



**ANNUAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2024  
OF THE CONDITION AND AFFAIRS OF THE  
PERENNIAL ADVANTAGE OF OHIO, INC.**

NAIC Group Code ..... 4975,..... 4975..... NAIC Company Code..... 16783.... Employer's ID Number..... 84-3881087.....  
(Current)(Prior)

Organized under the Laws of OH State of Domicile or Port of Entry OH  
Country of Domicile US  
Licensed as business type: Health Maintenance Organization Is HMO Federally Qualified? NO  
Incorporated/Organized 08/23/2019 Commenced Business 01/01/2021  
Statutory Home Office 9200 Worthington Rd Westerville, OH, US 43082  
Main Administrative Office 10900 Nuckols Road STE 110  
Glen Allen, VA, US 23060 804-396-6412  
(Telephone)  
Mail Address 10900 Nuckols Road STE 110 Glen Allen, VA, US 23060  
Primary Location of Books and  
Records 10900 Nuckols Road STE 110 804-396-6412  
Glen Allen, VA, US 23060 (Telephone)  
Internet Website Address <https://perennialadvantage.com/>  
Statutory Statement Contact Kate Weis 469-262-6873  
regulatoryaccounting@allyalign.com 469-262-6873  
(E-Mail) (Fax)

## OFFICERS

Jennifer Lynn Elam, Chief Executive Officer & President .....  
Jeremy Stephen Dressen, Chief Operating Officer .....  
Rachel Jacqueline Martin, Chief Financial Officer .....

**DIRECTORS OR TRUSTEES**

John Henry Cochrane III#.....  
Laurence Charles Gumina.....  
Benjamin Jarvis Parsons.....  
Lynne Susan Katzmann.....  
Mark Francis Price.....

State of Ohio.....  
County of Delaware..... SS

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.

Signed by Black Knight EXP-DocVerify: 2025-01-08 11:40:14 EST  
  
X \_\_\_\_\_  
4793902:26795166:35521543

Jennifer Lynn Elam  
Chief Executive Officer & President

Rachel Jacqueline Martin  
Chief Financial Officer

Jeremy Stephen Dressen  
Chief Operating Officer

Subscribed and sworn to before me

this 01/08/2025 day of

Generated by Black Knight EXP-DocVerify: 2025-01-08 11:41:04 EST

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4793902-26795166-127687

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4793902-26795166-127697

a. Is this an original filing? Yes

b. If no:

1. State the amendment number:

2. Date filed:

3. Number of pages attached:

**ANDREA R FULLER**  
Electronic Notary Public  
Commonwealth of Virginia  
My Commission Expires Sep 30, 2026  
Commission No. 7998711

## Notarial Act Performed by Audio visual communication



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x  
Jennifer Lynn Elam

X *Rachel J Martin*  
4866001.27275865.35787527

X  
Jeremy Stephen Dressen  
Chief Executive Officer

Subscribed and sworn to before me  
01/23/2025

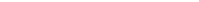
a. Is this an original filing? Yes

b. If no:

1. State the amendment number:

2. Date filed:

3. Number of pages attached:

✓ eSigned by Black Knight EXP-DocVerify 2025-01-23 11:37:35 EST, 2025  


**ANDREA R FULLER**  
Electronic Notary Public  
Commonwealth of Virginia  
My Commission Expires Sep 30, 2026  
Commission No. 7998711

## Notarial Act Performed by Audio visual communication



**ASSETS**

|                                                                                                                                                               | Current Year |                            |                                              | Prior Year                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------|----------------------------------------------|-----------------------------|
|                                                                                                                                                               | 1<br>Assets  | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1 - 2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D).....                                                                                                                                    | 261,000      |                            | 261,000                                      | 261,000                     |
| 2. Stocks (Schedule D):                                                                                                                                       |              |                            |                                              |                             |
| 2.1 Preferred stocks.....                                                                                                                                     |              |                            |                                              |                             |
| 2.2 Common stocks.....                                                                                                                                        |              |                            |                                              |                             |
| 3. Mortgage loans on real estate (Schedule B):                                                                                                                |              |                            |                                              |                             |
| 3.1 First liens.....                                                                                                                                          |              |                            |                                              |                             |
| 3.2 Other than first liens.....                                                                                                                               |              |                            |                                              |                             |
| 4. Real estate (Schedule A):                                                                                                                                  |              |                            |                                              |                             |
| 4.1 Properties occupied by the company (less \$..... encumbrances).....                                                                                       |              |                            |                                              |                             |
| 4.2 Properties held for the production of income (less \$..... encumbrances).....                                                                             |              |                            |                                              |                             |
| 4.3 Properties held for sale (less \$..... encumbrances).....                                                                                                 |              |                            |                                              |                             |
| 5. Cash (\$.....7,138,962, Schedule E - Part 1), cash equivalents (\$.....15,578, Schedule E - Part 2) and short-term investments (\$....., Schedule DA)..... | 7,154,540    |                            | 7,154,540                                    | 3,192,615                   |
| 6. Contract loans (including \$..... premium notes).....                                                                                                      |              |                            |                                              |                             |
| 7. Derivatives (Schedule DB).....                                                                                                                             |              |                            |                                              |                             |
| 8. Other invested assets (Schedule BA).....                                                                                                                   |              |                            |                                              |                             |
| 9. Receivables for securities.....                                                                                                                            |              |                            |                                              |                             |
| 10. Securities lending reinvested collateral assets (Schedule DL).....                                                                                        |              |                            |                                              |                             |
| 11. Aggregate write-ins for invested assets.....                                                                                                              |              |                            |                                              |                             |
| 12. Subtotals, cash and invested assets (Lines 1 to 11).....                                                                                                  | 7,415,540    |                            | 7,415,540                                    | 3,453,615                   |
| 13. Title plants less \$..... charged off (for Title insurers only).....                                                                                      |              |                            |                                              |                             |
| 14. Investment income due and accrued.....                                                                                                                    |              |                            |                                              |                             |
| 15. Premiums and considerations:                                                                                                                              |              |                            |                                              |                             |
| 15.1 Uncollected premiums and agents' balances in the course of collection.....                                                                               |              |                            |                                              |                             |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums).....           |              |                            |                                              |                             |
| 15.3 Accrued retrospective premiums (\$.....) and contracts subject to redetermination (\$.....529,386).....                                                  | 529,386      |                            | 529,386                                      | 918,610                     |
| 16. Reinsurance:                                                                                                                                              |              |                            |                                              |                             |
| 16.1 Amounts recoverable from reinsurers.....                                                                                                                 |              |                            |                                              |                             |
| 16.2 Funds held by or deposited with reinsured companies.....                                                                                                 |              |                            |                                              |                             |
| 16.3 Other amounts receivable under reinsurance contracts.....                                                                                                |              |                            |                                              |                             |
| 17. Amounts receivable relating to uninsured plans.....                                                                                                       | 13,484       |                            | 13,484                                       | 112,119                     |
| 18.1 Current federal and foreign income tax recoverable and interest thereon.....                                                                             | 72,500       |                            | 72,500                                       | 72,500                      |
| 18.2 Net deferred tax asset.....                                                                                                                              |              |                            |                                              |                             |
| 19. Guaranty funds receivable or on deposit.....                                                                                                              |              |                            |                                              |                             |
| 20. Electronic data processing equipment and software.....                                                                                                    |              |                            |                                              |                             |
| 21. Furniture and equipment, including health care delivery assets (\$.....).....                                                                             |              |                            |                                              |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates.....                                                                               |              |                            |                                              |                             |
| 23. Receivables from parent, subsidiaries and affiliates.....                                                                                                 |              |                            |                                              | 17,098                      |
| 24. Health care (\$.....309,040) and other amounts receivable.....                                                                                            | 469,135      | 160,095                    | 309,040                                      | 1,782,622                   |
| 25. Aggregate write-ins for other-than-invested assets.....                                                                                                   | 276,450      | 28,085                     | 248,365                                      | -                           |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....                                           | 8,776,495    | 188,180                    | 8,588,315                                    | 6,356,564                   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                                                                              |              |                            |                                              |                             |
| 28. Total (Lines 26 and 27).....                                                                                                                              | 8,776,495    | 188,180                    | 8,588,315                                    | 6,356,564                   |
| <b>Details of Write-Ins</b>                                                                                                                                   |              |                            |                                              |                             |
| 1101.....                                                                                                                                                     |              |                            |                                              |                             |
| 1102.....                                                                                                                                                     |              |                            |                                              |                             |
| 1103.....                                                                                                                                                     |              |                            |                                              |                             |
| 1198. Summary of remaining write-ins for Line 11 from overflow page.....                                                                                      |              |                            |                                              |                             |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....                                                                                         |              |                            |                                              |                             |
| 2501. Prepaid expenses.....                                                                                                                                   | 17,569       | 17,569                     | -                                            | -                           |
| 2502. Other receivables.....                                                                                                                                  | 10,516       | 10,516                     | -                                            | -                           |
| 2503. Prepaid health benefit claims.....                                                                                                                      | 248,365      |                            | 248,365                                      | -                           |
| 2598. Summary of remaining write-ins for Line 25 from overflow page.....                                                                                      |              |                            |                                              |                             |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....                                                                                         | 276,450      | 28,085                     | 248,365                                      | -                           |

**LIABILITIES, CAPITAL AND SURPLUS**

|                                                                                                                                                       | Current Year |                |             | Prior Year  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|-------------|-------------|
|                                                                                                                                                       | 1<br>Covered | 2<br>Uncovered | 3<br>Total  | 4<br>Total  |
| 1. Claims unpaid (less \$..... reinsurance ceded).....                                                                                                | 3,059,128    |                | 3,059,128   | 2,919,790   |
| 2. Accrued medical incentive pool and bonus amounts.....                                                                                              | 856,510      |                | 856,510     | 35,677      |
| 3. Unpaid claims adjustment expenses.....                                                                                                             | 115,277      |                | 115,277     | 102,648     |
| 4. Aggregate health policy reserves, including the liability of \$..... for medical loss ratio rebate per the Public Health Service Act.....          |              |                |             |             |
| 5. Aggregate life policy reserves.....                                                                                                                |              |                |             |             |
| 6. Property/casualty unearned premium reserves.....                                                                                                   |              |                |             |             |
| 7. Aggregate health claim reserves.....                                                                                                               |              |                |             |             |
| 8. Premiums received in advance.....                                                                                                                  | 1,199,423    |                | 1,199,423   | 159,147     |
| 9. General expenses due or accrued.....                                                                                                               | 137,669      |                | 137,669     | 84,954      |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses)).....                  |              |                |             |             |
| 10.2 Net deferred tax liability.....                                                                                                                  |              |                |             |             |
| 11. Ceded reinsurance premiums payable.....                                                                                                           |              |                |             |             |
| 12. Amounts withheld or retained for the account of others.....                                                                                       |              |                |             |             |
| 13. Remittances and items not allocated.....                                                                                                          |              |                |             |             |
| 14. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current).....                                          |              |                |             |             |
| 15. Amounts due to parent, subsidiaries and affiliates.....                                                                                           | 257,752      |                | 257,752     | 48,708      |
| 16. Derivatives.....                                                                                                                                  |              |                |             |             |
| 17. Payable for securities.....                                                                                                                       |              |                |             |             |
| 18. Payable for securities lending.....                                                                                                               |              |                |             |             |
| 19. Funds held under reinsurance treaties (with \$..... authorized reinsurers, \$..... unauthorized reinsurers and \$..... certified reinsurers)..... |              |                |             |             |
| 20. Reinsurance in unauthorized and certified (\$.....) companies.....                                                                                |              |                |             |             |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates.....                                                                      |              |                |             |             |
| 22. Liability for amounts held under uninsured plans.....                                                                                             | 151,379      |                | 151,379     | 204,527     |
| 23. Aggregate write-ins for other liabilities (including \$..... current).....                                                                        | 114          |                | 114         |             |
| 24. Total liabilities (Lines 1 to 23).....                                                                                                            | 5,777,252    |                | 5,777,252   | 3,555,451   |
| 25. Aggregate write-ins for special surplus funds.....                                                                                                | XXX          | XXX            |             |             |
| 26. Common capital stock.....                                                                                                                         | XXX          | XXX            | 10          | 10          |
| 27. Preferred capital stock.....                                                                                                                      | XXX          | XXX            |             |             |
| 28. Gross paid in and contributed surplus.....                                                                                                        | XXX          | XXX            | 4,896,119   | 4,896,119   |
| 29. Surplus notes.....                                                                                                                                | XXX          | XXX            |             |             |
| 30. Aggregate write-ins for other-than-special surplus funds.....                                                                                     | XXX          | XXX            |             |             |
| 31. Unassigned funds (surplus).....                                                                                                                   | XXX          | XXX            | (2,085,066) | (2,095,016) |
| 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            | 2,811,063   | 2,801,113   |
| 34. Total liabilities, capital and surplus (Lines 24 and 33).....                                                                                     | XXX          | XXX            | 8,588,315   | 6,356,564   |
| <b>Details of Write-Ins</b>                                                                                                                           |              |                |             |             |
| 2301. Premiums due to policy holders.....                                                                                                             | 114          |                | 114         |             |
| 2302. ....                                                                                                                                            |              |                |             |             |
| 2303. ....                                                                                                                                            |              |                |             |             |
| 2398. Summary of remaining write-ins for Line 23 from overflow page.....                                                                              |              |                |             |             |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....                                                                                 | 114          |                | 114         |             |
| 2501. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 2502. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 2503. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 2598. Summary of remaining write-ins for Line 25 from overflow page.....                                                                              | XXX          | XXX            |             |             |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....                                                                                 | XXX          | XXX            |             |             |
| 3001. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 3002. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 3003. ....                                                                                                                                            | XXX          | XXX            |             |             |
| 3098. Summary of remaining write-ins for Line 30 from overflow page.....                                                                              | XXX          | XXX            |             |             |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....                                                                                 | XXX          | XXX            |             |             |

**STATEMENT OF REVENUE AND EXPENSES**

|                                                                                                                                    | Current Year   |                 | Prior Year      |
|------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------|-----------------|
|                                                                                                                                    | 1<br>Uncovered | 2<br>Total      | 3<br>Total      |
| 1. Member Months.....                                                                                                              | XXX.....       | 6,882.....      | 6,549.....      |
| 2. Net premium income (including \$..... non-health premium income).....                                                           | XXX.....       | 16,889,139..... | 16,026,958..... |
| 3. Change in unearned premium reserves and reserve for rate credits.....                                                           | XXX.....       | .....           | .....           |
| 4. Fee-for-service (net of \$..... medical expenses).....                                                                          | XXX.....       | .....           | .....           |
| 5. Risk revenue.....                                                                                                               | XXX.....       | .....           | .....           |
| 6. Aggregate write-ins for other health care related revenues.....                                                                 | XXX.....       | .....           | .....           |
| 7. Aggregate write-ins for other non-health revenues.....                                                                          | XXX.....       | .....           | .....           |
| 8. Total revenues (Lines 2 to 7).....                                                                                              | XXX.....       | 16,889,139..... | 16,026,958..... |
| <b>Hospital and Medical:</b>                                                                                                       |                |                 |                 |
| 9. Hospital/medical benefits.....                                                                                                  | .....          | 7,693,619.....  | 8,337,526.....  |
| 10. Other professional services.....                                                                                               | .....          | 2,773,552.....  | 3,597,885.....  |
| 11. Outside referrals.....                                                                                                         | .....          | .....           | .....           |
| 12. Emergency room and out-of-area.....                                                                                            | .....          | 286,382.....    | 287,614.....    |
| 13. Prescription drugs.....                                                                                                        | .....          | 1,254,079.....  | 1,005,697.....  |
| 14. Aggregate write-ins for other hospital and medical.....                                                                        | .....          | 171,377.....    | 157,711.....    |
| 15. Incentive pool, withhold adjustments and bonus amounts.....                                                                    | .....          | 2,026,715.....  | (436,456).....  |
| 16. Subtotal (Lines 9 to 15).....                                                                                                  | .....          | 14,205,724..... | 12,949,977..... |
| <b>Less:</b>                                                                                                                       |                |                 |                 |
| 17. Net reinsurance recoveries.....                                                                                                | .....          | 31,814.....     | .....           |
| 18. Total hospital and medical (Lines 16 minus 17).....                                                                            | .....          | 14,173,910..... | 12,949,977..... |
| 19. Non-health claims (net).....                                                                                                   | .....          | .....           | .....           |
| 20. Claims adjustment expenses, including \$.....286,396 cost containment expenses.....                                            | .....          | 966,871.....    | 1,070,860.....  |
| 21. General administrative expenses.....                                                                                           | .....          | 2,042,530.....  | 1,968,427.....  |
| 22. Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only).....    | .....          | .....           | .....           |
| 23. Total underwriting deductions (Lines 18 through 22).....                                                                       | .....          | 17,183,311..... | 15,989,264..... |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23).....                                                                        | XXX.....       | (294,172).....  | 37,694.....     |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....                                                  | .....          | 296,663.....    | 129,165.....    |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....                                                          | .....          | .....           | .....           |
| 27. Net investment gains (losses) (Lines 25 plus 26).....                                                                          | .....          | 296,663.....    | 129,165.....    |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]..... | .....          | .....           | .....           |
| 29. Aggregate write-ins for other income or expenses.....                                                                          | .....          | .....           | .....           |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)..... | XXX.....       | 2,491.....      | 166,859.....    |
| 31. Federal and foreign income taxes incurred.....                                                                                 | XXX.....       | .....           | .....           |
| 32. Net income (loss) (Lines 30 minus 31).....                                                                                     | XXX.....       | 2,491.....      | 166,859.....    |
| <b>Details of Write-Ins</b>                                                                                                        |                |                 |                 |
| 0601.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0602.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0603.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0698. Summary of remaining write-ins for Line 6 from overflow page.....                                                            | XXX.....       | .....           | .....           |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....                                                               | XXX.....       | .....           | .....           |
| 0701.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0702.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0703.....                                                                                                                          | XXX.....       | .....           | .....           |
| 0798. Summary of remaining write-ins for Line 7 from overflow page.....                                                            | XXX.....       | .....           | .....           |
| 0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....                                                               | XXX.....       | .....           | .....           |
| 1401. Durable Medical Equipment.....                                                                                               | .....          | 171,377.....    | 157,711.....    |
| 1402.....                                                                                                                          | .....          | .....           | .....           |
| 1403.....                                                                                                                          | .....          | .....           | .....           |
| 1498. Summary of remaining write-ins for Line 14 from overflow page.....                                                           | .....          | .....           | .....           |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....                                                              | .....          | 171,377.....    | 157,711.....    |
| 2901.....                                                                                                                          | .....          | .....           | .....           |
| 2902.....                                                                                                                          | .....          | .....           | .....           |
| 2903.....                                                                                                                          | .....          | .....           | .....           |
| 2998. Summary of remaining write-ins for Line 29 from overflow page.....                                                           | .....          | .....           | .....           |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....                                                              | .....          | .....           | .....           |

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

| CAPITAL & SURPLUS ACCOUNT                                                             |  | 1<br>Current Year | 2<br>Prior Year |
|---------------------------------------------------------------------------------------|--|-------------------|-----------------|
| 33. Capital and surplus prior reporting year.....                                     |  | 2,801,113         | 2,679,694       |
| 34. Net income or (loss) from Line 32.....                                            |  | 2,491             | 166,859         |
| 35. Change in valuation basis of aggregate policy and claim reserves.....             |  |                   |                 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$..... |  |                   |                 |
| 37. Change in net unrealized foreign exchange capital gain or (loss).....             |  |                   |                 |
| 38. Change in net deferred income tax.....                                            |  |                   |                 |
| 39. Change in nonadmitted assets.....                                                 |  | 7,459             | (45,440)        |
| 40. Change in unauthorized and certified reinsurance.....                             |  |                   |                 |
| 41. Change in treasury stock.....                                                     |  |                   |                 |
| 42. Change in surplus notes.....                                                      |  |                   |                 |
| 43. Cumulative effect of changes in accounting principles.....                        |  |                   |                 |
| 44. Capital Changes:                                                                  |  |                   |                 |
| 44.1 Paid in.....                                                                     |  |                   |                 |
| 44.2 Transferred from surplus (Stock Dividend).....                                   |  |                   |                 |
| 44.3 Transferred to surplus.....                                                      |  |                   |                 |
| 45. Surplus adjustments:                                                              |  |                   |                 |
| 45.1 Paid in.....                                                                     |  | —                 | —               |
| 45.2 Transferred to capital (Stock Dividend).....                                     |  |                   |                 |
| 45.3 Transferred from capital.....                                                    |  |                   |                 |
| 46. Dividends to stockholders.....                                                    |  |                   |                 |
| 47. Aggregate write-ins for gains or (losses) in surplus.....                         |  |                   |                 |
| 48. Net change in capital and surplus (Lines 34 to 47).....                           |  | 9,950             | 121,419         |
| 49. Capital and surplus end of reporting year (Line 33 plus 48).....                  |  | 2,811,063         | 2,801,113       |
| <b>Details of Write-Ins</b>                                                           |  |                   |                 |
| 4701.....                                                                             |  |                   |                 |
| 4702.....                                                                             |  |                   |                 |
| 4703.....                                                                             |  |                   |                 |
| 4798. Summary of remaining write-ins for Line 47 from overflow page.....              |  |                   |                 |
| 4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....                 |  |                   |                 |

**CASH FLOW**

|                                                                                                                | 1<br>Current Year | 2<br>Prior Year |
|----------------------------------------------------------------------------------------------------------------|-------------------|-----------------|
| <b>Cash from Operations</b>                                                                                    |                   |                 |
| 1. Premiums collected net of reinsurance.....                                                                  | 18,318,639        | 16,065,144      |
| 2. Net investment income.....                                                                                  | 296,663           | 129,165         |
| 3. Miscellaneous income.....                                                                                   | —                 | —               |
| 4. Total (Lines 1 to 3).....                                                                                   | 18,615,302        | 16,194,309      |
| 5. Benefit and loss related payments.....                                                                      | 11,739,084        | 14,588,011      |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                    |                   |                 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions.....                                      | 2,898,570         | 861,031         |
| 8. Dividends paid to policyholders.....                                                                        |                   |                 |
| 9. Federal and foreign income taxes paid (recovered) net of \$..... tax on capital gains (losses).....         | —                 | —               |
| 10. Total (Lines 5 through 9).....                                                                             | 14,637,654        | 15,449,042      |
| 11. Net cash from operations (Line 4 minus Line 10).....                                                       | 3,977,648         | 745,267         |
| <b>Cash from Investments</b>                                                                                   |                   |                 |
| 12. Proceeds from investments sold, matured or repaid:                                                         |                   |                 |
| 12.1 Bonds.....                                                                                                |                   | 260,000         |
| 12.2 Stocks.....                                                                                               |                   |                 |
| 12.3 Mortgage loans.....                                                                                       |                   |                 |
| 12.4 Real estate.....                                                                                          |                   |                 |
| 12.5 Other invested assets.....                                                                                |                   |                 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....                           |                   |                 |
| 12.7 Miscellaneous proceeds.....                                                                               | —                 | —               |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7).....                                                       | —                 | 260,000         |
| 13. Cost of investments acquired (long-term only):                                                             |                   |                 |
| 13.1 Bonds.....                                                                                                |                   | 261,000         |
| 13.2 Stocks.....                                                                                               |                   |                 |
| 13.3 Mortgage loans.....                                                                                       |                   |                 |
| 13.4 Real estate.....                                                                                          |                   |                 |
| 13.5 Other invested assets.....                                                                                |                   |                 |
| 13.6 Miscellaneous applications.....                                                                           | —                 | —               |
| 13.7 Total investments acquired (Lines 13.1 to 13.6).....                                                      | —                 | 261,000         |
| 14. Net increase / (decrease) in contract loans and premium notes.....                                         |                   |                 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....                                   | —                 | (1,000)         |
| <b>Cash from Financing and Miscellaneous Sources</b>                                                           |                   |                 |
| 16. Cash provided (applied):                                                                                   |                   |                 |
| 16.1 Surplus notes, capital notes.....                                                                         |                   |                 |
| 16.2 Capital and paid in surplus, less treasury stock.....                                                     |                   | —               |
| 16.3 Borrowed funds.....                                                                                       |                   |                 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities.....                               |                   |                 |
| 16.5 Dividends to stockholders.....                                                                            |                   |                 |
| 16.6 Other cash provided (applied).....                                                                        | (15,723)          | 18,462          |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)..... | (15,723)          | 18,462          |
| <b>Reconciliation of Cash, Cash Equivalents and Short-Term Investments</b>                                     |                   |                 |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....       | 3,961,925         | 762,729         |
| 19. Cash, cash equivalents and short-term investments:                                                         |                   |                 |
| 19.1 Beginning of year.....                                                                                    | 3,192,615         | 2,429,886       |
| 19.2 End of year (Line 18 plus Line 19.1).....                                                                 | 7,154,540         | 3,192,615       |

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

|             |  |
|-------------|--|
| 20,000..... |  |
|-------------|--|

## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

|                                                                                      | 1          | Comprehensive (Hospital & Medical) |            | 4<br>Medicare<br>Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal<br>Employees<br>Health Benefits<br>Plan | 8<br>Title XVIII<br>Medicare | 9<br>Title XIX<br>Medicaid | 10<br>Credit A&H | 11<br>Disability<br>Income | 12<br>Long-Term<br>Care | 13<br>Other Health | 14<br>Other Non-<br>Health |
|--------------------------------------------------------------------------------------|------------|------------------------------------|------------|-----------------------------|------------------|------------------|------------------------------------------------------|------------------------------|----------------------------|------------------|----------------------------|-------------------------|--------------------|----------------------------|
|                                                                                      |            | 2<br>Individual                    | 3<br>Group |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    |                            |
| 1. Net premium income...                                                             | 16,889,139 |                                    |            |                             |                  |                  |                                                      |                              | 16,889,139                 |                  |                            |                         |                    |                            |
| 2. Change in unearned premium reserves and reserve for rate credit...                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    |                            |
| 3. Fee-for-service (net of \$..... medical expenses)...                              |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 4. Risk revenue...                                                                   |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 5. Aggregate write-ins for other health care related revenues...                     |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 6. Aggregate write-ins for other non-health care related revenues...                 |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 7. Total revenues (Lines 1 to 6)...                                                  | 16,889,139 |                                    |            |                             |                  |                  |                                                      |                              | 16,889,139                 |                  |                            |                         |                    |                            |
| 8. Hospital/medical benefits...                                                      | 7,693,619  |                                    |            |                             |                  |                  |                                                      |                              | 7,693,619                  |                  |                            |                         |                    | XXX                        |
| 9. Other professional services...                                                    | 2,773,552  |                                    |            |                             |                  |                  |                                                      |                              | 2,773,552                  |                  |                            |                         |                    | XXX                        |
| 10. Outside referrals...                                                             |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 11. Emergency room and out-of-area...                                                | 286,382    |                                    |            |                             |                  |                  |                                                      |                              | 286,382                    |                  |                            |                         |                    | XXX                        |
| 12. Prescription drugs...                                                            | 1,254,079  |                                    |            |                             |                  |                  |                                                      |                              | 1,254,079                  |                  |                            |                         |                    | XXX                        |
| 13. Aggregate write-ins for other hospital and medical...                            | 171,377    |                                    |            |                             |                  |                  |                                                      |                              | 171,377                    |                  |                            |                         |                    | XXX                        |
| 14. Incentive pool, withhold adjustments and bonus amounts...                        | 2,026,715  |                                    |            |                             |                  |                  |                                                      |                              | 2,026,715                  |                  |                            |                         |                    | XXX                        |
| 15. Subtotal (Lines 8 to 14)...                                                      | 14,205,724 |                                    |            |                             |                  |                  |                                                      |                              | 14,205,724                 |                  |                            |                         |                    | XXX                        |
| 16. Net reinsurance recoveries...                                                    | 31,814     |                                    |            |                             |                  |                  |                                                      |                              | 31,814                     |                  |                            |                         |                    | XXX                        |
| 17. Total hospital and medical (Lines 15 minus 16)...                                | 14,173,910 |                                    |            |                             |                  |                  |                                                      |                              | 14,173,910                 |                  |                            |                         |                    | XXX                        |
| 18. Non-health claims (net)...                                                       |            | XXX                                | XXX        |                             |                  |                  |                                                      |                              | XXX                        |                  |                            |                         |                    | XXX                        |
| 19. Claims adjustment expenses including \$.....286,396 cost containment expenses... | 966,871    |                                    |            |                             |                  |                  |                                                      |                              | 966,871                    |                  |                            |                         |                    |                            |
| 20. General administrative expenses...                                               | 2,042,530  |                                    |            |                             |                  |                  |                                                      |                              | 2,042,530                  |                  |                            |                         |                    | XXX                        |
| 21. Increase in reserves for accident and health contracts...                        |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 22. Increase in reserves for life contracts...                                       |            | XXX                                | XXX        |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 23. Total underwriting deductions (Lines 17 to 22)...                                | 17,183,311 |                                    |            |                             |                  |                  |                                                      |                              | 17,183,311                 |                  |                            |                         |                    |                            |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23)...                        | (294,172)  |                                    |            |                             |                  |                  |                                                      |                              | (294,172)                  |                  |                            |                         |                    |                            |
| <b>Details of Write-Ins</b>                                                          |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    |                            |
| 0501.                                                                                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 0502.                                                                                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 0503.                                                                                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 0598. Summary of remaining write-ins for Line 5 from overflow page                   |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)...                   |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 0601.                                                                                |            | XXX                                | XXX        | XXX                         | XXX              | XXX              | XXX                                                  | XXX                          | XXX                        | XXX              | XXX                        | XXX                     | XXX                | XXX                        |
| 0602.                                                                                |            | XXX                                | XXX        | XXX                         | XXX              | XXX              | XXX                                                  | XXX                          | XXX                        | XXX              | XXX                        | XXX                     | XXX                | XXX                        |
| 0603.                                                                                |            | XXX                                | XXX        | XXX                         | XXX              | XXX              | XXX                                                  | XXX                          | XXX                        | XXX              | XXX                        | XXX                     | XXX                | XXX                        |
| 0698. Summary of remaining write-ins for Line 6 from overflow page                   |            | XXX                                | XXX        | XXX                         | XXX              | XXX              | XXX                                                  | XXX                          | XXX                        | XXX              | XXX                        | XXX                     | XXX                | XXX                        |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)...                   |            | XXX                                | XXX        | XXX                         | XXX              | XXX              | XXX                                                  | XXX                          | XXX                        | XXX              | XXX                        | XXX                     | XXX                | XXX                        |
| 1301. Durable Medical Equipment...                                                   | 171,377    |                                    |            |                             |                  |                  |                                                      |                              | 171,377                    |                  |                            |                         |                    | XXX                        |
| 1302.                                                                                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 1303.                                                                                |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 1398. Summary of remaining write-ins for Line 13 from overflow page...               |            |                                    |            |                             |                  |                  |                                                      |                              |                            |                  |                            |                         |                    | XXX                        |
| 1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)...                  | 171,377    |                                    |            |                             |                  |                  |                                                      |                              | 171,377                    |                  |                            |                         |                    | XXX                        |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 1 – PREMIUMS

| Line of Business                                   | 1<br>Direct Business | 2<br>Reinsurance Assumed | 3<br>Reinsurance Ceded | 4<br>Net Premium Income (Cols. 1+2-3) |
|----------------------------------------------------|----------------------|--------------------------|------------------------|---------------------------------------|
| 1. Comprehensive (hospital and medical) individual |                      |                          |                        |                                       |
| 2. Comprehensive (hospital and medical) group      |                      |                          |                        |                                       |
| 3. Medicare Supplement                             |                      |                          |                        |                                       |
| 4. Vision only                                     |                      |                          |                        |                                       |
| 5. Dental only                                     |                      |                          |                        |                                       |
| 6. Federal Employees Health Benefits Plan          |                      |                          |                        |                                       |
| 7. Title XVIII – Medicare                          | 16,986,232           |                          | 97,093                 | 16,889,139                            |
| 8. Title XIX – Medicaid                            |                      |                          |                        |                                       |
| 9. Credit A&H                                      |                      |                          |                        |                                       |
| 10. Disability Income                              |                      |                          |                        |                                       |
| 11. Long-Term Care                                 |                      |                          |                        |                                       |
| 12. Other health                                   |                      |                          |                        |                                       |
| 13. Health subtotal (Lines 1 through 12)           | 16,986,232           |                          | 97,093                 | 16,889,139                            |
| 14. Life                                           |                      |                          |                        |                                       |
| 15. Property/casualty                              |                      |                          |                        |                                       |
| 16. Totals (Lines 13 to 15)                        | 16,986,232           |                          | 97,093                 | 16,889,139                            |

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 – CLAIMS INCURRED DURING THE YEAR

|                                                                  | 1<br>Total  | Comprehensive (Hospital & Medical) |            | 4<br>Medicare Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal Employees Health Benefits Plan | 8<br>Title XVIII Medicare | 9<br>Title XIX Medicaid | 10<br>Credit A&H | 11<br>Disability Income | 12<br>Long-Term Care | 13<br>Other Health | 14<br>Other Non-Health |
|------------------------------------------------------------------|-------------|------------------------------------|------------|--------------------------|------------------|------------------|---------------------------------------------|---------------------------|-------------------------|------------------|-------------------------|----------------------|--------------------|------------------------|
|                                                                  |             | 2<br>Individual                    | 3<br>Group |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1. Payments during the year:                                     |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1.1 Direct                                                       | 11,920,971  |                                    |            |                          |                  |                  |                                             | 11,920,971                |                         |                  |                         |                      |                    |                        |
| 1.2 Reinsurance assumed                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1.3 Reinsurance ceded                                            | 31,814      |                                    |            |                          |                  |                  |                                             | 31,814                    |                         |                  |                         |                      |                    |                        |
| 1.4 Net                                                          | 11,889,157  |                                    |            |                          |                  |                  |                                             | 11,889,157                |                         |                  |                         |                      |                    |                        |
| (150,073)                                                        |             |                                    |            |                          |                  |                  |                                             | (150,073)                 |                         |                  |                         |                      |                    |                        |
| 2. Paid medical incentive pools and bonuses                      |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3. Claim liability December 31, current year from Part 2A:       |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.1 Direct                                                       | 3,059,128   |                                    |            |                          |                  |                  |                                             | 3,059,128                 |                         |                  |                         |                      |                    |                        |
| 3.2 Reinsurance assumed                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.3 Reinsurance ceded                                            |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.4 Net                                                          | 3,059,128   |                                    |            |                          |                  |                  |                                             | 3,059,128                 |                         |                  |                         |                      |                    |                        |
| 4. Claim reserve December 31, current year from Part 2D:         |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.1 Direct                                                       |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.2 Reinsurance assumed                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.3 Reinsurance ceded                                            |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.4 Net                                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 5. Accrued medical incentive pools and bonuses, current year     | 856,510     |                                    |            |                          |                  |                  |                                             | 856,510                   |                         |                  |                         |                      |                    |                        |
| 6. Net health care receivables (a)                               | (118,700)   |                                    |            |                          |                  |                  |                                             | (118,700)                 |                         |                  |                         |                      |                    |                        |
| 7. Amounts recoverable from reinsurers December 31, current year |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 8. Claim liability December 31, prior year from Part 2A:         |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 8.1 Direct                                                       | 2,919,790   |                                    |            |                          |                  |                  |                                             | 2,919,790                 |                         |                  |                         |                      |                    |                        |
| 8.2 Reinsurance assumed                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 8.3 Reinsurance ceded                                            |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 8.4 Net                                                          | 2,919,790   |                                    |            |                          |                  |                  |                                             | 2,919,790                 |                         |                  |                         |                      |                    |                        |
| 9. Claim reserve December 31, prior year from Part 2D:           |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 9.1 Direct                                                       |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 9.2 Reinsurance assumed                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 9.3 Reinsurance ceded                                            |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 9.4 Net                                                          |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 10. Accrued medical incentive pools and bonuses, prior year      | (1,320,278) |                                    |            |                          |                  |                  |                                             | (1,320,278)               |                         |                  |                         |                      |                    |                        |
| 11. Amounts recoverable from reinsurers December 31, prior year  |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 12. Incurred benefits:                                           |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 12.1 Direct                                                      | 12,179,009  |                                    |            |                          |                  |                  |                                             | 12,179,009                |                         |                  |                         |                      |                    |                        |
| 12.2 Reinsurance assumed                                         |             |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 12.3 Reinsurance ceded                                           | 31,814      |                                    |            |                          |                  |                  |                                             | 31,814                    |                         |                  |                         |                      |                    |                        |
| 12.4 Net                                                         | 12,147,195  |                                    |            |                          |                  |                  |                                             | 12,147,195                |                         |                  |                         |                      |                    |                        |
| 13. Incurred medical incentive pools and bonuses                 | 2,026,715   |                                    |            |                          |                  |                  |                                             | 2,026,715                 |                         |                  |                         |                      |                    |                        |

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

## UNDERWRITING AND INVESTMENT EXHIBIT

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

|                                                       | 1<br>Total | Comprehensive (Hospital & Medical) |            | 4<br>Medicare Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal Employees Health Benefits Plan | 8<br>Title XVIII Medicare | 9<br>Title XIX Medicaid | 10<br>Credit A&H | 11<br>Disability Income | 12<br>Long-Term Care | 13<br>Other Health | 14<br>Other Non-Health |
|-------------------------------------------------------|------------|------------------------------------|------------|--------------------------|------------------|------------------|---------------------------------------------|---------------------------|-------------------------|------------------|-------------------------|----------------------|--------------------|------------------------|
|                                                       |            | 2<br>Individual                    | 3<br>Group |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1. Reported in Process of Adjustment:                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1.1 Direct                                            | 78,216     |                                    |            |                          |                  |                  |                                             |                           |                         | 78,216           |                         |                      |                    |                        |
| 1.2 Reinsurance assumed                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1.3 Reinsurance ceded                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 1.4 Net                                               | 78,216     |                                    |            |                          |                  |                  |                                             |                           |                         | 78,216           |                         |                      |                    |                        |
| 2. Incurred but Unreported:                           |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 2,980,912               |                      |                    |                        |
| 2.1 Direct                                            | 2,980,912  |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 2,980,912               |                      |                    |                        |
| 2.2 Reinsurance assumed                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 2.3 Reinsurance ceded                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 2.4 Net                                               | 2,980,912  |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 2,980,912               |                      |                    |                        |
| 3. Amounts Withheld from Paid Claims and Capitations: |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.1 Direct                                            |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.2 Reinsurance assumed                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.3 Reinsurance ceded                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 3.4 Net                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4. TOTALS:                                            |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 3,059,128               |                      |                    |                        |
| 4.1 Direct                                            | 3,059,128  |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 3,059,128               |                      |                    |                        |
| 4.2 Reinsurance assumed                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.3 Reinsurance ceded                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |                    |                        |
| 4.4 Net                                               | 3,059,128  |                                    |            |                          |                  |                  |                                             |                           |                         |                  | 3,059,128               |                      |                    |                        |

**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<br>Claims Incurred in Prior Years (Columns 1 + 3) | 6<br>Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|----------------------------------------------------|------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------|
|                                                    | 1<br>On Claims Incurred Prior to January 1 of Current Year | 2<br>On Claims Incurred During the Year | 3<br>On Claims Unpaid December 31 of Prior Year               | 4<br>On Claims Incurred During the Year |                                                     |                                                                            |
| 1. Comprehensive (hospital and medical) individual |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 2. Comprehensive (hospital and medical) group      |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 3. Medicare Supplement                             |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 4. Vision Only                                     |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 5. Dental Only                                     |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 6. Federal Employees Health Benefits Plan          |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 7. Title XVIII – Medicare                          | 1,075,202                                                  | 10,813,955                              | 25,675                                                        | 3,033,453                               | 1,100,877                                           | 2,919,790                                                                  |
| 8. Title XIX – Medicaid                            |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 9. Credit A&H                                      |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 10. Disability Income                              |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 11. Long-Term Care                                 |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 12. Other health                                   |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 13. Health subtotal (Lines 1 to 12)                | 1,075,202                                                  | 10,813,955                              | 25,675                                                        | 3,033,453                               | 1,100,877                                           | 2,919,790                                                                  |
| 14. Health care receivables (a)                    | 117,268                                                    | 351,867                                 |                                                               |                                         | 117,268                                             | 587,835                                                                    |
| 15. Other non-health                               |                                                            |                                         |                                                               |                                         |                                                     |                                                                            |
| 16. Medical incentive pools and bonus amounts      | (163,897)                                                  | 13,824                                  |                                                               | 856,510                                 | (163,897)                                           | (1,320,278)                                                                |
| 17. Totals (Lines 13 - 14 + 15 + 16)               | 794,037                                                    | 10,475,912                              | 25,675                                                        | 3,889,963                               | 819,712                                             | 1,011,677                                                                  |

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

**GRAND TOTAL****Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           | 5,897     | 8,422     | 8,422     |
| 4. 2022                            | XXX                         | XXX       |           | 7,893     | 10,469    |
| 5. 2023                            | XXX                         | XXX       | XXX       |           | 11,838    |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | 10,476    |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           | 8,717     | 8,737     | 8,422     |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           | 10,643    | 10,627    |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           | 13,281    |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | 14,366    |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      | 11,248          | 8,422           | 953                               | 11.316             | 9,375                                                  | 83.348             | –             |                                   | 9,375                                                            | 83.348             |
| 3. 2022                                                      | 12,165          | 10,469          | 888                               | 8.482              | 11,357                                                 | 93.358             | –             |                                   | 11,357                                                           | 93.358             |
| 4. 2023                                                      | 16,027          | 13,220          | 1,029                             | 7.784              | 14,249                                                 | 88.906             | 26            |                                   | 14,275                                                           | 89.068             |
| 5. 2024                                                      | 16,889          | 10,476          | 815                               | 7.780              | 11,291                                                 | 66.854             | 3,890         | 115                               | 15,296                                                           | 90.568             |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

## HOSPITAL &amp; MEDICAL

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

## MEDICARE SUPPLEMENT

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

DENTAL ONLY

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

VISION ONLY

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

## FEDERAL EMPLOYEES HEALTH BENEFITS PLAN

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

## TITLE XVIII MEDICARE

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           | 5,897     | 8,422     | 8,422     |
| 4. 2022                            | XXX                         | XXX       |           | 7,893     | 10,469    |
| 5. 2023                            | XXX                         | XXX       | XXX       |           | 11,838    |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | 10,476    |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           | 8,717     | 8,737     | 8,422     |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           | 10,643    | 10,627    |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           | 13,281    |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | 14,366    |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      | 11,248          | 8,422           | 953                               | 11.316             | 9,375                                                  | 83.348             | –             |                                   | 9,375                                                            | 83.348             |
| 3. 2022                                                      | 12,165          | 10,469          | 888                               | 8.482              | 11,357                                                 | 93.358             | –             |                                   | 11,357                                                           | 93.358             |
| 4. 2023                                                      | 16,027          | 13,220          | 1,029                             | 7.784              | 14,249                                                 | 88.906             | 26            |                                   | 14,275                                                           | 89.068             |
| 5. 2024                                                      | 16,889          | 10,476          | 815                               | 7.780              | 11,291                                                 | 66.854             | 3,890         | 115                               | 15,296                                                           | 90.568             |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

## TITLE XIX MEDICAID

**Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

**OTHER HEALTH****Section A – Paid Health Claims**

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                   | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                             |           |           |           |           |
| 2. 2020                            |                             |           |           |           |           |
| 3. 2021                            | XXX                         |           |           |           |           |
| 4. 2022                            | XXX                         | XXX       |           |           |           |
| 5. 2023                            | XXX                         | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                         | XXX       | XXX       | XXX       | XXX       |

**Section B – Incurred Health Claims**

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year |           |           |           |           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                    | 1<br>2020                                                                                                                              | 2<br>2021 | 3<br>2022 | 4<br>2023 | 5<br>2024 |
| 1. Prior                           |                                                                                                                                        |           |           |           |           |
| 2. 2020                            |                                                                                                                                        |           |           |           |           |
| 3. 2021                            | XXX                                                                                                                                    |           |           |           |           |
| 4. 2022                            | XXX                                                                                                                                    | XXX       |           |           |           |
| 5. 2023                            | XXX                                                                                                                                    | XXX       | XXX       |           |           |
| 6. 2024                            | XXX                                                                                                                                    | XXX       | XXX       | XXX       | XXX       |

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

| Years in which Premiums were Earned and Claims were Incurred | 1               | 2               | 3                                 | 4                  | 5                                                      | 6                  | 7             | 8                                 | 9                                                                | 10                 |
|--------------------------------------------------------------|-----------------|-----------------|-----------------------------------|--------------------|--------------------------------------------------------|--------------------|---------------|-----------------------------------|------------------------------------------------------------------|--------------------|
|                                                              | Premiums Earned | Claims Payments | Claim Adjustment Expense Payments | (Col. 3/2) Percent | Claim and Claim Adjustment Expense Payments (Col. 2+3) | (Col. 5/1) Percent | Claims Unpaid | Unpaid Claims Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | (Col. 9/1) Percent |
| 1. 2020                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 2. 2021                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 3. 2022                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 4. 2023                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |
| 5. 2024                                                      |                 |                 |                                   |                    |                                                        |                    |               |                                   |                                                                  |                    |

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 2D – AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

|                                                                                                         | 1<br>Total | Comprehensive (Hospital & Medical) |            | 4<br>Medicare Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal Employees Health Benefits Plan | 8<br>Title XVIII Medicare | 9<br>Title XIX Medicaid | 10<br>Credit A&H | 11<br>Disability Income | 12<br>Long-Term Care | 13<br>Other |
|---------------------------------------------------------------------------------------------------------|------------|------------------------------------|------------|--------------------------|------------------|------------------|---------------------------------------------|---------------------------|-------------------------|------------------|-------------------------|----------------------|-------------|
|                                                                                                         |            | 2<br>Individual                    | 3<br>Group |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1. Unearned premium reserves.....                                                                       |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 2. Additional policy reserves (a).....                                                                  |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 3. Reserve for future contingent benefits.....                                                          |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 4. Reserve for rate credits or experience rating refunds (including \$..... for investment income)..... |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 5. Aggregate write-ins for other policy reserves.....                                                   |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 6. Totals (gross).....                                                                                  |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 7. Reinsurance ceded.....                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 8. Totals (Net) (Page 3, Line 4).....                                                                   |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 9. Present value of amounts not yet due on claims.....                                                  |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 10. Reserve for future contingent benefits.....                                                         |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 11. Aggregate write-ins for other claim reserves.....                                                   |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 12. Totals (gross).....                                                                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 13. Reinsurance ceded.....                                                                              |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 14. Totals (Net) (Page 3, Line 7).....                                                                  |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| <b>Details of Write-Ins</b>                                                                             |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 0501.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 0502.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 0503.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 0598. Summary of remaining write-ins for Line 5 from overflow page.....                                 |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....                                    |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1101.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1102.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1103.....                                                                                               |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1198. Summary of remaining write-ins for Line 11 from overflow page.....                                |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....                                   |            |                                    |            |                          |                  |                  |                                             |                           |                         |                  |                         |                      |             |

(a) Includes \$ premium deficiency reserve.

**NONE**

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 3 – ANALYSIS OF EXPENSES

|                                                                           | Claim Adjustment Expenses |                                 | 3                               | 4                   | 5             |
|---------------------------------------------------------------------------|---------------------------|---------------------------------|---------------------------------|---------------------|---------------|
|                                                                           | 1                         | 2                               |                                 |                     |               |
|                                                                           | Cost Containment Expenses | Other Claim Adjustment Expenses | General Administrative Expenses | Investment Expenses | Total         |
| 1. Rent (\$..... for occupancy of own building).....                      |                           |                                 |                                 |                     |               |
| 2. Salaries, wages and other benefits.....                                |                           |                                 |                                 |                     |               |
| 3. Commissions (less \$..... ceded plus \$..... assumed).....             |                           |                                 |                                 |                     |               |
| 4. Legal fees and expenses.....                                           |                           |                                 | 17,285                          |                     | 17,285        |
| 5. Certifications and accreditation fees.....                             |                           |                                 |                                 |                     |               |
| 6. Auditing, actuarial and other consulting services.....                 |                           |                                 | 160,375                         |                     | 160,375       |
| 7. Traveling expenses.....                                                |                           |                                 | 98                              |                     | 98            |
| 8. Marketing and advertising.....                                         |                           |                                 | 247,009                         |                     | 247,009       |
| 9. Postage, express and telephone.....                                    |                           |                                 |                                 |                     |               |
| 10. Printing and office supplies.....                                     |                           |                                 | 3,759                           |                     | 3,759         |
| 11. Occupancy, depreciation and amortization.....                         |                           |                                 |                                 |                     |               |
| 12. Equipment.....                                                        |                           |                                 |                                 |                     |               |
| 13. Cost or depreciation of EDP equipment and software.....               |                           |                                 |                                 |                     |               |
| 14. Outsourced services including EDP, claims, and other services.....    |                           | 96,308                          | 576,101                         |                     | 672,409       |
| 15. Boards, bureaus and association fees.....                             |                           |                                 |                                 |                     |               |
| 16. Insurance, except on real estate.....                                 |                           |                                 | 45,365                          |                     | 45,365        |
| 17. Collection and bank service charges.....                              |                           |                                 |                                 | 6,458               | 6,458         |
| 18. Group service and administration fees.....                            | 286,396                   | 584,167                         | 796,775                         |                     | 1,667,338     |
| 19. Reimbursements by uninsured plans.....                                |                           |                                 |                                 |                     |               |
| 20. Reimbursements from fiscal intermediaries.....                        |                           |                                 |                                 |                     |               |
| 21. Real estate expenses.....                                             |                           |                                 |                                 |                     |               |
| 22. Real estate taxes.....                                                |                           |                                 |                                 |                     |               |
| 23. Taxes, licenses and fees:                                             |                           |                                 |                                 |                     |               |
| 23.1 State and local insurance taxes.....                                 |                           |                                 |                                 |                     |               |
| 23.2 State premium taxes.....                                             |                           |                                 |                                 |                     |               |
| 23.3 Regulatory authority licenses and fees.....                          |                           |                                 | 195,763                         |                     | 195,763       |
| 23.4 Payroll taxes.....                                                   |                           |                                 |                                 |                     |               |
| 23.5 Other (excluding federal income and real estate taxes).....          |                           |                                 |                                 |                     |               |
| 24. Investment expenses not included elsewhere.....                       |                           |                                 |                                 |                     |               |
| 25. Aggregate write-ins for expenses.....                                 |                           |                                 |                                 |                     |               |
| 26. Total expenses incurred (Lines 1 to 25).....                          | 286,396                   | 680,475                         | 2,042,530                       | 6,458               | (a) 3,015,859 |
| 27. Less expenses unpaid December 31, current year.....                   |                           | 115,277                         | 137,669                         |                     | 252,946       |
| 28. Add expenses unpaid December 31, prior year.....                      |                           | 35,677                          | 84,954                          |                     | 120,631       |
| 29. Amounts receivable relating to uninsured plans, prior year.....       |                           |                                 |                                 |                     |               |
| 30. Amounts receivable relating to uninsured plans, current year.....     |                           |                                 |                                 |                     |               |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)..... | 286,396                   | 600,875                         | 1,989,815                       | 6,458               | 2,883,544     |
| <b>Details of Write-Ins</b>                                               |                           |                                 |                                 |                     |               |
| 2501.....                                                                 |                           |                                 |                                 |                     |               |
| 2502.....                                                                 |                           |                                 |                                 |                     |               |
| 2503.....                                                                 |                           |                                 |                                 |                     |               |
| 2598. Summary of remaining write-ins for Line 25 from overflow page.....  |                           |                                 |                                 |                     |               |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....     |                           |                                 |                                 |                     |               |

(a) Includes management fees of \$ 2,231,519 to affiliates and \$ 114,935 to non-affiliates.

## EXHIBIT OF NET INVESTMENT INCOME

|                                                                          | 1                     | 2                  |
|--------------------------------------------------------------------------|-----------------------|--------------------|
|                                                                          | Collected During Year | Earned During Year |
| 1. U.S. Government bonds.....                                            | (a) 10,427            | 10,427             |
| 1.1 Bonds exempt from U.S. tax                                           | (a)                   |                    |
| 1.2 Other bonds (unaffiliated)                                           | (a)                   |                    |
| 1.3 Bonds of affiliates.....                                             | (a)                   |                    |
| 2.1 Preferred stocks (unaffiliated).....                                 | (b)                   |                    |
| 2.11 Preferred stocks of affiliates                                      | (b)                   |                    |
| 2.2 Common stocks (unaffiliated).....                                    |                       |                    |
| 2.21 Common stocks of affiliates                                         |                       |                    |
| 3. Mortgage loans.....                                                   | (c)                   |                    |
| 4. Real estate.....                                                      | (d)                   |                    |
| 5. Contract loans.....                                                   |                       |                    |
| 6. Cash, cash equivalents and short-term investments.....                | (e) 292,694           | 292,694            |
| 7. Derivative instruments.....                                           | (f)                   |                    |
| 8. Other invested assets.....                                            |                       |                    |
| 9. Aggregate write-ins for investment income.....                        |                       |                    |
| 10. Total gross investment income.....                                   | 303,121               | 303,121            |
| 11. Investment expenses.....                                             |                       | (g) 6,458          |
| 12. Investment taxes, licenses and fees, excluding federal income taxes  |                       | (g)                |
| 13. Interest expense.....                                                |                       | (h)                |
| 14. Depreciation on real estate and other invested assets.....           |                       | (i)                |
| 15. Aggregate write-ins for deductions from investment income.....       |                       |                    |
| 16. Total deductions (Lines 11 through 15).....                          |                       | 6,458              |
| 17. Net investment income (Line 10 minus Line 16).....                   |                       | 296,663            |
| <b>Details of Write-Ins</b>                                              |                       |                    |
| 0901.....                                                                |                       |                    |
| 0902.....                                                                |                       |                    |
| 0903.....                                                                |                       |                    |
| 0998. Summary of remaining write-ins for Line 9 from overflow page.....  |                       |                    |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....     |                       |                    |
| 1501.....                                                                |                       |                    |
| 1502.....                                                                |                       |                    |
| 1503.....                                                                |                       |                    |
| 1598. Summary of remaining write-ins for Line 15 from overflow page..... |                       |                    |
| 1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....    |                       |                    |

(a) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.

(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.

(c) Includes \$ accrual of discount less \$ 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 \$ 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 \$ depreciation on real estate and \$ depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

|                                                                         | 1                                               | 2                             | 3                                                        | 4                                              | 5                                                                  |
|-------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|----------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------|
|                                                                         | Realized Gain<br>(Loss) On Sales or<br>Maturity | Other Realized<br>Adjustments | Total Realized<br>Capital Gain (Loss)<br>(Columns 1 + 2) | Change in<br>Unrealized Capital<br>Gain (Loss) | Change in<br>Unrealized Foreign<br>Exchange Capital<br>Gain (Loss) |
| 1. U.S. Government bonds.....                                           |                                                 |                               |                                                          |                                                |                                                                    |
| 1.1 Bonds exempt from U.S. tax                                          |                                                 |                               |                                                          |                                                |                                                                    |
| 1.2 Other bonds (unaffiliated).....                                     |                                                 |                               |                                                          |                                                |                                                                    |
| 1.3 Bonds of affiliates.....                                            |                                                 |                               |                                                          |                                                |                                                                    |
| 2.1 Preferred stocks (unaffiliated).....                                |                                                 |                               |                                                          |                                                |                                                                    |
| 2.11 Preferred stocks of affiliates                                     |                                                 |                               |                                                          |                                                |                                                                    |
| 2.2 Common stocks (unaffiliated).....                                   |                                                 |                               |                                                          |                                                |                                                                    |
| 2.21 Common stocks of affiliates                                        |                                                 |                               |                                                          |                                                |                                                                    |
| 3. Mortgage loans.....                                                  |                                                 |                               |                                                          |                                                |                                                                    |
| 4. Real estate.....                                                     |                                                 |                               |                                                          |                                                |                                                                    |
| 5. Contract loans.....                                                  |                                                 |                               |                                                          |                                                |                                                                    |
| 6. Cash, cash equivalents and short-term investments.....               |                                                 |                               |                                                          |                                                |                                                                    |
| 7. Derivative instruments.....                                          |                                                 |                               |                                                          |                                                |                                                                    |
| 8. Other invested assets.....                                           |                                                 |                               |                                                          |                                                |                                                                    |
| 9. Aggregate write-ins for capital gains (losses).....                  |                                                 |                               |                                                          |                                                |                                                                    |
| 10. Total capital gains (losses).....                                   |                                                 |                               |                                                          |                                                |                                                                    |
| <b>Details of Write-Ins</b>                                             |                                                 |                               |                                                          |                                                |                                                                    |
| 0901.....                                                               |                                                 |                               |                                                          |                                                |                                                                    |
| 0902.....                                                               |                                                 |                               |                                                          |                                                |                                                                    |
| 0903.....                                                               |                                                 |                               |                                                          |                                                |                                                                    |
| 0998. Summary of remaining write-ins for Line 9 from overflow page..... |                                                 |                               |                                                          |                                                |                                                                    |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....    |                                                 |                               |                                                          |                                                |                                                                    |

**NONE**

**EXHIBIT OF NONADMITTED ASSETS**

|                                                                                                                     | 1<br>Current Year<br>Total<br>Nonadmitted<br>Assets | 2<br>Prior Year Total<br>Nonadmitted<br>Assets | 3<br>Change in Total<br>Nonadmitted<br>Assets<br>(Col. 2 – Col. 1) |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------|
| 1. Bonds (Schedule D).....                                                                                          |                                                     |                                                |                                                                    |
| 2. Stocks (Schedule D):                                                                                             |                                                     |                                                |                                                                    |
| 2.1 Preferred stocks.....                                                                                           |                                                     |                                                |                                                                    |
| 2.2 Common stocks.....                                                                                              |                                                     |                                                |                                                                    |
| 3. Mortgage loans on real estate (Schedule B):                                                                      |                                                     |                                                |                                                                    |
| 3.1 First liens.....                                                                                                |                                                     |                                                |                                                                    |
| 3.2 Other than first liens.....                                                                                     |                                                     |                                                |                                                                    |
| 4. Real estate (Schedule A):                                                                                        |                                                     |                                                |                                                                    |
| 4.1 Properties occupied by the company.....                                                                         |                                                     |                                                |                                                                    |
| 4.2 Properties held for the production of income.....                                                               |                                                     |                                                |                                                                    |
| 4.3 Properties held for sale.....                                                                                   |                                                     |                                                |                                                                    |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....     |                                                     |                                                |                                                                    |
| 6. Contract loans.....                                                                                              |                                                     |                                                |                                                                    |
| 7. Derivatives (Schedule DB).....                                                                                   |                                                     |                                                |                                                                    |
| 8. Other invested assets (Schedule BA).....                                                                         |                                                     |                                                |                                                                    |
| 9. Receivables for securities.....                                                                                  |                                                     |                                                |                                                                    |
| 10. Securities lending reinvested collateral assets (Schedule DL).....                                              |                                                     |                                                |                                                                    |
| 11. Aggregate write-ins for invested assets.....                                                                    |                                                     |                                                |                                                                    |
| 12. Subtotals, cash and invested assets (Lines 1 to 11).....                                                        |                                                     |                                                |                                                                    |
| 13. Title plants (for Title insurers only).....                                                                     |                                                     |                                                |                                                                    |
| 14. Investment income due and accrued.....                                                                          |                                                     |                                                |                                                                    |
| 15. Premiums and considerations:                                                                                    |                                                     |                                                |                                                                    |
| 15.1 Uncollected premiums and agents' balances in the course of collection.....                                     |                                                     |                                                |                                                                    |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....                  |                                                     |                                                |                                                                    |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination.....                                   |                                                     |                                                |                                                                    |
| 16. Reinsurance:                                                                                                    |                                                     |                                                |                                                                    |
| 16.1 Amounts recoverable from reinsurers.....                                                                       |                                                     |                                                |                                                                    |
| 16.2 Funds held by or deposited with reinsured companies.....                                                       |                                                     |                                                |                                                                    |
| 16.3 Other amounts receivable under reinsurance contracts.....                                                      |                                                     |                                                |                                                                    |
| 17. Amounts receivable relating to uninsured plans.....                                                             |                                                     |                                                |                                                                    |
| 18.1 Current federal and foreign income tax recoverable and interest thereon.....                                   |                                                     |                                                |                                                                    |
| 18.2 Net deferred tax asset.....                                                                                    |                                                     |                                                |                                                                    |
| 19. Guaranty funds receivable or on deposit.....                                                                    |                                                     |                                                |                                                                    |
| 20. Electronic data processing equipment and software.....                                                          |                                                     |                                                |                                                                    |
| 21. Furniture and equipment, including health care delivery assets.....                                             |                                                     |                                                |                                                                    |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates.....                                     |                                                     |                                                |                                                                    |
| 23. Receivables from parent, subsidiaries and affiliates.....                                                       |                                                     |                                                |                                                                    |
| 24. Health care and other amounts receivable.....                                                                   | 160,095                                             | 161,168                                        | 1,073                                                              |
| 25. Aggregate write-ins for other-than-invested assets.....                                                         | 28,085                                              | 34,471                                         | 6,386                                                              |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 188,180                                             | 195,639                                        | 7,459                                                              |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                                    |                                                     |                                                |                                                                    |
| 28. Total (Lines 26 and 27).....                                                                                    | 188,180                                             | 195,639                                        | 7,459                                                              |
| <b>Details of Write-Ins</b>                                                                                         |                                                     |                                                |                                                                    |
| 1101.....                                                                                                           |                                                     |                                                |                                                                    |
| 1102.....                                                                                                           |                                                     |                                                |                                                                    |
| 1103.....                                                                                                           |                                                     |                                                |                                                                    |
| 1198. Summary of remaining write-ins for Line 11 from overflow page.....                                            |                                                     |                                                |                                                                    |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....                                               |                                                     |                                                |                                                                    |
| 2501. Prepaid expenses.....                                                                                         | 17,569                                              | 17,255                                         | (314)                                                              |
| 2502. Other receivables.....                                                                                        | 10,516                                              | 4,794                                          | (5,722)                                                            |
| 2503. Prepaid health benefit claims.....                                                                            |                                                     | 12,422                                         | 12,422                                                             |
| 2598. Summary of remaining write-ins for Line 25 from overflow page.....                                            |                                                     |                                                |                                                                    |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....                                               | 28,085                                              | 34,471                                         | 6,386                                                              |

**EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

| Source of Enrollment                                                    | Total Members at End of |                    |                     |                    |                   | 6<br>Current Year Member<br>Months |
|-------------------------------------------------------------------------|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
|                                                                         | 1<br>Prior Year         | 2<br>First Quarter | 3<br>Second Quarter | 4<br>Third Quarter | 5<br>Current Year |                                    |
| 1. Health Maintenance Organizations.....                                | 540                     | 531                | 576                 | 560                | 557               | 6,882                              |
| 2. Provider Service Organizations.....                                  |                         |                    |                     |                    |                   |                                    |
| 3. Preferred Provider Organizations.....                                |                         |                    |                     |                    |                   |                                    |
| 4. Point of Service.....                                                |                         |                    |                     |                    |                   |                                    |
| 5. Indemnity Only.....                                                  |                         |                    |                     |                    |                   |                                    |
| 6. Aggregate write-ins for other lines of business.....                 |                         |                    |                     |                    |                   |                                    |
| 7. Total.....                                                           | 540                     | 531                | 576                 | 560                | 557               | 6,882                              |
| <b>Details of Write-Ins</b>                                             |                         |                    |                     |                    |                   |                                    |
| 0601.....                                                               |                         |                    |                     |                    |                   |                                    |
| 0602.....                                                               |                         |                    |                     |                    |                   |                                    |
| 0603.....                                                               |                         |                    |                     |                    |                   |                                    |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... |                         |                    |                     |                    |                   |                                    |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....    |                         |                    |                     |                    |                   |                                    |

## Notes to the Financial Statements

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

#### A. Accounting Practices

The financial statements of Perennial Advantage of Ohio, Inc. (the Company), are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the Department).

The Department recognizes Statutory Accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of the operation of the insurance company, and for determining its solvency under the Ohio Law. The Department has adopted the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual as its statutory accounting principle (SAP) basis. Prescribed accounting practices are those practices which are incorporated directly or by reference to state laws, regulations and general administrative rules applicable to all insurance enterprises domiciled in a particular state. Permitted accounting practices include deviation from NAIC SAP and state prescribed accounting practices specifically requested by an insurer and granted by the Insurance Division.

The Company is a Ohio-based Medicare Advantage Organization operating a full-service I-SNP in a limited geographic region in Ohio. The Company's service area includes participating LTC facilities located in those specific geographic regions. The Company's target population are institutionalized Medicare beneficiaries who reside or are expected to reside in a contracted LTC facility for 90 days or longer. This plan is offered in the following Ohio counties: Butler, Clermont, Clinton, Cuyahoga, Delaware, Erie, Franklin, Geauga, Hamilton, Lake, Lucas, Mahoning, Montgomery, Shelby, Summit, Trumbull, Warren, and Wood.

The Department has approved no permitted practices for the Company that differ from NAIC SAP or state prescribed accounting practices. A reconciliation of the Company's net income and capital surplus between NAIC SAP and practices prescribed and permitted by the department are shown below:

|                                                                                 | SSAP # | F/S Page | F/S Line # | 2024         | 2023         |
|---------------------------------------------------------------------------------|--------|----------|------------|--------------|--------------|
| <b>Net Income</b>                                                               |        |          |            |              |              |
| (1) State basis (Page 4, Line 32, Columns 2 & 3).....                           | XXX    | XXX      | XXX        | \$ 2,491     | \$ 166,859   |
| (2) State prescribed practices that are an increase / (decrease) from NAIC SAP: |        |          |            |              |              |
| (3) State permitted practices that are an increase / (decrease) from NAIC SAP:  |        |          |            |              |              |
| (4) NAIC SAP (1-2-3=4).....                                                     | XXX    | XXX      | XXX        | \$ 2,491     | \$ 166,859   |
| <b>Surplus</b>                                                                  |        |          |            |              |              |
| (5) State basis (Page 3, Line 33, Columns 3 & 4).....                           | XXX    | XXX      | XXX        | \$ 2,811,063 | \$ 2,801,113 |
| (6) State prescribed practices that are an increase / (decrease) from NAIC SAP: |        |          |            |              |              |
| (7) State permitted practices that are an increase / (decrease) from NAIC SAP:  |        |          |            |              |              |
| (8) NAIC SAP (5-6-7=8).....                                                     | XXX    | XXX      | XXX        | \$ 2,811,063 | \$ 2,801,113 |

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

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

#### C. Accounting Policy

Perennial Advantage of Ohio, Inc. is a Medicare HMO that provides medical coverage to members who qualify under the Federal Medicare guidelines. Premiums collected are recognized as revenue during the months of coverage. Medical Loss Ratio (MLR) rebates are mandated by the Public Health Service Act. Rebates are accrued if the ratio of medical losses to premiums is below the specified minimum of 85% for Medicare Advantage plans. Premiums are reported net of reinsurance and MLR rebates.

Net investment income earned consists primarily of interest less investment related expenses. Interest is recognized on an accrual basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include write-downs for impairments considered to be other than temporary. Expenses for management and administration of the organization, including acquisition costs such as marketing, are charged to operations as incurred.

- (1) Short-term investments - Not Applicable
- (2) Bonds are stated at amortized cost using the straight-line method.
- (3) Common stocks - Not Applicable
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Investments in subsidiaries, controlled and affiliated entities - Not Applicable
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Based upon guidance in SSAP No. 54, a premium deficiency reserve (PDR) is recorded when the expected claims payments, incurred claims costs, claims adjustment expense, and administrative expense will exceed premium.

## Notes to the Financial Statements

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

(11) Claim reserves are estimated based on five key service categories (i.e., inpatient, SNF, outpatient, emergency room, and therapy). Inpatient estimates are based on a review of open authorizations priced at a reasonable cost per service. SNF, Therapy, Outpatient services and emergency room services IBNR estimates are established based on a run-rate historical cost per member for similar services at comparable plans. Management review is used to ensure the final incurred claims approximate a reasonable final incurred amount for each service. It is important to note that IBNR estimates are subject to favorable or unfavorable changes until sufficient claim experience is developed in the plan to minimize variations in estimation. Loss adjustment expense is typically estimated at 4% of total IBNR reserves and is generally reserved prior to year-end.

(12) Changes in capitalization policy - Not Applicable

(13) Navitus Health Solutions collects rebates pursuant to contracts with pharmaceutical manufacturers and that are directly attributable to the Formulary and Covered product utilization. The Company's share of rebates on covered products is in proportion to its pharmacy utilization. On a quarterly basis, Navitus pays the Company's rebates on a pass-through basis and includes 100% of rebates collected by Navitus. All rebates are paid to the Company within 30 business days following the end of each quarter in which the rebates are received.

#### D. Going Concern

After evaluating the entity's ability to continue as a going concern, management was not aware of any conditions or events which raised substantial doubts concerning the entity's ability to continue as a going concern as of the date of the filing of this statement.

### 2. Accounting Changes and Corrections of Errors - Not Applicable

### 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

- A. Discontinued Operation Disposed of or Classified as Held for Sale - Not Applicable
- B. Change in Plan of Sale of Discontinued Operation - Not Applicable
- C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal - Not Applicable
- D. Equity Interest Retained in the Discontinued Operation After Disposal - Not Applicable

### 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable

## Notes to the Financial Statements

### 5. Investments (Continued)

#### L. Restricted Assets

##### (1) Restricted assets (including pledged)

| Restricted Asset Category                                                          | (1)<br>Total Gross<br>(Admitted &<br>Nonadmitted)<br>Restricted<br>from Current<br>Year | (2)<br>Total Gross<br>(Admitted &<br>Nonadmitted)<br>Restricted<br>From Prior<br>Year | (3)<br>Increase /<br>(Decrease)<br>(1 - 2) | (4)<br>Total Current<br>Year<br>Nonadmitted<br>Restricted | (5)<br>Total Current<br>Year Admitted<br>Restricted<br>(1 - 4) | (6)<br>Gross<br>(Admitted &<br>Nonadmitted)<br>Restricted<br>to Total<br>Assets | (7)<br>Admitted<br>to Total<br>Admitted<br>Assets<br>% |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------|
| a. Subject to contractual obligation for which liability is not shown              | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| b. Collateral held under security lending agreements                               | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| c. Subject to repurchase agreements                                                | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| d. Subject to reverse repurchase agreements                                        | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| e. Subject to dollar repurchase agreements                                         | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| f. Subject to dollar reverse repurchase agreements                                 | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| g. Placed under option contracts                                                   | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| h. Letter stock or securities restricted as to sale - excluding FHLB capital stock | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| i. FHLB capital stock                                                              | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| j. On deposit with states                                                          | 276,578                                                                                 | 266,454                                                                               | 10,124                                     | 276,578                                                   | 3.151                                                          | 3.220                                                                           | %                                                      |
| k. On deposit with other regulatory bodies                                         | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| l. Pledged as collateral to FHLB (including assets backing funding agreements)     | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| m. Pledged as collateral not captured in other categories                          | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| n. Other restricted assets                                                         | \$ .....                                                                                | \$ .....                                                                              | \$ .....                                   | \$ .....                                                  | \$ .....                                                       | \$ .....                                                                        | % .....                                                |
| <b>o. Total restricted assets (Sum of a through n)</b>                             | <b>\$ 276,578</b>                                                                       | <b>\$ 266,454</b>                                                                     | <b>\$ 10,124</b>                           | <b>\$ 276,578</b>                                         | <b>3.151 %</b>                                                 | <b>3.220 %</b>                                                                  | <b>%</b>                                               |

- (2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable
- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable
- (4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

#### M. Working Capital Finance Investments - Not Applicable

#### N. Offsetting and Netting of Assets and Liabilities - Not Applicable

#### O. 5GI Securities - Not Applicable

#### P. Short Sales - Not Applicable

#### Q. Prepayment Penalty and Acceleration Fees - Not Applicable

#### R. Reporting Entity's Share of Cash Pool by Asset Type - Not Applicable

#### S. Aggregate Collateral Loans by Qualifying Investment Collateral - Not Applicable

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

#### A. Investments in Joint Ventures, Partnerships or Limited Liability Companies that Exceed 10% of Admitted Assets - Not Applicable

#### B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

### 7. Investment Income

#### A. Due and Accrued Income Excluded from Surplus

Any investment income due and accrued with amounts that are over 90 days past due are nonadmitted and excluded from surplus.

#### B. Total Amount Excluded

The Company had no investment income due and accrued with any amounts that are over 90 days past due.

#### C. The gross, nonadmitted and admitted amounts for interest income due and accrued - Not Applicable

#### D. The aggregate deferred interest - Not Applicable

#### E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance - Not Applicable

### 8. Derivative Instruments

#### A. Derivatives under SSAP No. 86 - Derivatives - Not Applicable

#### B. Derivatives under SSAP No. 108 - Derivative Hedging Variable Annuity Guarantees (Life/Fratal Only) - Not Applicable

## Notes to the Financial Statements

### 9. Income Taxes

#### A. Components of the Net Deferred Tax Asset/(Liability)

##### (1) Change between years by tax character

|                                                                                    | 2024       |          |                    | 2023       |          |                    | Change                |                      |                    |
|------------------------------------------------------------------------------------|------------|----------|--------------------|------------|----------|--------------------|-----------------------|----------------------|--------------------|
|                                                                                    | (1)        | (2)      | (3)                | (4)        | (5)      | (6)                | (7)                   | (8)                  | (9)                |
|                                                                                    | Ordinary   | Capital  | Total<br>(Col 1+2) | Ordinary   | Capital  | Total<br>(Col 4+5) | Ordinary<br>(Col 1-4) | Capital<br>(Col 2-5) | Total<br>(Col 7+8) |
| (a) Gross deferred tax assets.....                                                 | \$ 437,889 | \$ ..... | \$ 437,889         | \$ 440,021 | \$ ..... | \$ 440,021         | \$ (2,132)            | \$ .....             | \$ (2,132)         |
| (b) Statutory valuation allowance<br>adjustments.....                              | 437,889    | .....    | 437,889            | 440,021    | .....    | 440,021            | .....                 | (2,132)              | .....              |
| (c) Adjusted gross deferred tax assets<br>(1a - 1b).....                           | .....      | .....    | .....              | .....      | .....    | .....              | .....                 | .....                | .....              |
| (d) Deferred tax assets nonadmitted.....                                           | .....      | .....    | .....              | .....      | .....    | .....              | .....                 | .....                | .....              |
| (e) Subtotal net admitted deferred tax<br>asset (1c - 1d).....                     | \$ .....   | \$ ..... | \$ .....           | \$ .....   | \$ ..... | \$ .....           | \$ .....              | \$ .....             | \$ .....           |
| (f) Deferred tax liabilities.....                                                  | .....      | .....    | .....              | .....      | .....    | .....              | .....                 | .....                | .....              |
| (g) Net admitted deferred tax asset/(net<br>deferred tax liability) (1e - 1f)..... | \$ .....   | \$ ..... | \$ .....           | \$ .....   | \$ ..... | \$ .....           | \$ .....              | \$ .....             | \$ .....           |

##### (2) Admission calculation components SSAP No. 101 - Not Applicable

##### (3) Ratio used as basis of admissibility - Not Applicable

##### (4) 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 - Not Applicable
- (b) Use of reinsurance-related tax-planning strategies - Not Applicable

#### B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

#### C. Major Components of Current Income Taxes Incurred

|                                                                          | (1)       | (2)       | (3)          |
|--------------------------------------------------------------------------|-----------|-----------|--------------|
|                                                                          | 2024      | 2023      | Change (1-2) |
| Current income taxes incurred consist of the following major components: |           |           |              |
| 1. Current Income Tax                                                    |           |           |              |
| (a) Federal.....                                                         | \$ 20,655 | \$ .....  | \$ 20,655    |
| (b) Foreign.....                                                         | .....     | .....     | .....        |
| (c) Subtotal (1a+1b).....                                                | .....     | \$ 20,655 | \$ .....     |
| (d) Federal income tax on net capital gains.....                         | .....     | .....     | .....        |
| (e) Utilization of capital loss carry-forwards.....                      | .....     | .....     | .....        |
| (f) Other.....                                                           | .....     | .....     | .....        |
| (g) Federal and foreign income taxes incurred (1c+1d+1e+1f).....         | \$ 20,655 | \$ .....  | \$ 20,655    |

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

|                                                                 | (1)<br>2024 | (2)<br>2023 | (3)<br>Change (1-2) |
|-----------------------------------------------------------------|-------------|-------------|---------------------|
| 2. Deferred Tax Assets                                          |             |             |                     |
| (a) Ordinary                                                    |             |             |                     |
| (1) Discounting of unpaid losses.....                           | \$ 9,529    | \$ 9,072    | \$ 457              |
| (2) Unearned premium reserve.....                               | 50,375      | 6,684       | 43,691              |
| (3) Policyholder reserves.....                                  |             |             |                     |
| (4) Investments.....                                            |             |             |                     |
| (5) Deferred acquisition costs.....                             |             |             |                     |
| (6) Policyholder dividends accrual.....                         |             |             |                     |
| (7) Fixed assets.....                                           |             |             |                     |
| (8) Compensation and benefits accrual.....                      |             |             |                     |
| (9) Pension accrual.....                                        |             |             |                     |
| (10) Receivables - nonadmitted.....                             | 39,518      | 41,084      | (1,566)             |
| (11) Net operating loss carry-forward.....                      | 74,617      | 95,345      | (20,728)            |
| (12) Tax credit carry-forward.....                              |             |             |                     |
| (13) Other.....                                                 | 263,850     | 287,836     | (23,986)            |
| (99) Subtotal (Sum of 2a1 through 2a13).....                    | \$ 437,889  | \$ 440,021  | \$ (2,132)          |
| (b) Statutory valuation allowance adjustment.....               | 437,889     | 440,021     | (2,132)             |
| (c) Nonadmitted.....                                            |             |             |                     |
| (d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)..... | \$ -        | \$ -        | \$ -                |
| (e) Capital                                                     |             |             |                     |
| (1) Investments.....                                            | \$          | \$          | \$                  |
| (2) Net capital loss carry-forward.....                         |             |             |                     |
| (3) Real estate.....                                            |             |             |                     |
| (4) Other.....                                                  |             |             |                     |
| (99) Subtotal (2e1+2e2+2e3+2e4).....                            | \$          | \$          | \$                  |
| (f) Statutory valuation allowance adjustment.....               |             |             |                     |
| (g) Nonadmitted.....                                            |             |             |                     |
| (h) Admitted capital deferred tax assets (2e99 - 2f - 2g).....  |             |             |                     |
| (i) Admitted deferred tax assets (2d + 2h).....                 | \$ -        | \$ -        | \$ -                |
|                                                                 | (1)<br>2024 | (2)<br>2023 | (3)<br>Change (1-2) |
| 3. Deferred Tax Liabilities                                     |             |             |                     |
| (a) Ordinary                                                    |             |             |                     |
| (1) Investments.....                                            | \$          | \$          | \$                  |
| (2) Fixed assets.....                                           |             |             |                     |
| (3) Deferred and uncollected premium.....                       |             |             |                     |
| (4) Policyholder reserves.....                                  |             |             |                     |
| (5) Other.....                                                  |             |             |                     |
| (99) Subtotal (3a1+3a2+3a3+3a4+3a5).....                        | \$          | \$          | \$                  |
| (b) Capital                                                     |             |             |                     |
| (1) Investments.....                                            | \$          | \$          | \$                  |
| (2) Real estate.....                                            |             |             |                     |
| (3) Other.....                                                  |             |             |                     |
| (99) Subtotal (3b1+3b2+3b3).....                                | \$          | \$          | \$                  |
| (c) Deferred tax liabilities (3a99 + 3b99).....                 | \$          | \$          | \$                  |
| 4. Net deferred tax assets/liabilities (2i - 3c).....           | \$ -        | \$ -        | \$ -                |

The change in deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

|                                                                                | Current Period | Prior Year | Change (Col. 1 - Col. 2) |
|--------------------------------------------------------------------------------|----------------|------------|--------------------------|
| Adjusted gross deferred tax assets.....                                        | \$             | \$         | \$                       |
| Total deferred tax liabilities.....                                            |                |            |                          |
| Net deferred tax assets (liabilities).....                                     |                |            |                          |
| Statutory valuation allowance adjustment.....                                  |                |            |                          |
| Net deferred tax assets (liabilities) after statutory valuation allowance..... |                |            |                          |
| Tax effect of unrealized gains (losses).....                                   |                |            |                          |
| Change in net deferred income tax.....                                         | \$             |            |                          |

### D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

|                                      | 2024        | Effective Tax Rate |
|--------------------------------------|-------------|--------------------|
| Statutory Income at Tax Rate .....   | \$ 523      | 21.000 %           |
| Change in valuation allowance .....  | (2,131)     | -85.548 ...        |
| Change in non-admitted assets .....  | 1,566       | 62.866 ...         |
| Return to provision adjustment ..... | 42          | 1.682 ...          |
| Total.....                           | <u>\$ —</u> | <u>— %</u>         |
|                                      | 2024        | Effective Tax Rate |
| Total statutory income taxes.....    | <u>\$ —</u> | <u>— %</u>         |

### E. Operating Loss and Tax Credit Carryforwards

(1) The Company had operating loss carryforwards of approximately \$355,000 and \$454,000 as of December 31, 2024 and December 31, 2023, respectively.

F. Consolidated Federal Income Tax Return - Not Applicable  
 G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable  
 H. Repatriation Transition Tax (RTT) - Not Applicable  
 I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

A. In 2019, Perennial Consortium, LLC, its partners and additional minority partners formed a joint venture organization to develop an Institutional Special Needs Plan (I-SNP) in the state of Ohio. Perennial Advantage of Ohio, LLC is the parent organization and plan sponsor of the Company. In addition, the same principal owners of Perennial Advantage of Ohio, LLC are also the owners of the I-SNP participating Long-Term Care (LTC) facilities.

The Company has executed provider agreements with thirty-two (32) long-term care (LTC) nursing facilities participating with the HMO I-SNP Plan. The participating LTC nursing facilities are owned by the same principal owners of Perennial Advantage of Ohio, LLC. Each LTC nursing facility will be reimbursed for the provision of appropriate healthcare services and also will be compensated for meeting quality metrics that impact the quality of care provided to enrolled Medicare beneficiaries.

The Company's I-SNP commenced operations on January 1, 2021.

B. The Company has entered into a management services agreement with AllyAlign and Perennial Consortium, LLC to provide management and administrative services. The amount charged to the Company was \$1,905,127 and \$1,836,969 by AllyAlign for periods ended December 31, 2024 and December 31, 2023, respectively. The amount charged to the Company was \$326,392 and \$289,312 by Perennial Consortium, LLC for periods ended December 31, 2024 and December 31, 2023, respectively.  
 C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable  
 D. The Company had amounts due from the following:

| Affiliate | 12/31/2024 | 12/31/2023 |
|-----------|------------|------------|
| AllyAlign | -          | 17,098     |
| Total     | -          | 17,098     |

The Company had amounts due to the following:

| Affiliate                    | 12/31/2024 | 12/31/2023 |
|------------------------------|------------|------------|
| AllyAlign                    | 162,345    | 16,205     |
| Perennial Advantage Colorado | -          | 32,503     |
| Perennial Consortium         | 95,407     | -          |
| Total                        | 257,752    | 48,708     |

E. See Note 10(B) above.  
 F. Guarantees or Contingencies - Not Applicable  
 G. Nature of Relationships that Could Affect Operations - Not Applicable  
 H. Amount Deducted for Investment in Upstream Company - Not Applicable  
 I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable  
 J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable  
 K. Foreign Subsidiary Value Using CARVM - Not Applicable  
 L. Downstream Holding Company Value Using Look-Through Method - Not Applicable  
 M. All SCA Investments - Not Applicable  
 N. Investment in Insurance SCAs - Not Applicable  
 O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

### 11. Debt

A. Debt, Including Capital Notes - Not Applicable  
 B. FHLB (Federal Home Loan Bank) Agreements - Not Applicable

## Notes to the Financial Statements

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

- A. Defined Benefit Plan - Not Applicable
- B. Investment Policies and Strategies of Plan Assets - Not Applicable
- C. Fair Value of Each Class of Plan Assets - Not Applicable
- D. Expected Long-Term Rate of Return for the Plan Assets - Not Applicable
- E. Defined Contribution Plans - Not Applicable
- F. Multiemployer Plans - Not Applicable
- G. Consolidated/Holding Company Plans - Not Applicable
- H. Postemployment Benefits and Compensated Absences - Not Applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not Applicable

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

- A. The Company has 1,000 shares of common stock with a par value of \$0.01 authorized with 1,000 shares issued and outstanding.
- B. Dividend Rate of Preferred Stock - Not Applicable
- C. Dividend Restrictions - Not Applicable
- D. Ordinary Dividends - Not Applicable
- E. Company Profits Paid as Ordinary Dividends - Not Applicable
- F. Restrictions on Unassigned Funds

There were no restrictions placed on the Company's surplus, other than imposed by statute, including for whom the surplus is being held.

- G. Surplus Advances - Not Applicable
- H. Stock Held for Special Purposes - Not Applicable
- I. Changes in Special Surplus Funds - Not Applicable
- J. Unassigned Funds (Surplus) - Not Applicable
- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments - Not Applicable
- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable
- E. Joint and Several Liabilities - Not Applicable
- F. All Other Contingencies - Not Applicable

### 15. Leases

- A. Lessee Operating Lease - Not Applicable
- B. Lessor Leases - Not Applicable

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

- 1. Face Amount of the Company's Financial Instruments with Off-Balance-Sheet Risk - Not Applicable
- 2. Nature of Terms - Not Applicable
- 3. Exposure to Credit Related Losses - Not Applicable
- 4. Collateral Policy - Not Applicable

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

- A. Transfers of Receivables Reported as Sales - Not Applicable
- B. Transfer and Servicing of Financial Assets - Not Applicable
- C. Wash Sales - Not Applicable

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

- A. ASO Plans - Not Applicable
- B. ASC Plans - Not Applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

The Medicare Part D program is a partially insured plan.

## Notes to the Financial Statements

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

| Receivable:                   | 12/31/2024    | 12/31/2023     |
|-------------------------------|---------------|----------------|
| Low Income Cost Sharing       | -             | 112,119        |
| Reinsurance                   | -             | -              |
| Coverage Gap Discount Program | 13,484        | -              |
| Total                         | <u>13,484</u> | <u>112,119</u> |

| Payable:                      | 12/31/2024     | 12/31/2023     |
|-------------------------------|----------------|----------------|
| Low Income Cost Sharing       | 6,409          | -              |
| Reinsurance                   | 144,970        | 182,976        |
| Coverage Gap Discount Program | -              | 21,551         |
| Total                         | <u>151,379</u> | <u>204,527</u> |

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

### 20. Fair Value Measurements

#### A. Fair Value Measurement

Inputs used for assets and liabilities measured and reported at Fair Value.

##### (1) Fair value at reporting date

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels of the fair value hierarchy are defined as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The Company has no Level 3 assets or liabilities. The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Company believes its valuation methods are appropriate and consistent with the guidance in SSAP 100R - Fair value.

| Description for each class of asset or liability | Level 1               | Level 2        | Level 3        | Net Asset Value (NAV) | Total                 |
|--------------------------------------------------|-----------------------|----------------|----------------|-----------------------|-----------------------|
| a. Assets at fair value                          |                       |                |                |                       |                       |
| Cash Equivalents.....                            | \$..... 15,578        | \$.....        | \$.....        | \$.....               | \$..... 15,578        |
| Total assets at fair value/NAV.....              | <u>\$..... 15,578</u> | <u>\$.....</u> | <u>\$.....</u> | <u>\$.....</u>        | <u>\$..... 15,578</u> |
| b. Liabilities at fair value                     |                       |                |                |                       |                       |
| Total liabilities at fair value.....             | <u>\$.....</u>        | <u>\$.....</u> | <u>\$.....</u> | <u>\$.....</u>        | <u>\$.....</u>        |

##### (2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

##### (3) Policy on transfers into and out of Level 3 - Not Applicable

##### (4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

##### (5) Derivatives - Not Applicable

#### B. Other Fair Value Disclosures - Not Applicable

#### C. Fair Values for All Financial Instruments by Level 1, 2 and 3

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | Level 1         | Level 2 | Level 3 | Net Asset Value (NAV) | Not Practicable (Carrying Value) |
|------------------------------|----------------------|-----------------|-----------------|---------|---------|-----------------------|----------------------------------|
| Bond.....                    | \$..... 260,592      | \$..... 261,000 | \$..... 260,592 | \$..... | \$..... | \$.....               | \$.....                          |
| Cash Equivalents.....        | 15,758               | 15,578          | 15,758          | 15,758  | .....   | .....                 | .....                            |

#### D. Not Practicable to Estimate Fair Value - Not Applicable

#### E. Nature and Risk of Investments Reported at NAV - Not Applicable

### 21. Other Items

#### A. Unusual or Infrequent Items - Not Applicable

#### B. Troubled Debt Restructuring - Not Applicable

#### C. Other Disclosures - Not Applicable

#### D. Business Interruption Insurance Recoveries - Not Applicable

#### E. State Transferable and Non-Transferable Tax Credits - Not Applicable

#### F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

#### G. Retained Assets - Not Applicable

#### H. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## Notes to the Financial Statements

### 21. Other Items (Continued)

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 - Not Applicable

### 22. Events Subsequent

#### Type I – Recognized Subsequent Events:

Subsequent events have been considered through March 1, 2025 for the statutory statement issued on March 1, 2025. There were no Type I events.

#### Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through March 1, 2025 for the statutory statement issued on March 1, 2025. There were no Type II events.

### 23. Reinsurance

A. Ceded Reinsurance Report

#### Section 1 – General Interrogatories

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

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?  
Yes ( ) No (X)

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

(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)

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?  
Yes ( ) No (X)

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

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$  
Yes ( ) No (X)

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
Yes ( ) No (X)

B. Uncollectible Reinsurance - Not Applicable

C. Commutation of Reinsurance Reflected in Income and Expenses - Not Applicable

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

E. Reinsurance Credit - Not Applicable

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate

The Company estimates accrued retrospective premium adjustments for its Medicare health insurance business using the CMS models for the Part D Risk Corridor and Risk Adjustment.

B. Method Used to Record

The Company records accrued retrospective premium as an adjustment to earned premiums.

C. Amount and Percent of Net Retrospective Premiums

All direct premiums written are relating to Medicare Advantage plans and therefore subject to retrospective adjustment based in the CMS programs. Premiums for Medicare Advantage plans are adjusted based on the risk score of the enrolled members. The plan accrues revenue for known changes to members risks scores using the model published by CMS.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

The Company is subject to the minimum loss ratio rebate provisions of the Patient Protection and Affordable Care Act (PPACA). PPACA will require payments to customers covered under the Company's comprehensive medical insurance if certain minimum medical loss ratios are met. Since the accrual reflects the amount of the rebate that would be payable based on year-to-date estimated medical loss ratios, the amount of the rebate will fluctuate as actual claim experience develops each calendar quarter.

E. Risk-Sharing Provisions of the Affordable Care Act (ACA) - Not Applicable

## Notes to the Financial Statements

### 25. Change in Incurred Claims and Claim Adjustment Expenses

#### A. Reasons for Changes in the Provision for Incurred Claim and Claim Adjustment Expenses Attributable to Insured Events of Prior Years

Activity in the liabilities for claims unpaid and unpaid claim adjustment expenses for the periods ended December 31, 2024 and December 31, 2023, is summarized as follows (000s omitted):

|                                        | 12/31/2024    | 12/31/2023    |
|----------------------------------------|---------------|---------------|
| Net unpaid claims and CAE at January 1 | 3,022         | 3,141         |
| Incurred related to:                   |               |               |
| Current year                           | 14,462        | 15,618        |
| Prior year                             | (1,348)       | (1,161)       |
|                                        | <u>13,114</u> | <u>14,457</u> |
| Paid related to:                       |               |               |
| Current year                           | 11,416        | 12,859        |
| Prior year                             | 1,546         | 1,717         |
|                                        | <u>12,962</u> | <u>14,576</u> |
| Balance at period end                  | <u>3,174</u>  | <u>3,022</u>  |

#### B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Claims and Claim Adjustment Expenses - None

### 26. Intercompany Pooling Arrangements - Not Applicable

### 27. Structured Settlements - Not Applicable

### 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 |
|------------|----------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| 12/31/2024 | \$ 193,115                                                     | \$ 193,115                                        | \$                                                | \$                                                       | \$                                                       |
| 09/30/2024 | 177,868                                                        | 177,868                                           |                                                   |                                                          |                                                          |
| 06/30/2024 | 177,788                                                        | 177,788                                           | 196,884                                           |                                                          |                                                          |
| 03/31/2024 | 161,312                                                        | 161,312                                           | 175,178                                           | 21,305                                                   |                                                          |
| 12/31/2023 | 223,123                                                        | 223,123                                           | 154,811                                           | 86,938                                                   | (10,949)                                                 |
| 09/30/2023 | 220,491                                                        | 220,491                                           | 149,768                                           | 85,400                                                   | (14,677)                                                 |
| 06/30/2023 | 196,741                                                        | 196,741                                           | 134,474                                           | 69,581                                                   | (7,314)                                                  |
| 03/31/2023 | 178,709                                                        | 178,709                                           | 122,873                                           | 63,668                                                   | (7,832)                                                  |
| 12/31/2022 | 152,804                                                        | 152,804                                           | 111,739                                           | 44,882                                                   | (3,817)                                                  |
| 09/30/2022 | 174,711                                                        | 174,711                                           | 121,066                                           | 64,009                                                   | (10,365)                                                 |
| 06/30/2022 | 155,186                                                        | 155,186                                           | 98,232                                            | 59,476                                                   | (2,521)                                                  |
| 03/31/2022 | 132,878                                                        | 132,878                                           | 93,425                                            | 37,503                                                   | 1,950                                                    |

#### B. Risk-Sharing Receivables - Not Applicable

### 29. Participating Policies - Not Applicable

### 30. Premium Deficiency Reserves

The Company has determined that no premium deficiency reserve is required. Premium deficiency reserve has been evaluated through December 31, 2024.

### 31. Anticipated Salvage and Subrogation - Not Applicable

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

**GENERAL**

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

1.3. State Regulating? ..... Ohio .....

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

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? ..... NO .....

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. ..... 12/31/2024 .....

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

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

3.4. By what department or departments?

3.5. Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... N/A .....

3.6. Have all of the recommendations within the latest financial examination report been complied with? ..... N/A .....

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? ..... NO .....

4.12. renewals? ..... NO .....

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? ..... NO .....

4.22. renewals? ..... NO .....

5.1. Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... NO .....

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              | 2                 | 3                 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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? ..... NO .....

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? ..... NO .....

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           | 2              |
|-------------|----------------|
| Nationality | Type of Entity |
| .....       | .....          |

8.1. Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? ..... NO .....

8.2. If 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? ..... NO .....

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

**GENERAL INTERROGATORIES**

## PART 1 - COMMON INTERROGATORIES

| 1<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>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?.....NO.....

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?.....NO.....

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
LBMC, PC 201 Franklin Road Brentwood, TN 37027

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?.....NO.....

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?.....NO.....

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.....

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?  
Andrew McStanley, FSA, MAAA 650 W Courtney Campbell Causeway #1250, Tampa, FL 33607

12.1. Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?.....NO.....

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?.....NO.....

13.3. Have there been any changes made to any of the trust indentures during the year?.....NO.....

13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?.....

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.....

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?.....NO.....

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

14.3. Have any provisions of the code of ethics been waived for any of the specified officers?.....NO.....

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

15.1. Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?.....NO.....

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.

## GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? ..... YES.....

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.....

### FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... NO.....

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? ..... NO.....

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? ..... NO.....

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? ..... NO.....

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

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? ..... NO.....

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.

| 1                   | 2                                                       |
|---------------------|---------------------------------------------------------|
| Name of Third-Party | Is the Third-Party<br>Agent a Related<br>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.....

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)

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. ..... \$ .....

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? ..... N/A.....

25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... 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? ..... N/A.....

## GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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 .....

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..... \$ .....  
 26.28. On deposit with states..... \$ ..... 276,578 .....

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..... \$ .....  
 26.32. Other..... \$ .....

26.3. For category (26.26) provide the following:

| 1                     | 2           | 3        |
|-----------------------|-------------|----------|
| Nature of Restriction | Description | Amount   |
| .....                 | .....       | \$ ..... |

27.1. Does the reporting entity have any hedging transactions reported on Schedule DB?..... NO .....

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

27.4. If the response to 27.3 is YES, does the reporting entity utilize:

27.41 Special accounting provision of SSAP No. 108.....  
 27.42 Permitted accounting practice.....  
 27.43 Other accounting guidance.....

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:

- 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?..... 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*?..... NO .....

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

| 1                    | 2                   |
|----------------------|---------------------|
| Name of Custodian(s) | Custodian's Address |
| .....                | .....               |

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       | 2           | 3                       |
|---------|-------------|-------------------------|
| Name(s) | Location(s) | 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?..... NO .....

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

**GENERAL INTERROGATORIES**

## PART 1 - COMMON INTERROGATORIES

| 1                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2             | 3              | 4      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|--------|
| Old Custodian                                                                                                                                                                                                                                                                                                                                                                                                                          | New Custodian | Date of Change | 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. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such. [“...that have access to the investment accounts”; “...handle securities”] |               |                |        |

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. This includes both primary and sub-advisors. 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                          | 2           |
|----------------------------|-------------|
| Name of Firm or Individual | Affiliation |
| Rachel Martin - Employee   | I           |

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

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)])? NO .....

30.2. If yes, complete the following schedule:

| 1             | 2                   | 3                            |
|---------------|---------------------|------------------------------|
| CUSIP #       | Name of Mutual Fund | Book/Adjusted Carrying Value |
| 30.2999 TOTAL |                     | \$.....                      |

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

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

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.....            | \$..... 261,000 | \$..... 260,592                                                           |
| 31.2. Preferred Stocks..... |                 |                                                                           |
| 31.3. Totals.....           | \$..... 261,000 | \$..... 260,592                                                           |
|                             |                 | \$..... (408)                                                             |

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

Custodial statement. The bond is a US treasury with readily available market values.

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 .....

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 .....

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 .....

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? NO .....

35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:

- a. The security was either:
  - i. issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or

**GENERAL INTERROGATORIES**

## PART 1 - COMMON INTERROGATORIES

- ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons ("waived submission PLR securities").
- b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.
- c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.
- d. Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.

Has the reporting entity self-designated PLGI to securities, all of which meet the above requirement and as specified in the P&P Manual? ..... NO .....

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? ..... NO .....

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? ..... N/A .....

38.1. Does the reporting entity directly hold cryptocurrencies? ..... NO .....

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? ..... NO .....

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 .....

39.22 Immediately converted to U.S. dollars .....

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

**OTHER**

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

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    | 2           |
|------|-------------|
| Name | Amount Paid |
|      |             |

41.1. Amount of payments for legal expenses, if any? ..... \$ ..... 17,285 .....

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                                                | 2                     |
|--------------------------------------------------|-----------------------|
| Name                                             | Amount Paid           |
| Hogan Lovells US LLP .....                       | \$ ..... 4,309 .....  |
| Benesch, Friedlander, Coplan & Aronoff LLP ..... | \$ ..... 12,976 ..... |

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

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    | 2           |
|------|-------------|
| Name | Amount Paid |
|      |             |

**GENERAL INTERROGATORIES**  
PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... NO

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

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. .... \$

1.6 Individual policies:  
Most current three years:  
1.61 Total premium earned ..... \$  
1.62 Total incurred claims ..... \$  
1.63 Number of covered lives ..... \$  
All years prior to most current three years:  
1.64 Total premium earned ..... \$  
1.65 Total incurred claims ..... \$  
1.66 Number of covered lives ..... \$

1.7 Group policies:  
Most current three years:  
1.71 Total premium earned ..... \$  
1.72 Total incurred claims ..... \$  
1.73 Number of covered lives ..... \$  
All years prior to most current three years:  
1.74 Total premium earned ..... \$  
1.75 Total incurred claims ..... \$  
1.76 Number of covered lives ..... \$

## 2. Health Test:

|                                  | 1<br>Current Year | 2<br>Prior Year |
|----------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator.....       | \$ 16,889,139     | \$ 16,026,958   |
| 2.2 Premium Denominator.....     | \$ 16,889,139     | \$ 16,026,958   |
| 2.3 Premium Ratio (2.1/2.2)..... | 100.000 %         | 100.000 %       |
| 2.4 Reserve Numerator.....       | \$ 3,915,638      | \$ 2,955,467    |
| 2.5 Reserve Denominator.....     | \$ 3,915,638      | \$ 2,955,467    |
| 2.6 Reserve Ratio (2.4/2.5)..... | 100.000 %         | 100.000 %       |

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? ..... 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

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

5.1 Does the reporting entity have stop-loss reinsurance? ..... YES

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... \$ 225,000

5.32 Medical Only ..... \$

5.33 Medicare Supplement ..... \$

5.34 Dental and 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:  
Health Plan protects enrolled members and their dependents via written agreements with providers: (a) mandating continuity of treatment in the event of contract termination, including but not limited to bankruptcy or insolvency; (b) prohibiting providers from seeking payment directly from enrolled members and their dependents in the event of nonpayment by Health Plan, insolvency, or breach of the agreement, except for copayments, coinsurance, and deductibles; and, (c) requiring that such contract terms survive the termination, expiration, or dissolution of the contract.

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year ..... 20,943

8.2 Number of providers at end of reporting year ..... 21,969

9.1 Does the reporting entity have business subject to premium rate guarantees? ..... NO

## GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

9.2 If yes, direct premium earned:

|                                                              |         |
|--------------------------------------------------------------|---------|
| 9.21 Business with rate guarantees between 15-36 months..... | \$..... |
| 9.22 Business with rate guarantees over 36 months.....       | \$..... |

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... YES.....

10.2 If yes:

|                                                    |                   |
|----------------------------------------------------|-------------------|
| 10.21 Maximum amount payable bonuses.....          | \$..... 856,510   |
| 10.22 Amount actually paid for year bonuses.....   | \$..... (150,073) |
| 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,.....                  | NO..... |
| 11.13 An Individual Practice Association (IPA), or,..... | NO..... |
| 11.14 A Mixed Model (combination of above)?.....         | NO..... |

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?..... YES.....

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

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?..... NO.....

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                                                                                                                                                |
| Butler, Clermont, Clinton, Cuyahoga, Delaware, Erie, Franklin, Geauga, Hamilton, Lake, Lucas, Mahoning, Montgomery, Shelby, Summit, Trumbull, Warren, and Wood..... |

13.1 Do you act as a custodian for health savings accounts?..... NO.....

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?..... NO.....

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

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?..... N/A.....

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

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

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

|                                   |         |
|-----------------------------------|---------|
| 15.1 Direct Premium Written.....  | \$..... |
| 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 guarantee)                                       |
| Universal Life (with or without secondary guarantee)                                      |
| Variable Universal Life (with or without secondary guarantee)                             |

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?..... 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?..... NO.....

## FIVE-YEAR HISTORICAL DATA

|                                                                                                    | 1<br>2024  | 2<br>2023  | 3<br>2022   | 4<br>2021  | 5<br>2020   |
|----------------------------------------------------------------------------------------------------|------------|------------|-------------|------------|-------------|
| <b>Balance Sheet (Pages 2 and 3)</b>                                                               |            |            |             |            |             |
| 1. Total admitted assets (Page 2, Line 28)                                                         | 8,588,315  | 6,356,564  | 6,058,613   | 5,923,520  | 2,686,869   |
| 2. Total liabilities (Page 3, Line 24)                                                             | 5,777,252  | 3,555,451  | 3,378,920   | 3,075,334  | 77,896      |
| 3. Statutory minimum capital and surplus requirement                                               | 2,000,000  | 2,000,000  | 2,000,000   | 2,000,000  | 2,000,000   |
| 4. Total capital and surplus (Page 3, Line 33)                                                     | 2,811,063  | 2,801,113  | 2,679,694   | 2,848,186  | 2,608,973   |
| <b>Income Statement (Page 4)</b>                                                                   |            |            |             |            |             |
| 5. Total revenues (Line 8)                                                                         | 16,889,139 | 16,026,958 | 12,164,852  | 11,247,626 |             |
| 6. Total medical and hospital expenses (Line 18)                                                   | 14,173,910 | 12,949,977 | 10,662,780  | 8,716,855  |             |
| 7. Claims adjustment expenses (Line 20)                                                            | 966,871    | 1,070,860  | 881,155     | 881,692    |             |
| 8. Total administrative expenses (Line 21)                                                         | 2,042,530  | 1,968,427  | 1,349,881   | 1,274,667  | 1,386,037   |
| 9. Net underwriting gain (loss) (Line 24)                                                          | (294,172)  | 37,694     | (728,964)   | 374,412    | (1,386,037) |
| 10. Net investment gain (loss) (Line 27)                                                           | 296,663    | 129,165    | 650         | 650        | 325         |
| 11. Total other income (Lines 28 plus 29)                                                          |            |            |             |            |             |
| 12. Net income or (loss) (Line 32)                                                                 | 2,491      | 166,859    | (661,439)   | 308,187    | (1,385,712) |
| <b>Cash Flow (Page 6)</b>                                                                          |            |            |             |            |             |
| 13. Net cash from operations (Line 11)                                                             | 3,977,648  | 745,267    | (1,815,228) | 1,289,692  | (1,644,260) |
| <b>Risk-Based Capital Analysis</b>                                                                 |            |            |             |            |             |
| 14. Total adjusted capital                                                                         | 2,811,063  | 2,801,113  | 2,679,694   | 2,848,186  | 2,608,973   |
| 15. Authorized control level risk-based capital                                                    | 844,438    | 802,578    | 673,654     | 552,932    | 5,085       |
| <b>Enrollment (Exhibit 1)</b>                                                                      |            |            |             |            |             |
| 16. Total members at end of period (Column 5, Line 7)                                              | 557        | 540        | 434         | 387        |             |
| 17. Total members months (Column 6, Line 7)                                                        | 6,882      | 6,549      | 5,472       | 4,690      |             |
| <b>Operating Percentage (Page 4)</b>                                                               |            |            |             |            |             |
| (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0                                         |            |            |             |            |             |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)                                  | 100.0 %    | 100.0 %    | 100.0 %     | 100.0 %    | 100.0 %     |
| 19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)                       | 83.9       | 80.8       | 87.7        | 77.5       |             |
| 20. Cost containment expenses                                                                      | 1.7        | 2.7        | 3.0         | 2.8        |             |
| 21. Other claims adjustment expenses                                                               | 4.0        | 4.0        | 4.2         | 5.0        |             |
| 22. Total underwriting deductions (Line 23)                                                        | 101.7      | 99.8       | 106.0       | 96.7       |             |
| 23. Total underwriting gain (loss) (Line 24)                                                       | (1.7)      | 0.2        | (6.0)       | 3.3        |             |
| <b>Unpaid Claims Analysis (U&amp;I Exhibit, Part 2B)</b>                                           |            |            |             |            |             |
| 24. Total claims incurred for prior years (Line 17, Col. 5)                                        | 819,712    | 2,319,155  | 2,548,536   |            |             |
| 25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]                            | 1,011,677  | 2,649,711  | 2,528,989   |            |             |
| <b>Investments in Parent, Subsidiaries and Affiliates</b>                                          |            |            |             |            |             |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)                                             |            |            |             |            |             |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)                                  |            |            |             |            |             |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)                                     |            |            |             |            |             |
| 29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) |            |            |             |            |             |
| 30. Affiliated mortgage loans on real estate                                                       |            |            |             |            |             |
| 31. All other affiliated                                                                           |            |            |             |            |             |
| 32. Total of above Lines 26 to 31                                                                  |            |            |             |            |             |
| 33. Total investment in parent included in Lines 26 to 31 above                                    |            |            |             |            |             |

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

If no, please explain

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Allocated by States and Territories

| States, Etc.                                                                | 1<br>Active Status<br>(a) | Direct Business Only                  |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
|-----------------------------------------------------------------------------|---------------------------|---------------------------------------|------------------------------|----------------------------|---------------------|---------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------|-----------------------------------|---------------------------------|
|                                                                             |                           | 2<br>Accident &<br>Health<br>Premiums | 3<br>Medicare Title<br>XVIII | 4<br>Medicaid Title<br>XIX | 5<br>CHIP Title XXI | 6<br>Federal<br>Employees<br>Health Benefits<br>Plan Premiums | 7<br>Life & Annuity<br>Premiums &<br>Other<br>Considerations | 8<br>Property /<br>Casualty<br>Premiums | 9<br>Total Columns<br>2 Through 8 | 10<br>Deposit-Type<br>Contracts |
| 1. Alabama                                                                  | AL                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 2. Alaska                                                                   | AK                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 3. Arizona                                                                  | AZ                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 4. Arkansas                                                                 | AR                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 5. California                                                               | CA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 6. Colorado                                                                 | CO                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 7. Connecticut                                                              | CT                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 8. Delaware                                                                 | DE                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 9. District of Columbia                                                     | DC                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 10. Florida                                                                 | FL                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 11. Georgia                                                                 | GA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 12. Hawaii                                                                  | HI                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 13. Idaho                                                                   | ID                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 14. Illinois                                                                | IL                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 15. Indiana                                                                 | IN                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 16. Iowa                                                                    | IA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 17. Kansas                                                                  | KS                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 18. Kentucky                                                                | KY                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 19. Louisiana                                                               | LA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 20. Maine                                                                   | ME                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 21. Maryland                                                                | MD                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 22. Massachusetts                                                           | MA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 23. Michigan                                                                | MI                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 24. Minnesota                                                               | MN                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 25. Mississippi                                                             | MS                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 26. Missouri                                                                | MO                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 27. Montana                                                                 | MT                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 28. Nebraska                                                                | NE                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 29. Nevada                                                                  | NV                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 30. New Hampshire                                                           | NH                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 31. New Jersey                                                              | NJ                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 32. New Mexico                                                              | NM                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 33. New York                                                                | NY                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 34. North Carolina                                                          | NC                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 35. North Dakota                                                            | ND                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 36. Ohio                                                                    | OH                        | L                                     |                              | 16,986,232                 |                     |                                                               |                                                              |                                         |                                   | 16,986,232                      |
| 37. Oklahoma                                                                | OK                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 38. Oregon                                                                  | OR                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 39. Pennsylvania                                                            | PA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 40. Rhode Island                                                            | RI                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 41. South Carolina                                                          | SC                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 42. South Dakota                                                            | SD                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 43. Tennessee                                                               | TN                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 44. Texas                                                                   | TX                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 45. Utah                                                                    | UT                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 46. Vermont                                                                 | VT                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 47. Virginia                                                                | VA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 48. Washington                                                              | WA                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 49. West Virginia                                                           | WV                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 50. Wisconsin                                                               | WI                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 51. Wyoming                                                                 | WY                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 52. American Samoa                                                          | AS                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 53. Guam                                                                    | GU                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 54. Puerto Rico                                                             | PR                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 55. U.S. Virgin Islands                                                     | VI                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 56. Northern Mariana Islands                                                | MP                        | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 57. Canada                                                                  | CAN                       | N                                     |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58. Aggregate Other Alien                                                   | OT                        | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 59. Subtotal                                                                |                           | XXX                                   |                              | 16,986,232                 |                     |                                                               |                                                              |                                         |                                   | 16,986,232                      |
| 60. Reporting entity contributions<br>for Employee Benefit Plans            |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 61. Total (Direct Business)                                                 |                           | XXX                                   |                              | 16,986,232                 |                     |                                                               |                                                              |                                         |                                   | 16,986,232                      |
| <b>Details of Write-Ins</b>                                                 |                           |                                       |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58001.                                                                      |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58002.                                                                      |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58003.                                                                      |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58998. Summary of remaining write-<br>ins for Line 58 from overflow<br>page |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |
| 58999. Totals (Lines 58001 through<br>58003 plus 58998) (Line 58<br>above)  |                           | XXX                                   |                              |                            |                     |                                                               |                                                              |                                         |                                   |                                 |

## (a) Active Status Counts

1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG ..... 1 ..... 4. Q – Qualified - Qualified or accredited reinsurer ..... –  
 2. R – Registered – Non-domiciled RRGs ..... 2 ..... 5. N – None of the above - Not allowed to write business in the state ..... 56  
 3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state ..... –

## (b) Explanation of basis of allocation by states, premiums by state, etc

The Company is only licensed in the state of Ohio.

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

### PART 1 - ORGANIZATIONAL CHART

Perennial Advantage of Ohio, Inc.  
(OH) FEIN 84-3881087; NAIC 16783

