<u>6,604,022</u>	<u>2,788,348</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>10,557,981</u>	<u>7,437,740</u>	<u>3,120,241</u>
(4) Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 57,159,342</u>	<u>\$ 54,684,182</u>	<u>\$ 2,475,160</u>

NOTES TO FINANCIAL STATEMENTS

- D.** The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 21% for the year ended December 31 as follows:

	<u>2022</u>	<u>2021</u>
Tax expense computed using federal statutory rate	\$ 66,439,032	\$ 84,544,668
Change in nonadmitted assets	(21,487,688)	(5,499,351)
Tax exempt income and dividend received deduction net of proration	(1,370,141)	(1,773,512)
Prior year true-up and adjustments	(4,306,699)	(931,323)
Interest (federal and state income tax)	—	6,737
Tax settlements and contingencies	1,758,479	—
Investment in corporate-owned life insurance	—	(2,788,902)
Other, net	(4,716,029)	24,265
Total	<u>\$ 36,316,954</u>	<u>\$ 73,582,582</u>
Federal income taxes incurred	45,136,412	\$ 82,853,130
Change in net deferred income taxes	(8,819,458)	(9,270,548)
Total statutory income taxes	<u>\$ 36,316,954</u>	<u>\$ 73,582,582</u>

E. Operating loss carryforwards:

- (1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2022 or 2021.
- (2) The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2022	\$ 55,355,062	\$ —	\$ 55,355,062
2021	77,562,844	2,256,170	79,819,014
2020	N/A	532,403	532,403

- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2022 and 2021.

- F.** The following companies will be included in the consolidated federal income tax return with their parent Elevance Health, Inc. ("Elevance Health") as of December 31, 2022 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

Alliance Care Management, LLC	DeCare Dental Networks, LLC
American Imaging Management, Inc.	DeCare Dental, LLC
America's 1st Choice of South Carolina, Inc.	Designated Agent Company, Inc.
AMERIGROUP Community Care of New Mexico, Inc.	EHC Benefits Agency, Inc.
AMERIGROUP Corporation	Elevance Health Inc
Amerigroup Delaware, Inc.	Empire HealthChoice Assurance, Inc.
Amerigroup District of Columbia, Inc.	Empire HealthChoice HMO, Inc.
Amerigroup Insurance Company	Federal Government Solutions, LLC
AMERIGROUP Iowa, Inc.	FHC Health Systems, Inc.
AMERIGROUP Maryland, Inc.	Freedom Health, Inc.
Amerigroup Mississippi, Inc.	Freedom SPV, Inc.
AMERIGROUP New Jersey, Inc.	Golden West Health Plan, Inc.

NOTES TO FINANCIAL STATEMENTS

AMERIGROUP Ohio, Inc.	Health Core, Inc.
Amerigroup Oklahoma, Inc.	Health Management Corporation
Amerigroup Pennsylvania, Inc.	Healthkeepers, Inc.
AMERIGROUP Tennessee, Inc.	HealthLink HMO, Inc.
AMERIGROUP Texas, Inc.	HealthLink, Inc.
AMERIGROUP Washington, Inc.	HealthPlus HP, LLC
AMGP Georgia Managed Care Company, Inc.	HealthSun Health Plan, Inc.
Anthem Blue Cross Life and Health Insurance Company	Healthy Alliance Life Insurance Company
Anthem Financial, Inc.	HEP AP Holdings, Inc.
Anthem Health Plans of Kentucky, Inc.	HMO Colorado, Inc.
Anthem Health Plans of Maine, Inc.	HMO Missouri, Inc.
Anthem Health Plans of New Hampshire, Inc.	IEC Group Holdings, Inc.
Anthem Health Plans of Virginia, Inc.	IEC Group, Inc. d/b/a AmeriBen
Anthem Health Plans, Inc.	Imaging Management Holdings, LLC
Anthem Holding Corp.	IngenioRx, Inc.
Anthem Insurance Companies, Inc.	Integra MLTC, Inc.
Anthem Kentucky Managed Care Plan, Inc.	Legato Health Technologies U.S., Inc.
Anthem Southeast, Inc.	Living Complete Technologies, Inc.
Anthem UM Services, Inc.	Massachusetts Behavioral Health Partnership
APR, LLC	Matthew Thornton Health Plan, Inc.
Arcus Enterprises, Inc.	Missouri Care, Incorporated
Aspire Health, Inc.	myNEXUS Holdings, Inc.
Associated Group, Inc.	myNEXUS, Inc.
Beacon Health Financing, LLC	myNEXUS Management, Inc.
Beacon Health Options Care Services, Inc.	Nash Holding Company, LLC
Beacon Health Options Holdco, Inc.	National Government Services, Inc.
Beacon Health Options, Inc.	New England Research Institutes, Inc.
Beacon Health Options of California, Inc.	Optimum Healthcare, Inc.
Beacon Health Options of Pennsylvania, Inc.	OPTIONS Health Care, Inc.
Beacon Health Vista Parent, Inc.	Park Square Holdings, Inc.
BHS IPA, LLC	Park Square I, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	Park Square II, Inc.
Blue Cross Blue Shield of Wisconsin	Resolution Health, Inc.
Blue Cross of California	RightCHOICE Managed Care, Inc.
Blue Cross of California Partnership Plan, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Carelon Digital Platforms, Inc.	SellCore, Inc.
Carelon Holdings, Inc.	Simply Healthcare Plans, Inc.
Carelon Holdings I, Inc.	Southeast Services, Inc.
Carelon Insights, Inc.	State Sponsored Services, Inc.
Carelon PharmacyRx, Inc.	The Elevance Health Companies, Inc.
CareMore Health IPA of New York, Inc.	The Elevance Health Companies of California, Inc.
CareMore Health of Arizona, Inc.	TrustSolutions, LLC
CareMore Health Plan	UNICARE Health Plan of West Virginia, Inc.
CareMore Health Plan of Arizona, Inc.	UNICARE Illinois Services, Inc.
CareMore Health Plan of Nevada, Inc.	UNICARE Life & Health Insurance Company
CareMore Health Plan of Texas, Inc.	UNICARE National Services, Inc.
CareMore Health System	UNICARE Specialty Services, Inc.
Cerulean Companies, Inc.	ValueOptions Federal Services, Inc.
CHCS IPA, Inc.	ValueOptions of New Jersey, Inc.
Claim Management Services, Inc.	ValueOptions Texas, Inc.
Community Care Health Plan of Kansas, Inc.	WellPoint California Services, Inc.
Community Care Health Plan of Nebraska, Inc.	WellPoint Dental Services, Inc.
Community Care Health Plan of Nevada, Inc.	WellPoint Health Solutions, Inc.
Community Insurance Company	WellPoint Holding Corporation
Compcare Health Services Insurance Corporation	WellPoint Information Technology Services, Inc.
Crossroads Acquisition Corp.	WellPoint Insurance Services, Inc.
DeCare Analytics, LLC	WellPoint Military Care Corporation
DeCare Dental Health International, LLC	Wisconsin Collaborative Insurance Company

G. Not applicable.

NOTES TO FINANCIAL STATEMENTS

H. Repatriation Transition Tax (RTT)

Not applicable.

I. Alternative Minimum Tax (AMT) Credit

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act which includes a new corporate alternative minimum tax (the "Corporate AMT") of 15% on the adjusted financial statement of income ("AFSI") of corporations with average AFSI exceeding \$1.0 billion over a three-year period. The Corporate AMT is effective beginning after December 31, 2022. The controlled group of corporations, of which the Company is a member, has determined it is an applicable corporation for purposes of determining if the Corporate AMT exceeds the regular federal income tax payable. The controlled group has determined that it does not expect to be subject to the Corporate AMT in 2023. The Company has determined that it would not be an applicable corporation on a stand-alone basis, therefore it does not expect to be subject to the Corporate AMT in 2023.

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

A. Nature of the Relationship

The Company is an Ohio domiciled stock insurance company and is a wholly-owned subsidiary of ATH Holding Company, LLC ("ATH Holding"), which is a wholly-owned subsidiary of Elevance Health, a publicly traded company. The shareholders of Elevance Health approved a proposal to amend its articles of incorporation to change the name to Elevance Health, Inc. from Anthem, Inc. The name change was effective June 27, 2022.

B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

On December 22, 2022, ATH Holding authorized a capital contribution to the Company in the amount of \$200,000,000 which was paid on December 29, 2022.

Effective July 1, 2022, the Company entered into an excess of loss reinsurance agreement for its Medicaid business with Anthem Insurance Companies, Inc., a subsidiary of the Company's ultimate parent, Elevance Health.

The Board of Directors of the Company declared an ordinary dividend in the amount of \$65,000,000 on September 15, 2021. The Company paid the dividend to its parent company, ATH Holding, on September 30, 2021.

The Board of Directors of the Company declared an ordinary dividend in the amount of \$110,000,000 on June 15, 2021. The Company paid the dividend to its parent company, ATH Holding, on June 30, 2021.

For changes to the intercompany management and service arrangements see Note 10E. The amounts of transactions under such agreements are presented in Schedule Y, Part 2.

C. Transactions with Related Parties who are not Reported on Schedule Y

The Company has no transactions with related parties who are not reported on Schedule Y.

NOTES TO FINANCIAL STATEMENTS

D. Amounts Due to or from Related Parties

At December 31, 2022 and 2021, the Company reported \$203,926,445 and \$97,894,503 due from affiliates, respectively. At December 31, 2022 and 2021, the Company reported no amounts due to affiliates. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

E. Management and Service Contracts and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, information technology, pharmacy benefits administration, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

In addition, the Company is party to the Fair Market Value ("FMV") Services Attachment, to the master administrative services agreement with affiliates, the costs and expenses related to certain services including behavioral health, palliative care, utilization management, payment integrity services, subrogation services as well as health and wellness programs are allocated to or allocated by the Company in an amount equal to the fair market value of the services provided. These costs are allocated based on various utilization statistics.

The Company amended its agreements by adding the Beacon Management Services Agreement. The agreement was effective January 1, 2021.

The Company is party to a cash concentration agreement with its affiliated companies. Under this agreement, any of the Company's affiliates may be designated as a cash manager to handle the collection and/or payment of funds on behalf of the Company. Conversely, the Company may be designated as a cash manager to handle the collection and/or payment of funds on behalf of its affiliates. Cash services covered under this agreement include the collection of premiums and other revenue, the collection of benefit and administrative expense reimbursements, the payment of policy benefits, payroll expense, general and administrative expense, and accounts payable disbursements.

F. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

ATH Holding owns all outstanding shares of the Company. The Company's ultimate parent is Elevance Health.

H. Amount Deducted for Investment in Upstream Company

The Company and its subsidiary do not own shares of upstream intermediate entities or Elevance Health.

NOTES TO FINANCIAL STATEMENTS

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

The Company does not have investments in affiliates greater than 10% of admitted assets.

J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated ("SCA") Companies

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

The Company does not have investments in downstream non-insurance holding companies.

M. All SCA Investments

The Company has no SCA Investments.

N. Investment in Insurance SCAs

The Company does not have investments in Insurance SCAs.

O. SCA or SSAP 48 Entity Loss Tracking

The Company does not have losses on investments in Insurance SCAs and/or joint ventures, partnerships or LLCs.

11. Debt

A. Capital Notes and Other Debt

The Company had no capital notes or other debt outstanding at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company’s strategy to utilize these funds as working capital. The Company has determined the actual maximum borrowing capacity as \$231,627,746. The Company calculated this amount in accordance with current FHLB capital stock.

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current year

	Total
(a) Membership stock - Class A	\$ —
(b) Membership stock - Class B	1,883,924
(c) Activity stock	—
(d) Excess stock	1,952,076
(e) Aggregate total (a+b+c+d)	\$ 3,836,000
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 231,627,746

2. Prior year-end

	Total
(a) Membership stock - Class A	\$ —
(b) Membership stock - Class B	2,054,012
(c) Activity stock	—
(d) Excess stock	3,008,288
(e) Aggregate total (a+b+c+d)	\$ 5,062,300
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 252,190,945

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)

11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2. Class B	\$ 1,883,924	\$ 1,883,924	\$ —	\$ —	\$ —	\$ —

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)

11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Pledged to FHLB

a. Amount pledged as of reporting date

	1	2	3
	Fair Value	Carrying Value	Aggregate Total Borrowing
1. Current Year Total Collateral Pledged	\$ 237,588,705	\$ 269,467,255	\$ —
2. Prior Year-end Total Collateral Pledged	\$ 263,308,706	\$ 260,058,536	\$ —

11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3 respectively)

11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3 respectively)

b. Maximum amount pledged during reporting period

	1	2	3
	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
1. Current Year Total Maximum Collateral Pledged	\$ 251,552,140	\$ 269,467,255	\$ —
2. Prior Year-end Total Maximum Collateral Pledged	\$ 265,093,327	\$ 260,058,536	\$ —

NOTES TO FINANCIAL STATEMENTS

(4) Borrowing from FHLB

a. Amount as of the reporting date

	Total	Funding Agreements Reserves Established
1. Current year		
(a) Debt	\$ —	XXX
(b) Funding agreements	— \$	—
(c) Other	—	XXX
(d) Aggregate total (a+b+c)	<u>\$ — \$</u>	<u>—</u>
2. Prior year-end		
(a) Debt	\$ —	XXX
(b) Funding agreements	— \$	—
(c) Other	—	XXX
(d) Aggregate total (a+b+c)	<u>\$ — \$</u>	<u>—</u>

b. Maximum amount during reporting period (current year)

	Total
1. Debt	\$ —
2. Funding agreements	—
3. Other	—
4. Aggregate total (Lines 1+2+3)	<u>\$ —</u>

c. FHLB - Prepayment obligations

	Does the Company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt	No
2. Funding agreements	No
3. Other	No

C. All Other Debt

The Company had no other debt outstanding at December 31, 2022 and 2021.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**A. Defined Benefit Plan**

Not applicable - See Note 12G.

B. Not applicable - See Note 12G.

C. Not applicable - See Note 12G.

D. Not applicable - See Note 12G.

E. Defined Contribution Plans

Not applicable - See Note 12G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

NOTES TO FINANCIAL STATEMENTS

G. Consolidated/Holding Company Plans

The Company participates in frozen non-contributory defined benefit pension plans sponsored by ATH Holding, covering most employees of Elevance Health and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of the plans to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under these plans.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding, providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a nonqualified deferred compensation plan sponsored by Elevance Health which covers certain employees once the participant reaches the maximum contribution amount for the Elevance Health 401(k) Plan (the “401(k) Plan”). The deferred amounts are payable according to the terms and subject to the conditions of the deferred compensation plan. Elevance Health allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to the deferred compensation plan. The Company has no legal obligation for benefits under this plan.

The Company participates in the 401(k) Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a stock incentive compensation plan, sponsored by Elevance Health, providing incentive awards to non-employee directors and employees, consisting of Elevance Health stock options, restricted stock, restricted stock units, stock appreciation rights, performance shares, and performance units. Elevance Health allocates a share of the total share-based compensation expense of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

During 2022 and 2021, the Company was allocated the following costs or (credits) for these retirement benefits:

	<u>2022</u>	<u>2021</u>
Defined benefit pension plan	\$ (1,110,555)	\$ (1,280,992)
Postretirement medical benefit plan	(691,480)	(768,595)
Deferred compensation plan	102,623	149,449
Defined contribution plan	10,574,151	11,311,164
Stock incentive compensation plan	10,461,123	13,244,664

H. Post Employment Benefits and Compensated Absences

Not applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

A. Outstanding Shares

As of December 31, 2022, the Company has 750 shares of \$10,000 par value common stock authorized. The number of shares issued and outstanding is 114.23.

B. Preferred Stock

The Company has no preferred stock outstanding.

C. Dividend Restrictions

The maximum amount of dividends which can be paid by State of Ohio insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus and net income. Within any 12 month period, cumulative dividends may not exceed the greater of 10% of statutory surplus at the prior December 31, or net income for the 12 month period ending at the prior December 31. Also, any dividend paid from other than earned surplus shall be considered an extraordinary dividend.

D. Dividends Paid

See Footnote 10B.

E. Maximum Ordinary Dividend During 2023

Within the limitations of (C) above, the Company may pay \$271,239,930 in ordinary dividends during 2023 without restrictions, other than state notification requirements.

F. Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2022.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2022.

I. Changes in Special Surplus Funds

The change in balances of special surplus funds from the prior year are due to changes in the amounts segregated for the deferred gain on the Company's sale-leaseback transaction.

J. Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized investment gains and losses was (\$16,340,112) at December 31, 2022.

K. Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

NOTES TO FINANCIAL STATEMENTS

L. Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

M. Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

14. Liabilities, Contingencies and Assessments**A. Contingent Commitments**

(1) The Company has a commitment to contribute an additional \$19,166,433, in subsequent years, related to the Company's investments in joint ventures, limited partnerships, limited liability companies and residual tranches.

(2) Not applicable.

(3) Not applicable.

B. Assessments

(1) The Company is subject to guaranty fund and other assessments by the state(s) in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued either at the time of the assessment or at the time the losses are incurred.

(2) Guaranty Fund Assets Recognized Reconciliation

a.	Guaranty fund assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ 6,160,752
b.	Decreases current year:	
	Policy surcharges collected	—
	Policy surcharges charged off	—
	Premium tax offset applied	4,485,123
	Recovery adjustment	—
c.	Increases current year:	
	Policy surcharges recognized	—
	Premium tax offset recognized	—
d.	Guaranty fund assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	<u>\$ 1,675,629</u>

(3) Guaranty Fund Liabilities and Assets Related to Insolvencies of Entities That Wrote Long-Term Care Contracts

a. Discount Rate Applied 3.5%

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency:

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty Network America Insurance Company and its subsidiary, American Network Insurance Company (collectively "Penn Treaty")	\$ 14,193,960	\$ 9,859,565	\$ 4,151,883	\$ 1,675,629

NOTES TO FINANCIAL STATEMENTS

- c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency:

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty	1	1 - 16	8.5	1	1 - 22	7.9

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2022 or 2021.

D. Claims-Related Extra Contractual Obligation and the Bad Faith Losses Stemming From Lawsuits

Not applicable.

E. Joint and Several Liabilities

Not applicable.

F. All Other Contingencies***Litigation and regulatory proceedings*****Blue Cross Blue Shield Antitrust Litigation**

Elevance Health, Inc. (f/k/a Anthem, Inc.) is a defendant in multiple lawsuits that were initially filed in 2012 against the BCBSA and Blue Cross and/or Blue Shield licensees (the “Blue plans”) across the country. Cases filed in twenty-eight states were consolidated into a single, multi-district proceeding captioned *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the U.S. District Court for the Northern District of Alabama (the “Court”). Generally, the suits allege that the BCBSA and the Blue plans have conspired to horizontally allocate geographic markets through license agreements, best efforts rules that limit the percentage of non-Blue revenue of each plan, restrictions on acquisitions, rules governing the BlueCard[®] and National Accounts programs and other arrangements in violation of the Sherman Antitrust Act (“Sherman Act”) and related state laws. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers.

In April 2018, the Court issued an order on the parties’ cross motions for partial summary judgment, determining that the defendants’ aggregation of geographic market allocations and output restrictions are to be analyzed under a per se standard of review, and the BlueCard[®] program and other alleged Section 1 Sherman Act violations are to be analyzed under the rule of reason standard of review. With respect to whether the defendants operate as a single entity with regard to the enforcement of the Blue Cross Blue Shield trademarks, the Court found that summary judgment was not appropriate due to the existence of genuine issues of material fact. In April 2019, the plaintiffs filed motions for class certification, which defendants opposed.

The BCBSA and Blue plans approved a settlement agreement and release with the subscriber plaintiffs (the “Subscriber Settlement Agreement”), which agreement required the Court’s approval to become effective. The Subscriber Settlement Agreement requires the defendants to make a monetary settlement payment and contains certain terms imposing non-monetary obligations including (i) eliminating the “national best efforts” rule in the BCBSA license agreements (which rule limits the percentage of non-Blue revenue permitted for each Blue plan) and (ii) allowing for some large national employers

NOTES TO FINANCIAL STATEMENTS

with self-funded benefit plans to request a bid for insurance coverage from a second Blue plan in addition to the local Blue plan.

In November 2020, the Court issued an order preliminarily approving the Subscriber Settlement Agreement, following which members of the subscriber class were provided notice of the Subscriber Settlement Agreement and an opportunity to opt out of the class. A small number of subscribers submitted valid opt-outs by the July 2021 opt-out deadline. A fairness hearing was held in October 2021 and the Court took the request for final approval under advisement. In February 2022, the Court ordered the issuance of a supplemental notice to self-funded account class members. The notice process was completed in March 2022.

In August 2022, the Court issued a final order approving the Subscriber Settlement Agreement (the "Final Approval Order"). The Court amended its Final Approval Order in September 2022, further clarifying the injunctive relief that may be available to subscribers who submitted valid opt-outs. In September 2022, an objector filed a motion to amend the Final Approval Order, which the Court denied. In compliance with the Subscriber Settlement Agreement, Elevance Health paid \$506,000,000 into an escrow account in September 2022, for an aggregate and full settlement payment by Elevance Health of \$596,000,000. The Company recorded its estimated portion of the Subscriber Settlement Agreement, net of third party insurance cover, in 2020 and paid its remaining portion of the Subscriber Settlement Agreement in 2022.

Four notices of appeal of the Final Approval Order were filed by the September 2022 appeal deadline. Those appeals are proceeding in the United States Court of Appeals for the Eleventh Circuit. In the event that all appellate rights are exhausted in a manner that affirms the Court's Final Approval Order, the defendants' payment and non-monetary obligations under the Subscriber Settlement Agreement will become effective and the funds held in escrow will be distributed in accordance with the Subscriber Settlement Agreement.

In October 2020, after the Court lifted the stay as to the provider litigation, provider plaintiffs filed a renewed motion for class certification, which defendants opposed. In March 2021, the Court issued an order terminating the pending motion for class certification until the Court determines the standard of review applicable to the providers' claims. In May 2021, the defendants and provider plaintiffs filed renewed standard of review motions. In June 2021, the parties filed summary judgment motions not critically dependent on class certification. In February 2022, the Court issued orders (i) granting certain defendants' motion for partial summary judgment against the provider plaintiffs who had previously released claims against such defendants, and (ii) granting the provider plaintiffs' motion for partial summary judgment, holding that *Ohio v. American Express Co.* does not affect the standard of review in this case. In August 2022, the Court issued orders (i) granting in part the defendants' motion regarding the antitrust standard of review, holding that for the period of time after the elimination of the "national best efforts" rule, the rule of reason applies to the provider plaintiffs' market allocation conspiracy claims, and (ii) denying the provider plaintiffs' motion for partial summary judgment on the standard of review, reaffirming its prior holding that the providers' group boycott claims are subject to the rule of reason. In November 2022, the Court issued an order requiring the parties to submit supplemental briefs on certain questions related to providers' renewed motion for class certification. Elevance Health intends to continue to vigorously defend the provider litigation, which they believe is without merit, however, its ultimate outcome cannot be presently determined.

A number of follow-on cases involving entities that opted out of the Subscriber Settlement Agreement have been filed. Those actions are: *Alaska Air Group, Inc., et al. v. Anthem, Inc., et al.*, No. 2:21-cv-01209-AMM (N.D. Ala.); *JetBlue Airways Corp., et al. v. Anthem, Inc., et al.*, No. 2:22-cv-00558-GMB (N.D. Ala.); *Metropolitan Transportation Authority v. Blue Cross and Blue Shield of Alabama et al.*, No. 2:22-cv-00265-RDP (N.D. Ala.); *Bed Bath & Beyond Inc. v. Anthem, Inc.*, No. 2:22-cv-01256-

NOTES TO FINANCIAL STATEMENTS

SGC (N.D. Ala.); *Hoover, et al. v. Blue Cross Blue Shield Association, et al.*, No. 2:22-cv-00261-RDP (N.D. Ala.); and *VHS Liquidating Trust v. Blue Cross of California, et al.*, No. RG21106600 (Cal. Super.). Elevance Health intends to continue to vigorously defend these follow-on cases, which they believe are without merit; however, their ultimate outcome cannot be presently determined.

Express Scripts, Inc. Pharmacy Benefit Management Litigation

In March 2016, Elevance Health, Inc. (f/k/a Anthem, Inc.) filed a lawsuit against Express Scripts, Inc. (“Express Scripts”), their vendor at the time for PBM services, captioned *Anthem, Inc. v. Express Scripts, Inc.*, in the U.S. District Court for the Southern District of New York (the “District Court”). The lawsuit seeks to recover over \$14,800,000,000 in damages for pharmacy pricing that is higher than competitive benchmark pricing under the agreement between the parties (the “ESI PBM Agreement”), over \$158,000,000 in damages related to operational breaches, as well as various declarations under the ESI PBM Agreement, including that Express Scripts: (i) breached its obligation to negotiate in good faith and to agree in writing to new pricing terms; (ii) was required to provide competitive benchmark pricing to Elevance Health through the term of the ESI PBM Agreement; (iii) has breached the ESI PBM Agreement; and (iv) is required under the ESI PBM Agreement to provide post-termination services, at competitive benchmark pricing, for one year following any termination.

Express Scripts has disputed Elevance Health’s contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the ESI PBM Agreement, and (ii) that it has no obligation to ensure that Elevance Health receives any specific level of pricing, that Elevance Health has no contractual right to any change in pricing under the ESI PBM Agreement and that its sole obligation is to negotiate proposed pricing terms in good faith. In the alternative, Express Scripts claims that Elevance Health has been unjustly enriched by its payment of \$4,675,000,000 at the time they entered into the ESI PBM Agreement. In March 2017, the District Court granted Elevance Health’s motion to dismiss Express Scripts’ counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. After such ruling, Express Scripts’ only remaining claims were for breach of contract and declaratory relief. In August 2021, Express Scripts filed a motion for summary judgment, which Elevance Health opposed. In March 2022, the District Court granted in part and denied in part Express Scripts’ motion for summary judgment. The District Court dismissed Elevance Health’s declaratory judgment claim, Elevance Health’s breach of contract claim for failure to prove damages and most of Elevance Health’s operational breach claims. As a result of the summary judgment decision, the only remaining claims as of the filing of this Annual Report on Form 10-K are (i) Elevance Health’s operational breach claim based on Express Scripts’ prior authorization processes and (ii) Express Scripts’ counterclaim for breach of the market check provision of the ESI PBM Agreement. Express Scripts filed a second motion for summary judgment in June 2022, challenging Elevance Health’s remaining operational breach claims, which Elevance Health opposed in July 2022. Elevance Health intends to appeal the earlier summary judgment decision at the appropriate time, vigorously pursue their claims and defend against counterclaims, which they believe are without merit; however, the ultimate outcome of this litigation cannot be presently determined.

Medicare Risk Adjustment Litigation

In March 2020, the U.S. Department of Justice (“DOJ”) filed a civil lawsuit against Elevance Health, Inc. (f/k/a Anthem, Inc.) in the U.S. District Court for the Southern District of New York (the “New York District Court”) in a case captioned *United States v. Anthem, Inc.* The DOJ’s suit alleges, among other things, that Elevance Health falsely certified the accuracy of the diagnosis data they submitted to the Centers for Medicare and Medicaid Services (“CMS”) for risk-adjustment purposes under Medicare Part C and knowingly failed to delete inaccurate diagnosis codes. The DOJ further alleges that, as a result of these purported acts, Elevance Health caused CMS to calculate the risk-

NOTES TO FINANCIAL STATEMENTS

adjustment payments based on inaccurate diagnosis information, which enabled Elevance Health to obtain unspecified amounts of payments in Medicare funds in violation of the False Claims Act. The DOJ filed an amended complaint in July 2020, alleging the same causes of action but revising some of its factual allegations. In September 2020, Elevance Health filed a motion to transfer the lawsuit to the Southern District of Ohio, a motion to dismiss part of the lawsuit, and a motion to strike certain allegations in the amended complaint. In an opinion and order issued October 3, 2022, the New York District Court denied Elevance Health's motions, and the case will now proceed in that court. In November 2022, Elevance Health filed an answer. They intend to continue to vigorously defend this suit, which they believe is without merit; however, the ultimate outcome cannot be presently determined.

Other Contingencies

From time to time, the Company and certain of its subsidiaries are parties to various legal proceedings, many of which involve claims for coverage encountered in the ordinary course of business. The Company, like Health Maintenance Organizations ("HMOs") and health insurers generally, exclude certain healthcare and other services from coverage under their HMO, Preferred Provider Organizations and other plans. The Company is, in the ordinary course of business, subject to the claims of their enrollees arising out of decisions to restrict or deny reimbursement for uncovered services. The loss of even one such claim, if it results in a significant punitive damage award, could have a material adverse effect on the Company. In addition, the risk of potential liability under punitive damage theories may increase significantly the difficulty of obtaining reasonable reimbursement of coverage claims.

In addition to the lawsuits described above, the Company is also involved in other pending and threatened litigation of the character incidental to their business and is from time to time involved as a party in various governmental investigations, audits, reviews and administrative proceedings. These investigations, audits, reviews and administrative proceedings include routine and special inquiries by state insurance departments, state attorneys general, the U.S. Attorney General and subcommittees of the U.S. Congress. Such investigations, audits, reviews and administrative proceedings could result in the imposition of civil or criminal fines, penalties, other sanctions and additional rules, regulations or other restrictions on the Company's business operations. Any liability that may result from any one of these actions, or in the aggregate, could have a material adverse effect on the Company's consolidated financial position or results of operations.

The Company has no other known material contingencies.

Provisions for uncollectible amounts

At December 31, 2022 and 2021, the Company reported admitted assets of \$743,772,677 and \$684,888,108, respectively, in premium receivables and receivables due from uninsured plans. Based upon the Company's experience, any uncollectible receivables are not expected to exceed \$34,688,612 that was nonadmitted at December 31, 2022; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases**A. Lessee Operating Lease**

- (1) The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Related lease expense for 2022 and 2021 was \$4,245,878 and \$4,597,087, respectively.

NOTES TO FINANCIAL STATEMENTS

The Company reevaluated its future office space needs and determined that it would permanently cease use of space under certain operating leases. At December 31, 2022 and 2021, the Company has lease exit costs liabilities of \$13,135,975 and \$15,912,233, respectively, included in general expenses due or accrued on the balance sheet.

(2) At December 31, 2022, the minimum aggregate rental commitments are as follows:

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1.	2023	\$ 6,736,769
2.	2024	6,814,186
3.	2025	6,702,592
4.	2026	5,663,234
5.	2027	774,494
6.	Thereafter	—
7.	Total (sum of 1 through 6)	<u>\$ 26,691,276</u>

- (3)
- a. During 2014, the Company entered into a sale-leaseback transaction with an unaffiliated entity to lease the Mason, Ohio building for 12 years.
 - b. Not applicable.

B. Lessor Leases

- (1) The Company has not entered into any operating leases.
- (2) The Company has not entered into any leveraged leases.

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

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2022, there were no significant concentrations.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**A. Transfers of Receivables Reported as Sales**

Not applicable at December 31, 2022 and 2021.

B. Transfer and Servicing of Financial Assets

- (1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2022 the fair value of securities loaned was \$71,082,157, and the carrying value of securities loaned was \$74,111,259.
- (2) - (7) Not applicable.

C. Wash Sales

- (1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.

NOTES TO FINANCIAL STATEMENTS

- (2) At December 31, 2022 and 2021, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

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

A. Administrative Services Only ("ASO") Plans

The gain or (loss) from operations from ASO uninsured plans and the uninsured portion of partially insured plans during 2022 was:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of (less than) actual expenses	\$ 15,681,700	\$ —	\$ 15,681,700
b. Total net other income or expenses (including interest paid to or received from plans)	—	—	—
c. Net gain or (loss) from operations	\$ 15,681,700	\$ —	\$ 15,681,700
d. Total claim payment volume	\$ 1,339,838,365	\$ —	\$ 1,339,838,365

B. Administrative Services Contract ("ASC") Plans

The gain or (loss) from operations from ASC uninsured plans and the uninsured portion of partially insured plans during 2022 was:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 7,599,847,426	\$ —	\$ 7,599,847,426
b. Gross administrative fees accrued	504,294,888	—	504,294,888
c. Other income or expenses (including interest paid to or received from plans)	—	—	—
d. Gross expenses incurred (claims and administrative)	8,010,248,661	—	8,010,248,661
e. Total gain or (loss) from operations	\$ 93,893,653	\$ —	\$ 93,893,653

C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract

- (1) The Company does not record revenue explicitly attributable to the cost share and reinsurance components of administered Medicare products.

(2)

Receivable from	Related to	2022	2021
Federal government	ACA and Medicare cost sharing and reinsurance programs	\$ 42,240,286	\$ 87,286,732
State government	ACA cost sharing and reinsurance programs, including Section 1332	\$ —	\$ 445,841
Uninsured plans	Uninsured business, not including pharmaceutical rebate receivables	\$ 241,016,471	\$ 275,274,562

- (3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare and ACA products, the Company has

NOTES TO FINANCIAL STATEMENTS

recorded no allowances and reserves for the adjustment of recorded revenues and receivables.

- (4) The Company has made no adjustment to revenue resulting from the audit of cost-reimbursement receivables related to revenues recorded in the prior period.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2022 and 2021.

20. Fair Value Measurements

A.

- (1) Fair Value Measurements at Reporting Date:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
All other governments	\$ —	\$ 35,783,289	\$ —	\$ —	\$ 35,783,289
Industrial and misc	—	52,353,028	8,531,646	—	60,884,674
Bank Loans	—	146,688,604	2,616,881	—	149,305,485
Hybrid securities	—	3,732,134	—	—	3,732,134
Total bonds	\$ —	\$ 238,557,055	\$ 11,148,527	\$ —	\$ 249,705,582
Common stock					
Industrial and misc	\$ 441,894	\$ 941	\$ 4,657,100	\$ —	\$ 5,099,935
Total common stocks	\$ 441,894	\$ 941	\$ 4,657,100	\$ —	\$ 5,099,935
Cash equivalents					
Industrial and miscellaneous money market funds	\$ 75,000,000	\$ —	\$ —	\$ —	\$ 75,000,000
Total cash equivalents	\$ 75,000,000	\$ —	\$ —	\$ —	\$ 75,000,000
Total assets at fair value/NAV	\$ 75,441,894	\$ 238,557,996	\$ 15,805,627	\$ —	\$ 329,805,517

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

Description	Beginning Balance at 01/01/2022	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2022
a. Assets										
Common Stock										
Industrial and misc	\$ 6,088,201	—	—	(92,696)	(100,388)	—	—	(1,238,018)	—	\$ 4,657,100
Bonds										
Industrial and misc	\$ —	2,794,532	—	—	(282,159)	6,019,273	—	—	—	\$ 8,531,646
Bank loans	\$ 328,473	2,377,172	(327,638)	(9,939)	(77,854)	740,116	—	(397,315)	(16,134)	\$ 2,616,881
Total assets	\$ 6,416,674	5,171,704	(327,638)	(102,634)	(460,400)	6,759,388	—	(1,635,333)	(16,134)	\$ 15,805,627

- (3) The Company's policy is to recognize transfers between Levels, if any, as of the beginning of the reporting period.

NOTES TO FINANCIAL STATEMENTS

- (4) Fair values of bonds are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. Level 2 securities primarily include United States government securities, corporate securities, securities from states, municipalities and political subdivisions, mortgage-backed securities and certain other asset-backed securities. For securities not actively traded, the pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds. The Company has controls in place to review the pricing services' qualifications and procedures used to determine fair values. In addition, the Company periodically reviews the pricing services' pricing methodologies, data sources and pricing inputs to ensure the fair values obtained are reasonable.

Certain bonds, primarily corporate debt securities, are designated Level 3. For these securities, the valuation methodologies may incorporate broker quotes or discounted cash flow analyses using assumptions for inputs such as expected cash flows, benchmark yields, credit spreads, default rates and prepayment speeds that are not observable in the markets.

Fair values of common and preferred stock are generally designated as Level 1 and are based on quoted market prices. For certain common and preferred stock, quoted market prices for the identical security are not always available and the fair value is estimated by reference to similar securities for which quoted prices are available. These securities are designated as Level 2. Certain equity securities, including private equity securities, for which the fair value is estimated based on each security's current condition and future cash flow projections. Such securities are designated as Level 3. The fair values of these private equity securities are generally based on either broker quotes, or discounted cash flow projections using assumptions for inputs such as the weighted-average cost of capital, long-term revenue growth rates and earnings before interest, taxes, depreciation and amortization, and/or revenue multiples that are not observable in the markets.

Cash equivalents primarily consist of highly rated money market funds or bonds with original maturities of three months or less. Due to the high ratings and short-term nature, these investments are designated as Level 1. The Company also holds bonds purchased with less than three months to maturity. Fair value of these bonds are based on quoted market prices obtained from third party pricing services which generally use Level 1 or Level 2 inputs.

Mortgage loans on real estate are measured using discounted cash flows benchmarked against the 10 Year U.S. Treasury plus a market rate spread. Fair value for these investments are designated as Level III.

There have been no significant changes in the valuation techniques during the current period.

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$1,560,569,402	\$1,653,183,481	\$ —	\$ 1,501,121,433	\$ 59,447,969	\$ —	\$ —
Unaffiliated common stock	5,099,935	5,099,935	441,894	941	4,657,100	—	—
Cash equivalents	103,614,927	103,610,135	75,000,000	28,614,927	—	—	—
Short-term investments	11,075,615	11,050,757	—	11,075,615	—	—	—
Securities lending collateral asset	72,736,560	72,724,060	—	72,736,560	—	—	—
Mortgage Loans	61,280,392	75,980,000	—	—	61,280,392	—	—
Residual Tranche securities	11,017,256	11,017,256	—	—	11,017,256	—	—

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate fair value.

E. Investments Measured at Net Asset Value

The Company has no investments measured at net asset value.

21. Other Items**A. Unusual or Infrequent Items**

On February 11, 2022, the Company completed the acquisition of the Medicaid contract held by Paramount Advantage (“Paramount”) to serve Ohio Medicaid enrollees for \$93,300,000. The contract added approximately 270,000 Medicaid members in the state of Ohio. The Company began administering benefits for these members through a transition services agreement with Paramount immediately upon close through the start of the re-imagined Medicaid program that began February 1, 2023. This was to ensure continuity of care and help individuals maintain access to their preferred providers as they transitioned to the Company.

As a result of the acquisition, the Company recorded \$70,328,911 of an intangible asset as of December 31, 2022, which is reported in aggregate write-in for other invested assets. This intangible contract asset was assigned a five-year life and charged to surplus as a non-admitted asset. The intangible asset amortization expense was \$28,958,964 in 2022.

In addition, at the time of the closing of the acquisition, the Company paid \$50,000,000 in cash and recorded a contingent purchase price liability of \$49,287,875 as of December 31, 2022, which is reported in aggregate write-ins for other liabilities. The final payment of the transaction is based on membership retention and is payable on May 1, 2023, which will be 90 days after the Company began Medicaid membership administration.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2022 and 2021.

C. Other Disclosures

Assets in the amount of \$4,344,989 and \$434,354 at December 31, 2022 and 2021, respectively, were on deposit with government authorities or trustees as required by law.

The Company participates in the Federal Employee Health Benefits Program (“FEHBP”) with other Blue Cross Blue Shield Plans. This program includes a fully-insured experience-rated contract, commonly known as the FEP, between the OPM and BCBSA, which acts as an agent for the participating Blue Cross Blue Shield plans. In addition, each participating plan, including the Company, executes a contract with BCBSA which obligates each participating plan to underwrite FEP benefits in its service area.

NOTES TO FINANCIAL STATEMENTS

FEP premium is earned when chargeable benefit costs, allowable expenses or retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the OPM, when the claims are ultimately paid. Premium rates are developed by BCBSA and negotiated with OPM annually. These rates determine the funds that will be available to the participating Blue Cross Blue Shield plans to provide insurance to Federal employees that enroll with the Blue Cross Blue Shield FEP. The excess of gross premiums for the life of the program over the charges for the life of the program on an accrual basis is accounted for as a rate stabilization reserve (commonly referred to as the special reserve), as required by the contract between OPM and BCBSA. Each year, OPM also allocates a portion of the premiums to a contingency reserve, which may be utilized by the participating plans in the event that annual premiums paid to the insurance carrier are insufficient or the rate stabilization reserve falls below certain levels prescribed by OPM. Premiums paid to the carrier and available to each participating Blue Cross Blue Shield plan, including the special reserve and the contingency reserve, are held at the U.S. Treasury, including amounts unused from prior periods. Any premiums that remain in the rate stabilization reserve upon termination of the BCBSA contract after the claims run-out and reimbursement of allowable administrative expenses would be returned to OPM for the benefit of the FEHBP. The FEP contract renews automatically each year unless written notice of termination is given by either party.

In accordance with the FEP contract, premium funds that exceed daily operating needs are held on behalf of the Company in letter of credit accounts at the U.S. Treasury to provide funding for claims, administrative expenses, and other charges to the contract. The Company, along with other Blue Cross Blue Shield plans who participate in the FEHBP contract, have an unrestricted right to draw funds being held in the U.S. Treasury, other than those allocated to the contingency reserve, for any valid claim or expense. If the balance of the special reserve is exhausted or falls below certain prescribed levels, OPM will transfer funds from the contingency reserve to the special reserve to the extent that funds are available in the contingency reserve. Amounts incurred in excess of the total reserves held at the U.S. Treasury for the FEP would not be reimbursed to the Company.

A rate stabilization reserve was not required for the Company at December 31, 2022 or 2021.

FEP represented approximately 33.6% and 47.8% of premiums receivable as of December 31, 2022 and 2021, respectively. FEP represented approximately 10.3% and 13.3% of net premiums written for the years ended December 31, 2022 and 2021, respectively.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2022 and 2021.

E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

F. Subprime Mortgage-Related Risk Exposure

- (1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio. All mortgage related investments are monitored closely as part of the quarterly investment review performed by the Elevance Health Investment Impairment Review Committee.
- (2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2022 or 2021.
- (3) At December 31, 2022, the Company's subprime mortgage-related risk exposure is detailed below:

	Actual Cost	Book/ Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 651,132	\$ 653,392	\$ 604,201	\$ —
b. Commercial mortgage-backed securities	—	—	—	—
c. Collateralized debt obligations	—	—	—	—
d. Structured securities	9,568,658	9,493,774	8,736,778	—
e. Equity investments in SCAs	—	—	—	—
f. Other assets	—	—	—	—
g. Total	\$ 10,219,790	\$ 10,147,166	\$ 9,340,979	\$ —

- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2022 or 2021.

G. Retained Assets

The Company does not have retained assets at December 31, 2022 and 2021.

H. Insurance-Linked Securities Contracts

Not applicable.

I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

(1) Amount of admitted balance that could be realized from an investment vehicle	\$ 227,692,493
(2) Percentage bonds	16 %
(3) Percentage stocks	4 %
(4) Percentage mortgage loans	— %
(5) Percentage real estate	— %
(6) Percentage cash and short-term investments	3 %
(7) Percentage derivatives	— %
(8) Percentage other invested assets	77 %

NOTES TO FINANCIAL STATEMENTS

22. Events Subsequent

Subsequent events have been considered through February 24, 2023 for the statutory statement issued on February 27, 2023. There were no events occurring subsequent to December 31, 2022 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

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

Yes () No (X)

If yes, give full details.

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

Yes () No (X)

If yes, give full details.

Section 2 - Ceded Reinsurance Report - Part A

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

If yes, give full details.

- (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)

If yes, give full details.

Section 3 - Ceded Reinsurance Report - Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits 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.

NOTES TO FINANCIAL STATEMENTS

(\$4,944,413)

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

Yes () No (X)

If yes, give full details.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2022 and 2021.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2022 and 2021.

D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2022 and 2021.

E. Reinsurance Credit

- (1) The Company has the following reinsurance contracts subject to Life and Health Reinsurance Agreements Model Regulation Appendix A-791 (“A-791”) that includes a provision which limits the reinsurer’s assumption of risks, such as a deductible, a loss ratio corridor, a loss cap, or an aggregate limit, as defined in A-791:

Name of Reinsurer	Number of contracts to which such provisions apply	Was Deposit Accounting Applied (Yes or No)
Anthem Insurance Companies, Inc.	1	N
Paramount Advantage	1	N

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A.** The Company sells accident and health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.
- B.** The Company records accrued retrospective premium as an adjustment to earned premium.
- C.** The amount of net premiums written by the Company at December 31, 2022 and 2021 that were subject to retrospective rating features was \$8,887,312,437 and \$6,624,626,322,

NOTES TO FINANCIAL STATEMENTS

respectively, which represented, 96.2% and 94.5%, respectively, of the total net premiums written.

- D.** In accordance with the NAIC SAP, medical loss ratio rebates in accordance with the Federal 2010 Patient Protection and Affordable Care Act and Public Health Service Act (“ACA Act” or “ACA”), are to be reported in accordance with SSAP No. 66 - *Retrospectively Rated Contracts* (“SSAP No. 66”). A retrospectively rated contract is one that has the final policy premium calculated based on the loss experience of the insured during the term of the policy (including loss development after the term of the policy) and the stipulated formula set forth in the policy, or in the case of medical loss ratio rebates, a formula required by law. The Company based the incurred and unpaid liability amounts reported below based on its underwriting experience; actuarial, tax, and accounting estimates and assumptions at the financial statement date; as well as regulations and guidance available that is not final and subject to change prior to settlement. Accordingly, the Company’s use of estimates and assumptions in the preparation of the statutory based financial statements and related footnote disclosures may differ from actual results. Hence, the amounts reported herein are for financial reporting purposes solely and not intended to be used for settlement purposes.

Medical loss ratio rebates accrued pursuant to the ACA Act are as follows:

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Year Reporting:					
(1) Medical loss ratio rebates incurred	\$ 3,205,064	\$ 1,087,879	\$ —	\$ —	\$ 4,292,943
(2) Medical loss ratio rebates paid	2,078,201	4,223,213	—	—	6,301,414
(3) Medical loss ratio rebates unpaid	1,126,862	—	—	—	1,126,862
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 1,126,862
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ (806,799)	\$ 9,332,001	\$ —	\$ 375,639	\$ 8,900,841
(8) Medical loss ratio rebates paid	320,063	4,555,873	—	—	4,875,936
(9) Medical loss ratio rebates unpaid	—	4,776,128	—	375,639	5,151,767
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 5,151,767

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

NOTES TO FINANCIAL STATEMENTS

E. Risk-Sharing Provisions of the ACA

(1)	Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?	Yes
(2)	Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a.	Permanent ACA Risk Adjustment Program	
	Assets	
	Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	\$ 5,434,340
	Liabilities	
	2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 138,127
	3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premiums)	\$ 16,495,450
	Operations (Revenue & Expense)	
	4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ (9,322,747)
	5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$ 138,267
b.	Transitional ACA Reinsurance Program	
	Assets	
	1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ —
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$ —
	3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ —
	Liabilities	
	4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ —
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ —
	6. Liability for amounts held under uninsured plans contributions for ACA Reinsurance	\$ —
	Operations (Revenue & Expense)	
	7. Ceded reinsurance premiums due to ACA Reinsurance	\$ —
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ —
	9. ACA Reinsurance contributions - not reported as ceded premium	\$ —
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1. Accrued retrospective premium due to ACA Risk Corridors	\$ —
	Liabilities	
	2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ —
	Operations (Revenue & Expense)	
	3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ —
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ —

Line items where the amount is zero is due to no balance and/or no activity as of the reporting date.

NOTES TO FINANCIAL STATEMENTS

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$ 4,457,604	\$ —	\$ 6,681,496	\$ —	\$ (2,223,892)	\$ —	\$ 2,550,352	\$ —	A	\$ 326,460	\$ —
2. Premium adjustments (payable)	\$ —	\$ 5,642,171	\$ —	\$ 5,187,070	\$ —	\$ 455,101	\$ —	\$ (455,101)	B	\$ —	\$ —
3. Subtotal ACA Permanent Risk Adjustment Program	\$ 4,457,604	\$ 5,642,171	\$ 6,681,496	\$ 5,187,070	\$ (2,223,892)	\$ 455,101	\$ 2,550,352	\$ (455,101)		\$ 326,460	\$ —
b. Transitional ACA Reinsurance 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 Corridors Program											
1. Accrued retrospective premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	I	\$ —	\$ —
2. Reserve for rate credits or policy experience rating refunds	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	J	\$ —	\$ —
3. Subtotal ACA Risk Corridors Program	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
d. Total for ACA Risk Sharing Provisions	\$ 4,457,604	\$ 5,642,171	\$ 6,681,496	\$ 5,187,070	\$ (2,223,892)	\$ 455,101	\$ 2,550,352	\$ (455,101)		\$ 326,460	\$ —

Explanations of Adjustments

- A Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year."
- B Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year."
- C Not applicable.
- D Not applicable.
- E Not applicable.
- F Not applicable.
- G Not applicable.
- H Not applicable.
- I Not applicable.
- J Not applicable.

(4) Not applicable.

(5) Not applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

A. The estimated cost of claims and claim adjustment expense attributable to insured events of prior years decreased by \$49,083,676 during 2022. This is approximately 6.4% of unpaid claims and claim adjustment expenses of \$769,179,223 as of December 31, 2021. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payment during the year, and as additional information is received regarding claims incurred prior to 2022. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claim adjustment expense.

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

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2022 and 2021.

27. Structured Settlements

Not applicable at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

28. Health Care Receivables**A. Pharmaceutical Rebate Receivables**

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2022	\$ 55,771,261	\$ 139,506,553	\$ 83,735,292	\$ —	\$ —
9/30/2022	\$ 52,050,307	\$ 136,006,211	\$ 125,756,465	\$ —	\$ —
6/30/2022	\$ 51,550,942	\$ 137,315,682	\$ 127,541,011	\$ 9,774,671	\$ —
3/31/2022	\$ 53,530,682	\$ 125,153,621	\$ 114,430,986	\$ 10,722,635	\$ —
12/31/2021	\$ 43,793,115	\$ 106,361,773	\$ 99,443,209	\$ 6,918,564	\$ —
9/30/2021	\$ 43,751,637	\$ 105,277,452	\$ 93,827,089	\$ 11,450,363	\$ —
6/30/2021	\$ 8,594,772	\$ 75,700,494	\$ 66,881,620	\$ 8,818,874	\$ —
3/31/2021	\$ 8,531,599	\$ 102,938,361	\$ 94,658,284	\$ 8,280,078	\$ —
12/31/2020	\$ 10,590,042	\$ 88,995,341	\$ 84,963,905	\$ 4,031,436	\$ —
9/30/2020	\$ 11,846,084	\$ 79,401,606	\$ 71,895,716	\$ 7,505,890	\$ —
6/30/2020	\$ 48,141,871	\$ 84,323,127	\$ 71,077,022	\$ 13,246,105	\$ —
3/31/2020	\$ 71,913,150	\$ 64,429,335	\$ 57,460,490	\$ 6,968,845	\$ —

Note: Amounts within column "Estimated pharmacy rebates as reported on financial statements" include \$8,363,241 of uninsured admitted pharmacy rebate receivables at December 31, 2022 that are reported within Pg 2, Ln 17 "Amounts receivable relating to uninsured plans."

B. Risk Sharing Receivables

Not applicable at December 31, 2022 and 2021.

29. Participating Policies

Not applicable at December 31, 2022 and 2021.

30. Premium Deficiency Reserves

The Company had no liabilities related to premium deficiency reserves as of December 31, 2022 and 2021.

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced the liability by \$11,477,000 and \$9,240,000 at December 31, 2022 and 2021, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Ohio
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001156039
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2022
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2017
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/23/2019
- 3.4 By what department or departments?
Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
.....
- 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP 111 Monument Circle, Suite 4000, Indianapolis, IN 46204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Christine Valdez (employee), FSA, MAAA, Director & Actuary III, 20458 Napa St., Winnetka, CA 91306
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If, yes provide explanation:
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Code amended to reflect name change from Anthem to Elevance Health.
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$
 - 20.12 To stockholders not officers.....\$
 - 20.13 Trustees, supreme or grand (Fraternal Only) \$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$
 - 20.22 To stockholders not officers.....\$
 - 20.23 Trustees, supreme or grand (Fraternal Only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$
 - 21.22 Borrowed from others.....\$
 - 21.23 Leased from others\$
 - 21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
 - 22.22 Amount paid as expenses\$
 - 22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$203,926,445
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

Name of Third-Party	Is the Third-Party Agent a Related Party (Yes/No)

INVESTMENT

- 25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03)..... Yes [X] No []

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information relating thereto
.....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) See Notes 5E and 17.
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 72,724,060
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes No N/A
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 72,736,560
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 72,724,060
- 25.093 Total payable for securities lending reported on the liability page. \$ 72,724,060

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes No
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$
- 26.22 Subject to reverse repurchase agreements \$
- 26.23 Subject to dollar repurchase agreements \$
- 26.24 Subject to reverse dollar repurchase agreements \$
- 26.25 Placed under option agreements \$
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$
- 26.27 FHLB Capital Stock \$ 3,836,000
- 26.28 On deposit with states \$ 4,344,989
- 26.29 On deposit with other regulatory bodies \$
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 269,467,255
- 26.32 Other \$

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
If no, attach a description with this statement.

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? . Yes No
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes No
- 27.42 Permitted accounting practice Yes No
- 27.43 Other accounting guidance Yes No
- 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes No
- The reporting entity has obtained explicit approval from the domiciliary state.
 - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$
29. 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 No
- 29.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase Bank, N.A	383 Madison Ave, New York, NY 10179

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

GENERAL INTERROGATORIES

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

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

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [] No [X]

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

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

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

1 Name of Firm or Individual	2 Affiliation
Elevance Health, Inc.	I.....
Ares Management LLC	U.....
Bain Capital Credit, LP	U.....
BlackRock Financial Management	U.....
Loomis, Sayles & Company, LP	U.....
NB Alternatives Advisers LLC	U.....
PGIM, Inc.	U.....
Pacific Investment Management Company	U.....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [X] No []

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [X] No []

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
130074	Ares Management LLC	549300Z3CV0BET4MRT08	Securities Exchange Commission	NO.....
134852	Bain Capital Credit, LP	WB05W75IL9CPDJW0453	Securities Exchange Commission	NO.....
107105	BlackRock Financial Management	549300LVXY1VJKE13M84	Securities Exchange Commission	NO.....
105377	Loomis, Sayles & Company, LP	J1ZPN2RX3UMNOYID1313	Securities Exchange Commission	NO.....
149822	NB Alternatives Advisers LLC	549300DBQLCAC1K1E25	Securities Exchange Commission	NO.....
105676	PGIM, Inc.	5PRBRS5FEH7NREC80R45	Securities Exchange Commission	NO.....
104559	Pacific Investment Management Company	549300KGPYQZGMYYN38	Securities Exchange Commission	NO.....

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

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
30.2999 - Total		0

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

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company
GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	1,692,844,373	1,600,259,943	(92,584,430)
31.2 Preferred stocks	0		0
31.3 Totals	1,692,844,373	1,600,259,943	(92,584,430)

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

Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [] No [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
 a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
 b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
 c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
 d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.
 Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

GENERAL INTERROGATORIES

38.1 Does the reporting entity directly hold cryptocurrencies? Yes [] No [X]

38.2 If the response to 38.1 is yes, on what schedule are they reported?
.....

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?
39.21 Held directly Yes [] No []
39.22 Immediately converted to U.S. dollars Yes [] No []

39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

OTHER

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$ 1,846,736

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

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	1,846,736

41.1 Amount of payments for legal expenses, if any?\$ 10,182,823

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

1 Name	2 Amount Paid
Omelveny and Myers	3,222,392

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$ 138,000

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

1 Name	2 Amount Paid
Government Advocates	84,000
Ockerman Consulting	54,000
Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2022 Annual Statement.	

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes No

1.2 If yes, indicate premium earned on U.S. business only. \$ 165,695,145

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding
.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ 126,367,280

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ 46,591,797

1.62 Total incurred claims \$ 40,340,594

1.63 Number of covered lives 17,325

All years prior to most current three years:

1.64 Total premium earned \$ 90,816,451

1.65 Total incurred claims \$ 63,247,910

1.66 Number of covered lives 44,746

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 28,286,898

1.75 Total incurred claims \$ 22,778,776

1.76 Number of covered lives 8,639

2. Health Test:

		1	2	
		Current Year	Prior Year	
2.1	Premium Numerator	9,236,280,911	7,009,075,094	
2.2	Premium Denominator	9,236,280,911	7,009,075,094	
2.3	Premium Ratio (2.1/2.2)	1.000	1.000	
2.4	Reserve Numerator	1,129,450,523	780,930,989	
2.5	Reserve Denominator	1,129,450,523	780,930,989	
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000	

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes No

3.2 If yes, give particulars:
.....

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes No

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes No

5.1 Does the reporting entity have stop-loss reinsurance? Yes No

5.2 If no, explain:
The Company has a \$1,000,000 maximum risk per Individual for its Medicaid business.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$

5.32 Medical Only \$

5.33 Medicare Supplement \$

5.34 Dental & Vision \$

5.35 Other Limited Benefit Plan \$

5.36 Other \$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
If the Company becomes insolvent, Elevance Health, Inc. has agreed to the full extent of its assets, to assume all contractual and financial obligations of the Company. The Company's provider contracts include insolvency provisions, continuity of care provisions, and hold harmless language. Benefit certificates include continuation language allowing subscribers and dependents to continue under certain circumstances.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?..... Yes No

7.2 If no, give details
.....

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 86,823

8.2 Number of providers at end of reporting year 90,472

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes No

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months.. \$..... 132,117,290

9.22 Business with rate guarantees over 36 months \$..... 10,490,690

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company
GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ 79,263,935

10.22 Amount actually paid for year bonuses.....\$ 104,340,775

10.23 Maximum amount payable withholds.....\$

10.24 Amount actually paid for year withholds.....\$

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, Yes [] No [X]

11.14 A Mixed Model (combination of above)? Yes [] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []

11.3 If yes, show the name of the state requiring such minimum capital and surplus. Ohio

11.4 If yes, show the amount required. \$ 2,500,000

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

.....

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
State of Ohio
State of Indiana
.....

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

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

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

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

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [] N/A [X]

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

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

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

15.1 Direct Premium Written \$

15.2 Total Incurred Claims \$

15.3 Number of Covered Lives

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company

FIVE-YEAR HISTORICAL DATA

	1 2022	2 2021	3 2020	4 2019	5 2018
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	3,100,983,104	2,354,905,400	2,054,011,521	1,926,325,358	1,812,303,254
2. Total liabilities (Page 3, Line 24)	1,760,359,595	1,349,982,698	1,203,107,333	1,152,587,268	1,010,122,090
3. Statutory minimum capital and surplus requirement	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
4. Total capital and surplus (Page 3, Line 33)	1,340,623,509	1,004,922,702	850,904,188	773,738,090	802,181,164
Income Statement (Page 4)					
5. Total revenues (Line 8)	9,663,101,593	7,379,553,203	6,568,884,001	5,951,517,993	5,398,359,574
6. Total medical and hospital expenses (Line 18)	8,385,109,656	6,372,968,211	5,507,058,132	5,028,201,662	4,460,443,424
7. Claims adjustment expenses (Line 20)	308,987,451	224,128,777	215,946,654	188,532,867	124,988,263
8. Total administrative expenses (Line 21)	718,844,908	438,124,490	621,144,326	349,897,239	410,096,786
9. Net underwriting gain (loss) (Line 24)	251,993,435	346,322,537	226,608,730	386,545,926	400,190,812
10. Net investment gain (loss) (Line 27)	37,417,274	39,507,155	34,148,387	40,755,251	95,875,283
11. Total other income (Lines 28 plus 29)	27,185,353	14,401,211	11,313,464	16,397,540	2,123,183
12. Net income or (loss) (Line 32)	271,239,930	319,740,524	175,040,427	352,244,072	386,618,759
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	554,538,371	105,578,514	431,357,414	434,773,942	295,209,280
Risk-Based Capital Analysis					
14. Total adjusted capital	1,340,623,509	1,004,922,702	850,904,188	773,738,090	802,181,164
15. Authorized control level risk-based capital	343,973,192	267,712,803	232,544,489	211,147,238	185,337,282
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	2,640,223	2,319,841	2,200,781	2,065,570	1,958,586
17. Total members months (Column 6, Line 7)	31,631,604	27,569,562	26,301,882	24,747,790	23,543,428
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	86.8	86.4	83.8	84.5	82.6
20. Cost containment expenses	1.9	1.9	1.9	2.0	1.3
21. Other claims adjustment expenses	1.3	1.1	1.4	1.1	1.0
22. Total underwriting deductions (Line 23)	97.4	95.3	96.6	93.5	92.6
23. Total underwriting gain (loss) (Line 24)	2.6	4.7	3.4	6.5	7.4
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	681,777,688	589,722,232	495,805,992	443,794,988	446,643,094
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	751,189,738	718,598,435	524,770,166	462,317,829	541,836,779
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	10,016,993	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	10,016,993	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.	0	10,016,993	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Community Insurance Company
SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and 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. District of 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	L	5,233,764	108,316,039						113,549,803	
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	3,027,416,674	3,750,895,102	1,362,175,432	1,354,815,447				9,495,302,655	
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 Aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	3,032,650,438	3,859,211,141	1,362,175,432	0	1,354,815,447	0	0	0	9,608,852,458	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX									0	
61. Totals (Direct Business)	XXX	3,032,650,438	3,859,211,141	1,362,175,432	0	1,354,815,447	0	0	0	9,608,852,458	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	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

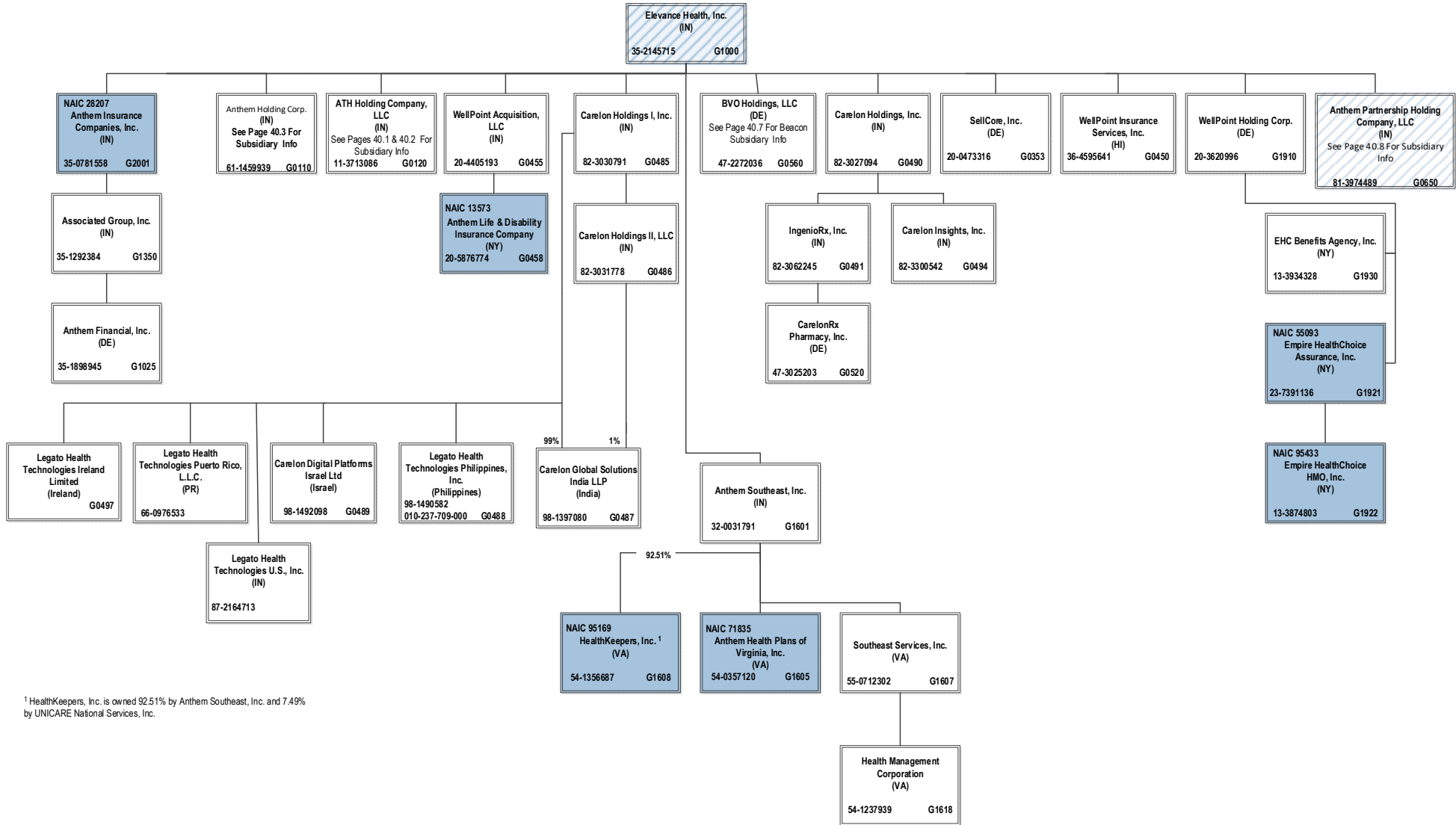
- | | | | |
|----------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------|----|
| 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... | 2 | 4. Q - Qualified - Qualified or accredited reinsurer..... | 0 |
| 2. R - Registered - Non-domiciled RRGs..... | 0 | 5. N - None of the above - Not allowed to write business in the state..... | 55 |
| 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state..... | 0 | | |

(b) Explanation of basis of allocation by states, premiums by state, etc.
 Not applicable

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

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

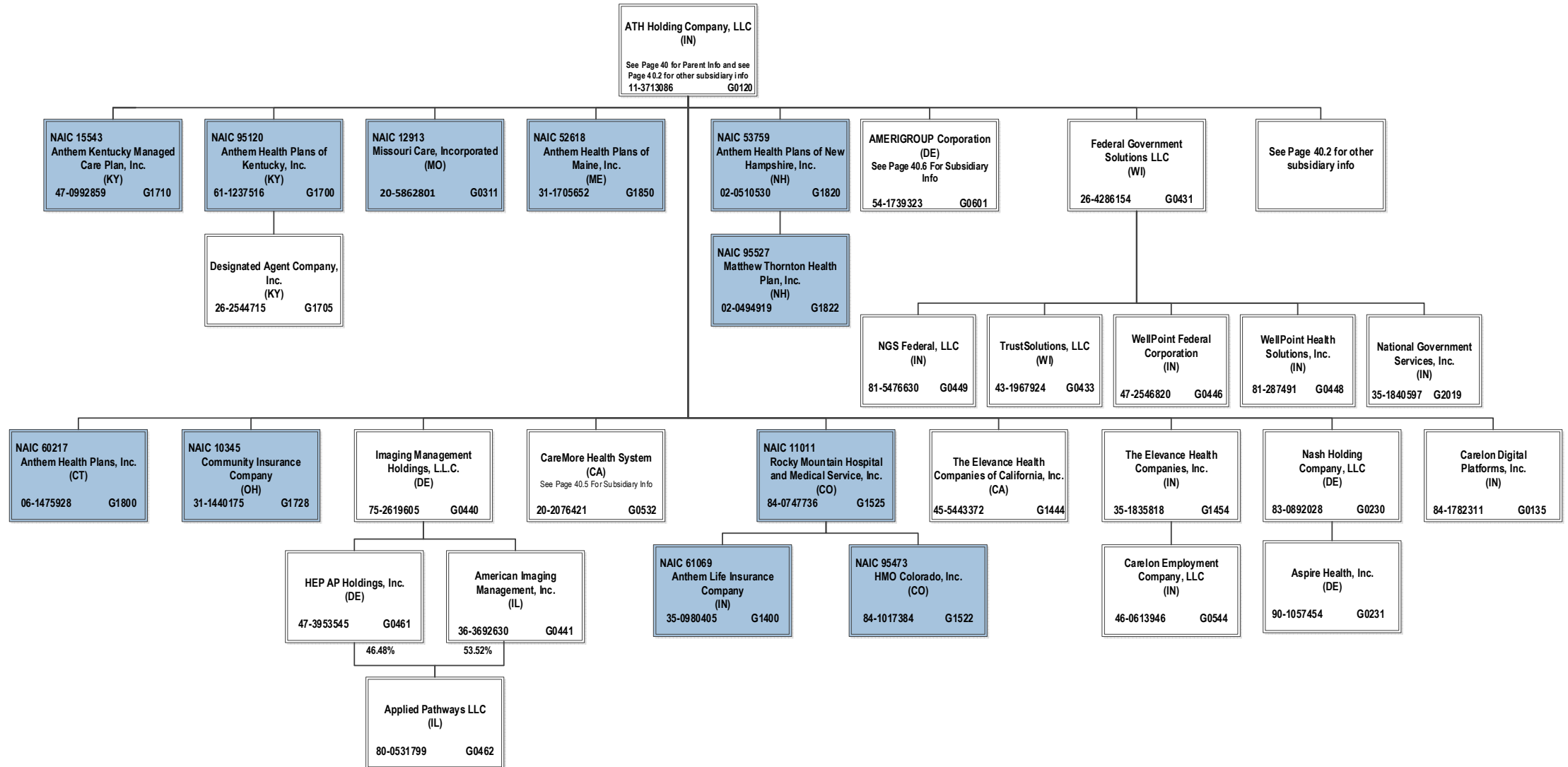


¹ HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

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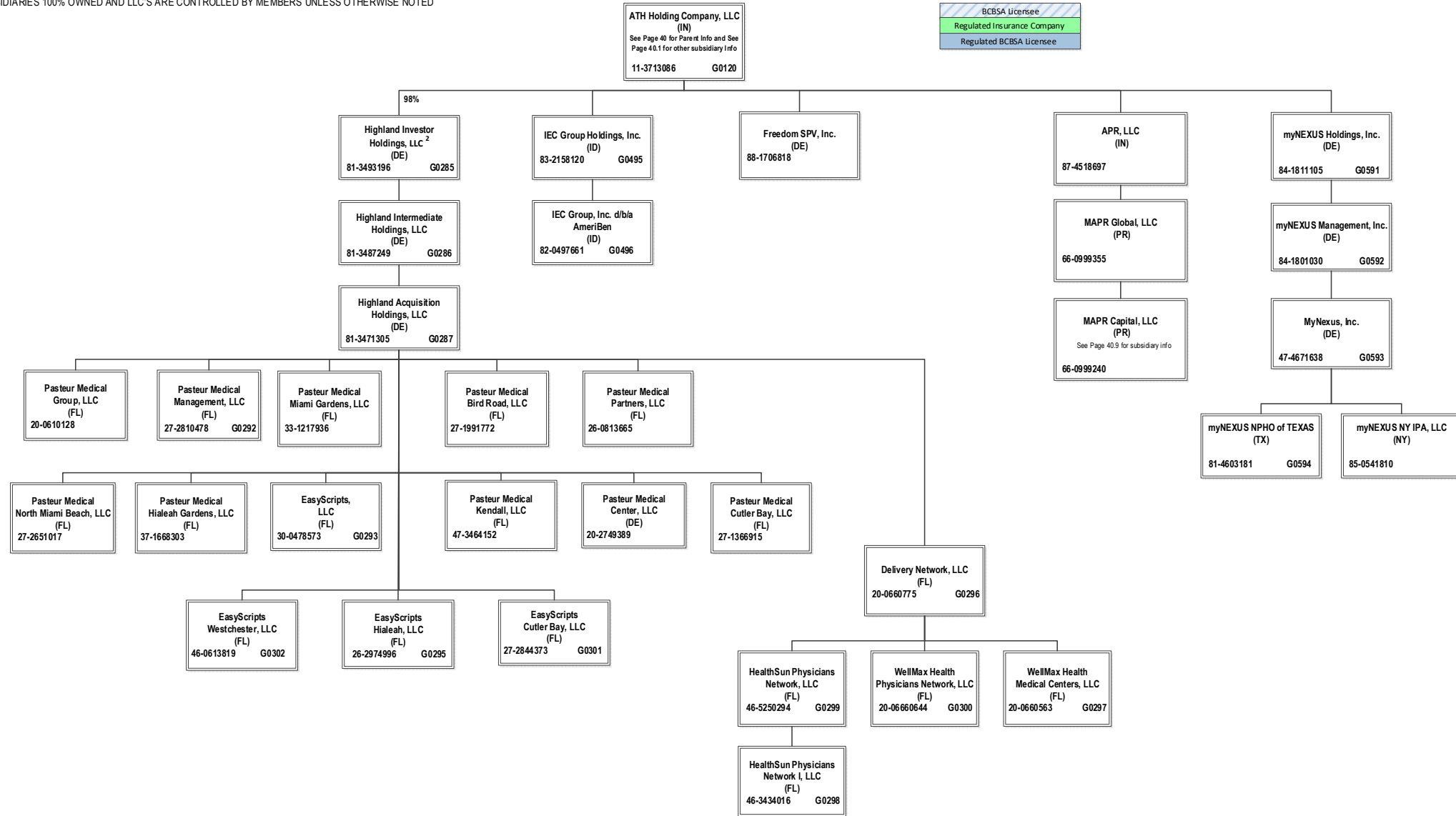


40.1

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

PART 1 – ORGANIZATIONAL CHART

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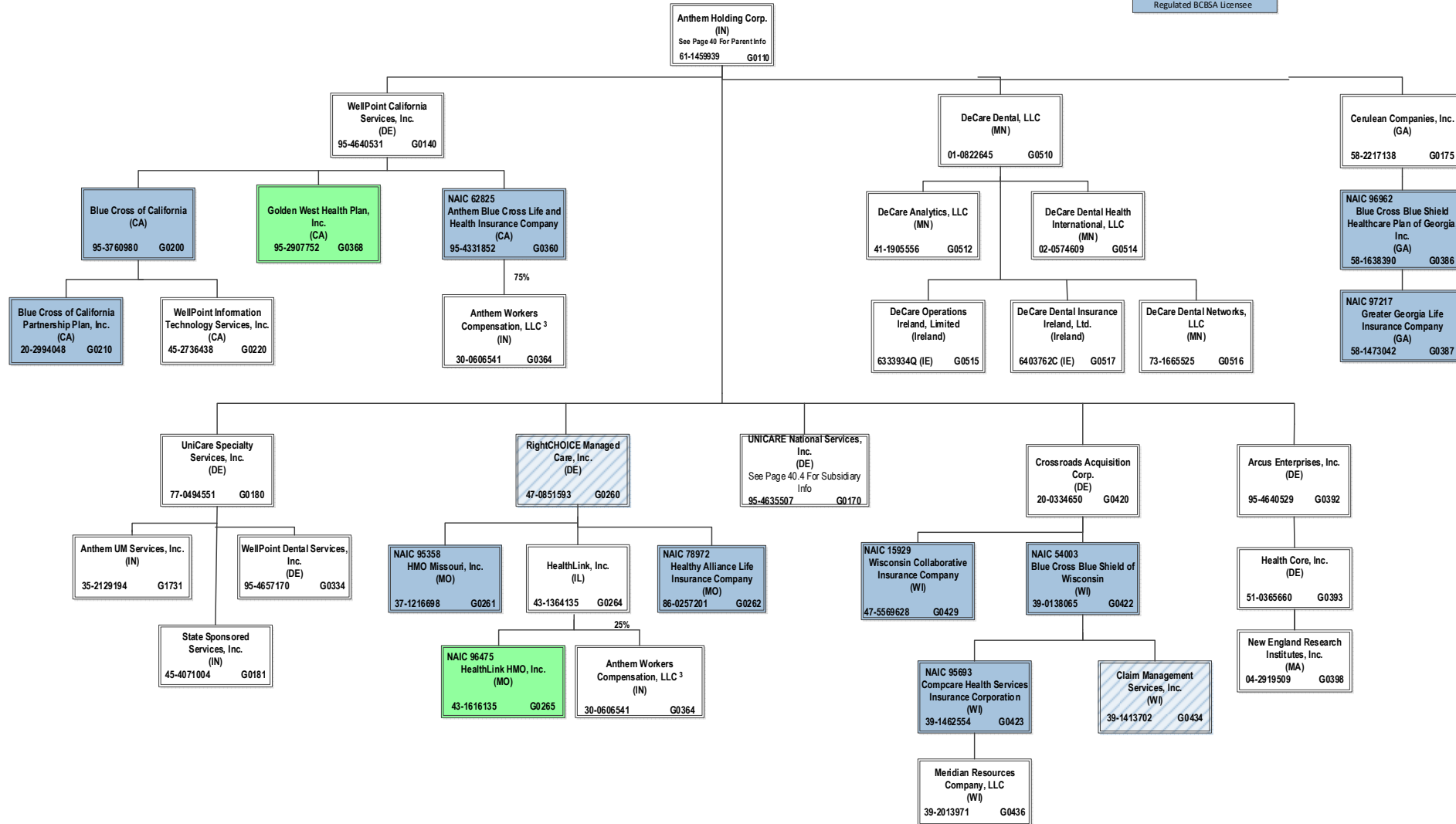
² ATH Holding Company, LLC holds a 98% interest in Highland Investor Holdings, LLC, and Amerigroup Corporation holds the remaining 2% interest.

40.2

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

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Regulated BCBSA Licensee



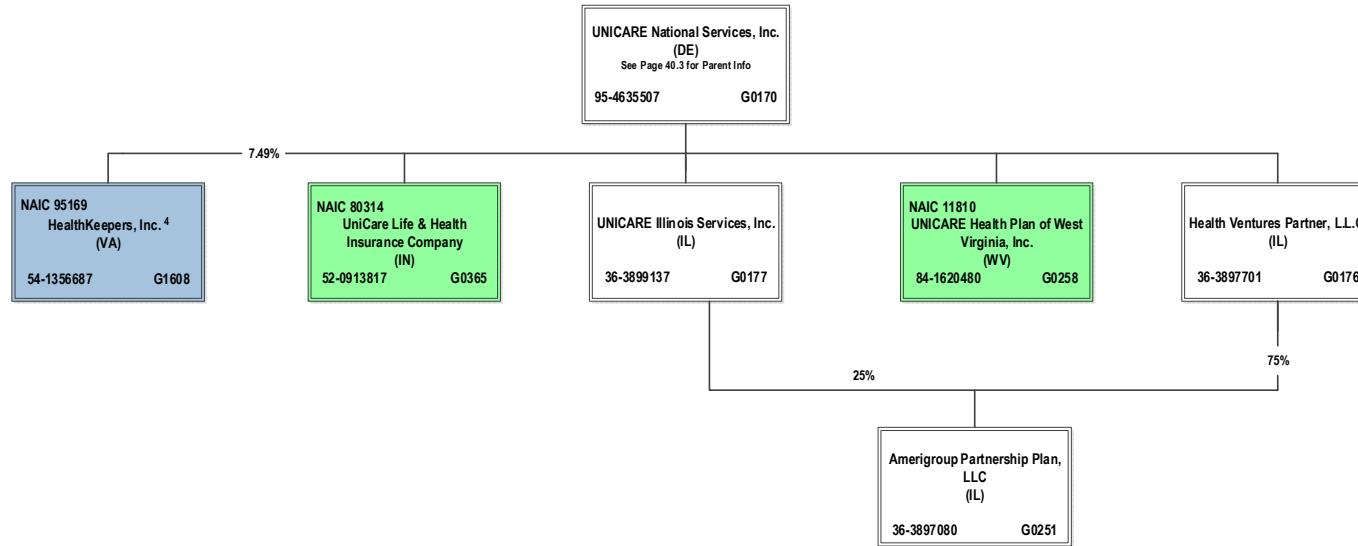
³ Anthem Workers' Compensation, LLC is owned 75% by Anthem Blue Cross Life and Health Insurance Company and 25% by HealthLink, Inc.

40.3

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

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Regulated Insurance Company
Regulated BCBSA Licensee



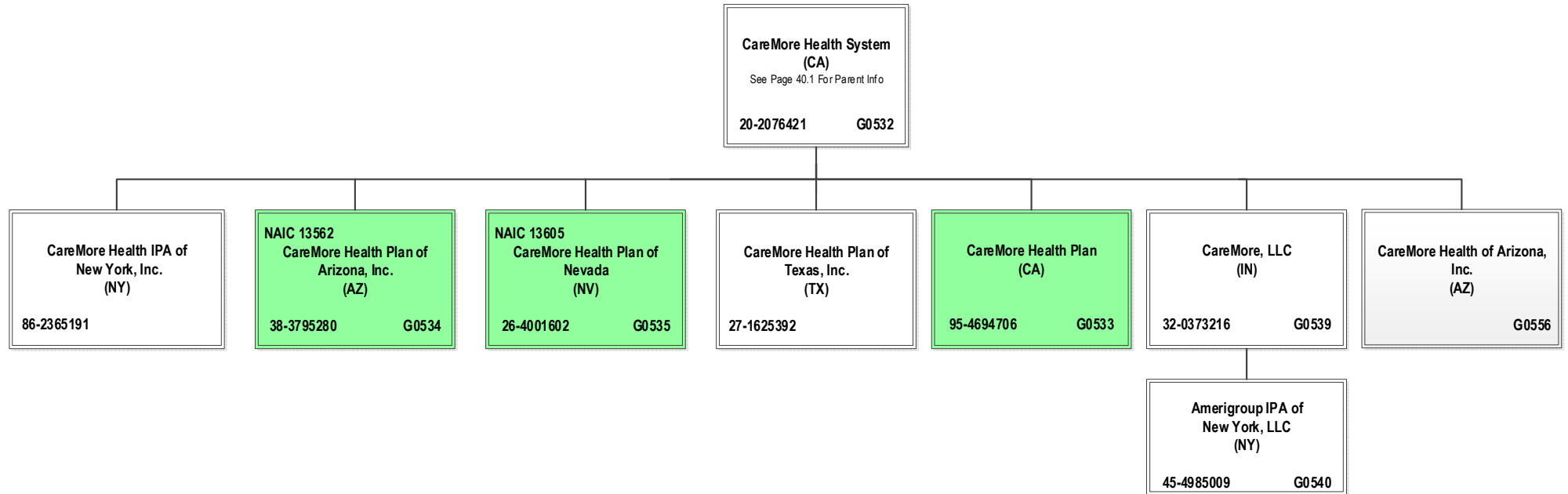
40.4

⁴ HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

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

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Regulated BCBSA Licensee

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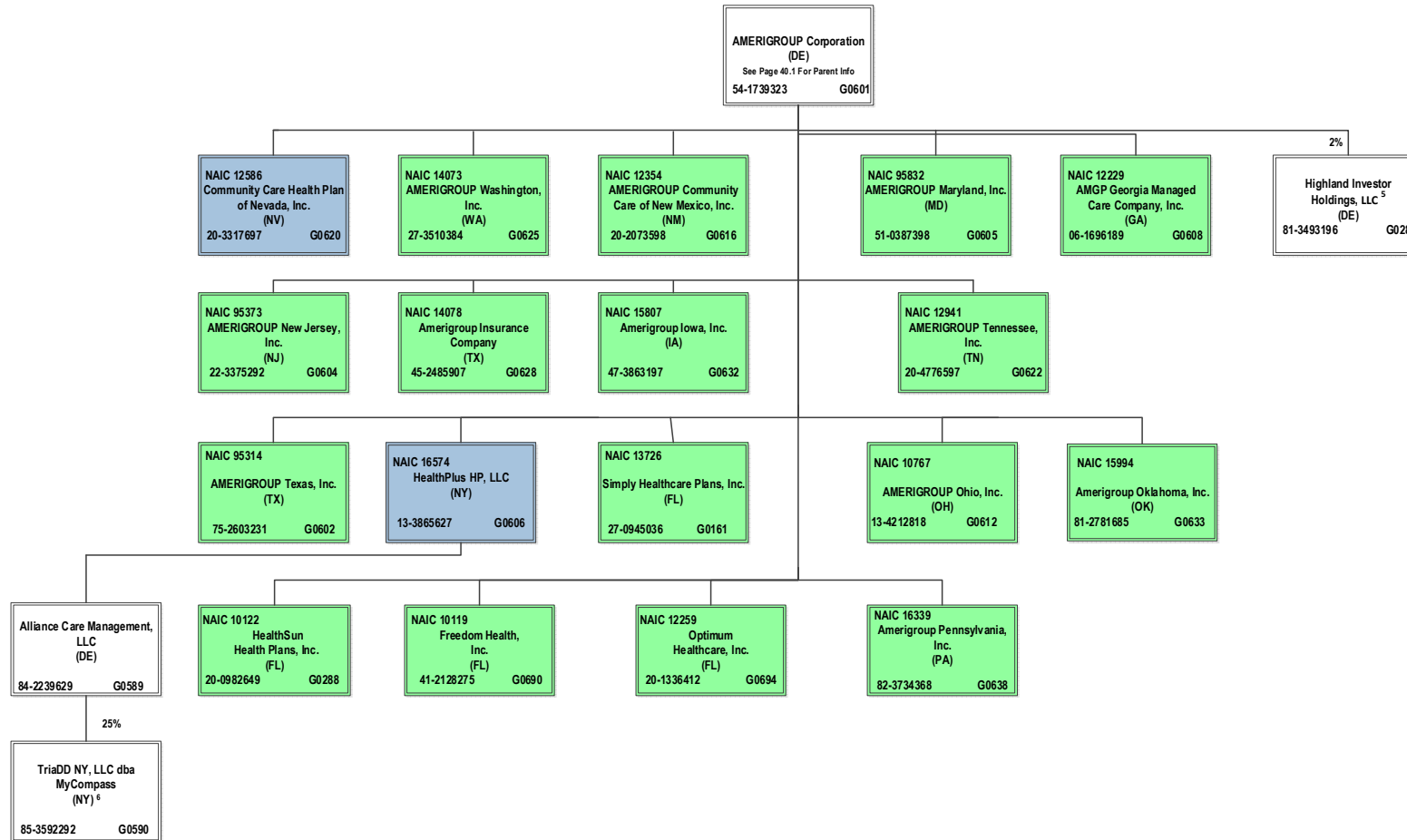


40.5

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

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee



40.6

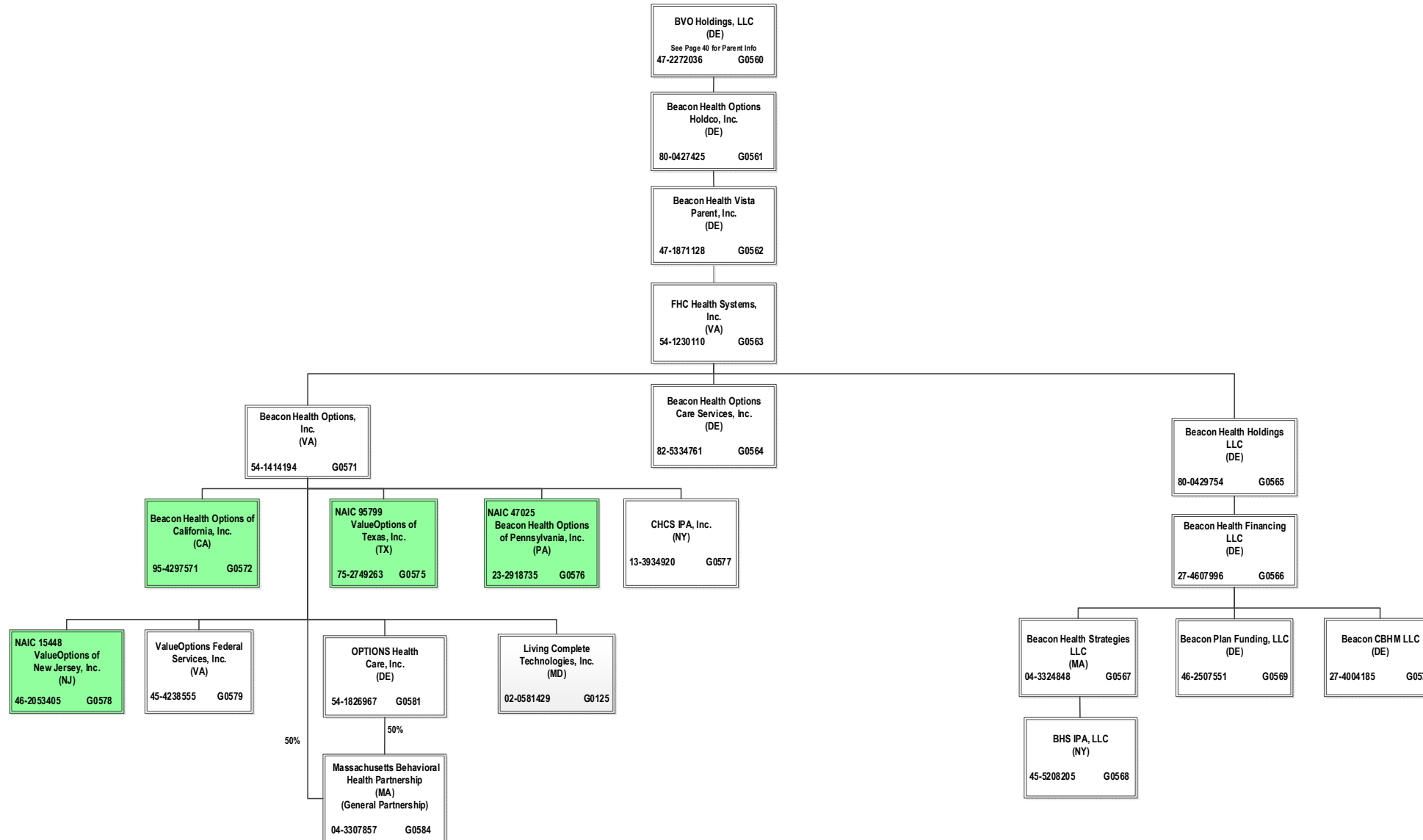
⁵ Amerigroup Corporation holds a 2% interest in Highland Investor Holdings, LLC, and ATH Holding Company, LLC holds the remaining 98% interest.

⁶ TriADD NY, LLC dba MyCompass is 25% owned by Alliance Care Management, LLC and the remaining 75% interest is owned by unaffiliated investors.

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

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Regulated Insurance Company
Regulated BCBSA Licensee

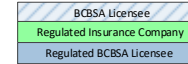
ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



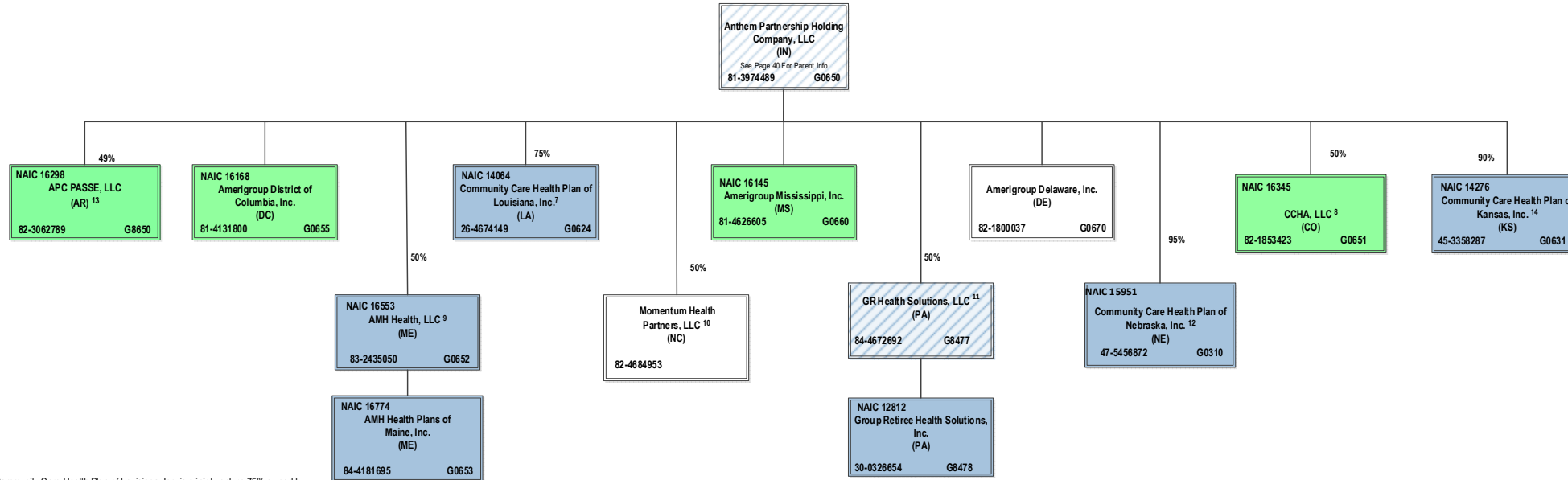
40.7

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

PART 1 – ORGANIZATIONAL CHART



ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



⁷ Community Care Health Plan of Louisiana, Inc. is a joint venture 75% owned by Anthem Partnership Holding Company, LLC and 25% owned by Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana (non-affiliate)

⁸ CCHA, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Colorado Community Health Alliance, LLC (non-affiliate)

⁹ AMH Health, LLC is a joint venture 50% owned by MaineHealth (non-affiliate) and 50% owned by Anthem Partnership Holding Company, LLC

¹⁰ Momentum Health Partners, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Blue Cross and Blue Shield of North Carolina (non-affiliate)

¹¹ GR Health Solutions, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Independence Blue Cross, LLC (non-affiliate)

¹² Community Care Health Plan of Nebraska, Inc. is a joint venture 95% owned by Anthem Partnership Holding Company, LLC and 5% owned by Blue Cross and Blue Shield of Nebraska, Inc. (non-affiliate)

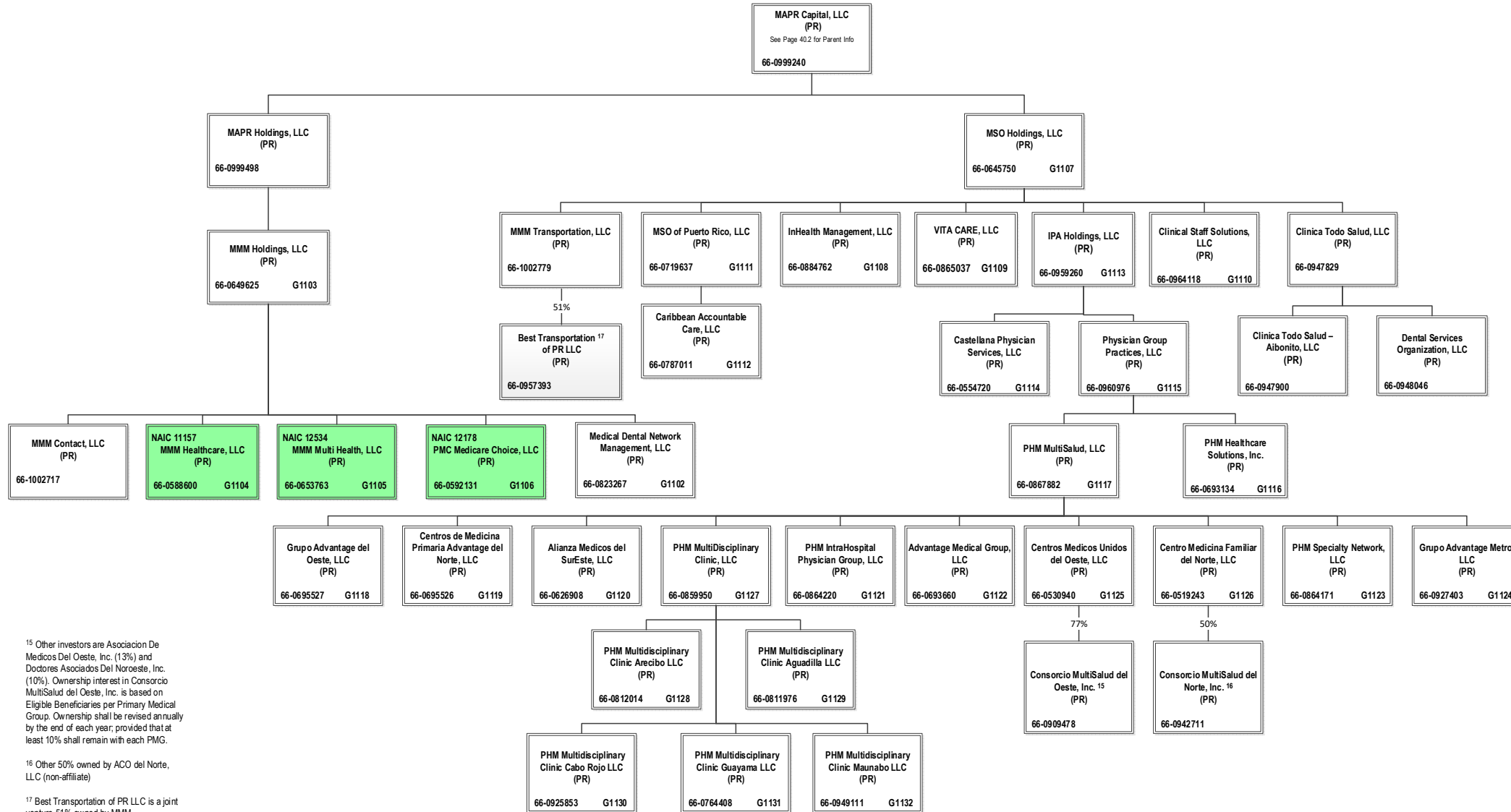
¹³ APC PASSE, LLC (regulated entity) is a joint venture 49% owned by Anthem Partnership Holding Company, LLC and 51% owned by Arkansas Provider Coalition, LLC (non-affiliate)

¹⁴ Community Care Health Plan of Kansas, Inc. is a joint venture 90% owned by Anthem Partnership Holding Company, LLC, 5% owned by Blue Cross and Blue Shield of Kansas (non-affiliate) and 5% owned by Blue Cross and Blue Shield of Kansas City (non-affiliate)

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

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee



¹⁵ Other investors are Asociacion De Medicos Del Oeste, Inc. (13%) and Doctores Asociados Del Noroeste, Inc. (10%). Ownership interest in Consorcio MultiSalud del Oeste, Inc. is based on Eligible Beneficiaries per Primary Medical Group. Ownership shall be revised annually by the end of each year, provided that at least 10% shall remain with each PMG.

¹⁶ Other 50% owned by ACO del Norte, LLC (non-affiliate)

¹⁷ Best Transportation of PR LLC is a joint venture 51% owned by MMM Transportation, LLC and 49% owned by Best Transportation of PR LLC

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols: 1 - 2)	4 Net Admitted Assets
2504. Intangibles	70,328,911	70,328,911	0	0
2505. Prepaid expenses	16,564,124	16,564,124	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	86,893,035	86,893,035	0	0

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304. Performance guaranty	6,233,650		6,233,650	4,902,282
2397. Summary of remaining write-ins for Line 23 from overflow page	6,233,650	0	6,233,650	4,902,282