



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025
OF THE CONDITION AND AFFAIRS OF THE

Paramount Care, Inc.

NAIC Group Code 0730 0730 NAIC Company Code 95189 Employer's ID Number 34-1549926
(Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 04/22/1987 Commenced Business 01/01/1988

Statutory Home Office 300 Madison Ave, Toledo, OH, US 43604
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 300 Madison Ave
(Street and Number)
Toledo, OH, US 43604, (Area Code) (Telephone Number)
(City or Town, State, Country and Zip Code)

Mail Address 300 Madison Ave, Toledo, OH, US 43604
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 300 Madison Ave
(Street and Number)
Toledo, OH, US 43604, (Area Code) (Telephone Number)
(City or Town, State, Country and Zip Code)

Internet Website Address www.paramounthealthcare.com

Statutory Statement Contact Cathy Lumbrezer Ms., 419-887-2907
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

CEO Anthony Michael Helton Secretary Patricia Bunn Decensi
President Lori Ann Johnston Treasurer James Edward McNutt

OTHER

DIRECTORS OR TRUSTEES

Lori Ann Johnston Anthony Michael Helton Andrea Marie Hogben
James Edward McNutt Patricia Bunn Decensi Thomas Parke Dewey

State of Ohio SS
County of Cuyahoga

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

Anthony Michael Helton
CEO

Patricia Bunn Decensi
Secretary

James Edward McNutt
Treasurer

Subscribed and sworn to before me this _____ day of _____

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	9,577,729		9,577,729	1,524,198
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$8,966,666 , Schedule E - Part 1), cash equivalents (\$54,285,532 , Schedule E - Part 2) and short-term investments (\$, Schedule DA)	63,252,198		63,252,198	42,591,236
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	505,226	505,226	0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	73,335,153	505,226	72,829,927	44,115,434
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	283,017		283,017	162,953
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	123,347	73,907	49,440	283,218
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$5,641,129)	5,641,129		5,641,129	4,360,802
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	6,638,185		6,638,185	3,080,133
18.1 Current federal and foreign income tax recoverable and interest thereon	116,128		116,128	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	3,633,323	2,612,464	1,020,859	709,876
21. Furniture and equipment, including health care delivery assets (\$)	8,409,599	8,409,599	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	570,845
24. Health care (\$6,741,047) and other amounts receivable	6,742,699	1,652	6,741,047	6,965,785
25. Aggregate write-ins for other-than-invested assets	850,044	626,460	223,584	26,062,385
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	105,772,624	12,229,308	93,543,316	86,311,431
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	105,772,624	12,229,308	93,543,316	86,311,431
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaids	624,412	624,412	0	0
2502. State income tax recoverable			0	42,961
2503. Other	13,111	2,048	11,063	19,424
2598. Summary of remaining write-ins for Line 25 from overflow page	212,521	0	212,521	26,000,000
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	850,044	626,460	223,584	26,062,385

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	19,836,908		19,836,908	18,702,526
2. Accrued medical incentive pool and bonus amounts	2,313,474		2,313,474	3,537,821
3. Unpaid claims adjustment expenses.....	379,000		379,000	320,000
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	16,467,893		16,467,893	17,798,804
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....	133,145		133,145	110,128
9. General expenses due or accrued.....	4,116,328		4,116,328	8,277,726
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....			0	0
12. Amounts withheld or retained for the account of others.....			0	0
13. Remittances and items not allocated.....			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	13,205,188		13,205,188	0
16. Derivatives.....			0	0
17. Payable for securities.....			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans.....	63,437		63,437	62,667
23. Aggregate write-ins for other liabilities (including \$232,263 current).....	232,263	0	232,263	0
24. Total liabilities (Lines 1 to 23).....	56,747,636	0	56,747,636	48,809,672
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		0
27. Preferred capital stock.....	XXX	XXX		0
28. Gross paid in and contributed surplus.....	XXX	XXX	102,137,089	79,995,113
29. Surplus notes.....	XXX	XXX	0	0
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	(65,341,409)	(42,493,354)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$).....	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$).....	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	36,795,680	37,501,759
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	93,543,316	86,311,431
DETAILS OF WRITE-INS				
2301. Other Liabilities	232,263		232,263	
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	232,263	0	232,263	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	171,698	144,582
2. Net premium income (including \$ non-health premium income)	XXX	216,379,033	179,480,920
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4. Fee-for-service (net of \$ medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	216,379,033	179,480,920
Hospital and Medical:			
9. Hospital/medical benefits		167,377,405	137,315,513
10. Other professional services		12,540,478	9,666,787
11. Outside referrals		0	0
12. Emergency room and out-of-area		3,232,571	2,884,193
13. Prescription drugs		33,474,138	19,771,710
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		(1,224,347)	3,054,475
16. Subtotal (Lines 9 to 15)	0	215,400,245	172,692,678
Less:			
17. Net reinsurance recoveries		0	0
18. Total hospital and medical (Lines 16 minus 17)	0	215,400,245	172,692,678
19. Non-health claims (net)		0	0
20. Claims adjustment expenses, including \$ 2,776,411 cost containment expenses		3,435,088	3,279,925
21. General administrative expenses		28,186,048	31,691,124
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		(1,200,000)	17,600,000
23. Total underwriting deductions (Lines 18 through 22).....	0	245,821,381	225,263,727
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(29,442,348)	(45,782,807)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		3,453,912	3,218,112
26. Net realized capital gains (losses) less capital gains tax of \$		0	0
27. Net investment gains (losses) (Lines 25 plus 26)	0	3,453,912	3,218,112
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	93,049	282,688
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	(25,895,387)	(42,282,007)
31. Federal and foreign income taxes incurred	XXX	(225,246)	763,170
32. Net income (loss) (Lines 30 minus 31)	XXX	(25,670,141)	(43,045,177)
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0
2901. Other		93,049	282,688
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	93,049	282,688

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	37,501,759	21,770,578
34. Net income or (loss) from Line 32	(25,670,141)	(43,045,177)
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		(1,340,248)
39. Change in nonadmitted assets	2,862,216	(10,447,311)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (stock dividend).....	0	0
44.3 Transferred to surplus.....		0
45. Surplus adjustments:		
45.1 Paid in	22,141,976	55,508,751
45.2 Transferred to capital (stock dividend)		0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	(40,130)	15,055,166
48. Net change in capital and surplus (Lines 34 to 47)	(706,079)	15,731,181
49. Capital and surplus end of reporting period (Line 33 plus 48)	36,795,680	37,501,759
DETAILS OF WRITE-INS		
4701. Transfer of Fixed assets		15,652,325
4702. Other adjustments	(40,130)	(597,159)
4703.		0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	(40,130)	15,055,166

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	215,199,226	178,236,839
2. Net investment income	3,337,667	3,157,843
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	218,536,893	181,394,682
5. Benefit and loss related payments	215,267,124	171,018,843
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	39,187,767	39,334,018
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(109,118)	0
10. Total (Lines 5 through 9)	254,345,773	210,352,861
11. Net cash from operations (Line 4 minus Line 10)	(35,808,880)	(28,958,179)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	502,000	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	19,616
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	502,000	19,616
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds	8,559,350	1,023,086
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	85,104
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	8,559,350	1,108,190
14. Net increase/(decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(8,057,350)	(1,088,574)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	22,141,976	54,758,058
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	42,385,216	(18,304,099)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	64,527,192	36,453,959
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	20,660,962	6,407,206
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	42,591,236	36,184,030
19.2 End of year (Line 18 plus Line 19.1)	63,252,198	42,591,236
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001. Change in Premium Deficiency Reserve	(1,200,000)	

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income	216,379,033							216,379,033						
2. Change in unearned premium reserves and reserve for rate credit	0													
3. Fee-for-service (net of \$ medical expenses)	0													XXX
4. Risk revenue	0													XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	216,379,033	0	0	0	0	0	0	216,379,033	0	0	0	0	0	0
8. Hospital/medical benefits	167,377,405							167,377,405						XXX
9. Other professional services	12,540,478							12,540,478						XXX
10. Outside referrals	0							0						XXX
11. Emergency room and out-of-area	3,232,571							3,232,571						XXX
12. Prescription drugs	33,474,138							33,474,138						XXX
13. Aggregate write-ins for other hospital and medical incentive pool, withhold adjustments and bonus amounts	(1,224,347)							(1,224,347)						XXX
15. Subtotal (Lines 8 to 14)	215,400,245	0	0	0	0	0	0	215,400,245	0	0	0	0	0	XXX
16. Net reinsurance recoveries	0							0						XXX
17. Total medical and hospital (Lines 15 minus 16)	215,400,245	0	0	0	0	0	0	215,400,245	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 2,776,411 cost containment expenses	3,435,088							3,435,088						
20. General administrative expenses	28,186,048							28,186,048						
21. Increase in reserves for accident and health contracts	(1,200,000)							(1,200,000)						XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	245,821,381	0	0	0	0	0	0	245,821,381	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(29,442,348)	0	0	0	0	0	0	(29,442,348)	0	0	0	0	0	0
DETAILS OF WRITE-INS														
0501.														XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601.		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	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual				0
2. Comprehensive (hospital and medical) group				0
3. Medicare supplement				0
4. Vision only				0
5. Dental only				0
6. Federal employees health benefits plan	0			0
7. Title XVIII - Medicare	216,130,284		(248,749)	216,379,033
8. Title XIX - Medicaid	0			0
9. Credit A&H				0
10. Disability income				0
11. Long-term care				0
12. Other health				0
13. Health subtotal (Lines 1 through 12)	216,130,284	0	(248,749)	216,379,033
14. Life	0			0
15. Property/casualty	0			0
16. Totals (Lines 13 to 15)	216,130,284	0	(248,749)	216,379,033

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.
UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	215,267,124							215,267,124						
1.2 Reinsurance assumed	0													
1.3 Reinsurance ceded	0													
1.4 Net	215,267,124	0	0	0	0	0	0	215,267,124	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	0													
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	19,836,908	0	0	0	0	0	0	19,836,908	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	19,836,908	0	0	0	0	0	0	19,836,908	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0													
4.2 Reinsurance assumed	0													
4.3 Reinsurance ceded	0													
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	2,313,474							2,313,474						
6. Net health care receivables (a)	(223,086)							(223,086)						
7. Amounts recoverable from reinsurers December 31, current year	0													
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	18,702,526	0	0	0	0	0	0	18,702,526	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.4 Net	18,702,526	0	0	0	0	0	0	18,702,526	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	3,537,821	0	0	0	0	0	0	3,537,821	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:														
12.1 Direct	216,624,592	0	0	0	0	0	0	216,624,592	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.4 Net	216,624,592	0	0	0	0	0	0	216,624,592	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	(1,224,347)	0	0	0	0	0	0	(1,224,347)	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	7,252,118							7,252,118						
1.2 Reinsurance assumed	0													
1.3 Reinsurance ceded	0													
1.4 Net	7,252,118	0	0	0	0	0	0	7,252,118	0	0	0	0	0	0
2. Incurred but Unreported:														
2.1 Direct	12,584,790							12,584,790						
2.2 Reinsurance assumed	0													
2.3 Reinsurance ceded	0													
2.4 Net	12,584,790	0	0	0	0	0	0	12,584,790	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct	0													
3.2 Reinsurance assumed	0													
3.3 Reinsurance ceded	0													
3.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct	19,836,908	0	0	0	0	0	0	19,836,908	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	19,836,908	0	0	0	0	0	0	19,836,908	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual					0	0
2. Comprehensive (hospital and medical) group					0	0
3. Medicare supplement					0	0
4. Vision only					0	0
5. Dental only					0	0
6. Federal employees health benefits plan					0	0
7. Title XVIII - Medicare	7,968,305	207,298,819	168,510	19,668,398	8,136,815	18,702,526
8. Title XIX - Medicaid					0	0
9. Credit A&H					0	0
10. Disability income					0	0
11. Long-term care					0	0
12. Other health					0	0
13. Health subtotal (Lines 1 to 12)	7,968,305	207,298,819	168,510	19,668,398	8,136,815	18,702,526
14. Health care receivables (a)		6,742,699			0	6,965,785
15. Other non-health					0	0
16. Medical incentive pools and bonus amounts			2,165,382	148,092	2,165,382	3,537,821
17. Totals (Lines 13 - 14 + 15 + 16)	7,968,305	200,556,120	2,333,892	19,816,490	10,302,197	15,274,562

(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)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2)	4 Percent	5 Claim and Claim Adjustment Expense Payments (Col. 5/1)	6 Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

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UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2) Percent	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 5/1) Percent	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

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UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2)	4 Percent	5 Claim and Claim Adjustment Expense Payments (Col. 5/1)	6 Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

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UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2)	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 4/2)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Percent (Col. 9/1)
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

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UNDERWRITING AND INVESTMENT EXHIBIT

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

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2)	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 4/2)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	10,658	11,532	11,372	11,235	(16)
2. 2021	146,220	161,517	162,063	162,072	(35)
3. 2022	XXX	143,622	156,807	157,416	109
4. 2023	XXX	XXX	150,890	157,745	4
5. 2024	XXX	XXX	XXX	163,682	7,906
6. 2025	XXX	XXX	XXX	XXX	207,299

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	11,653	11,532	11,372	11,235	
2. 2021	163,211	162,407	162,063	162,072	
3. 2022	XXX	163,678	157,009	157,416	
4. 2023	XXX	XXX	168,552	159,261	
5. 2024	XXX	XXX	XXX	184,406	2,334
6. 2025	XXX	XXX	XXX	XXX	19,816

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	176,496	162,037	2,615	1.6	164,652	93.3			164,652	93.3
2. 2022	174,094	157,526	1,957	1.2	159,483	91.6			159,483	91.6
3. 2023	175,202	157,749	1,997	1.3	159,746	91.2			159,746	91.2
4. 2024	179,481	171,588	3,283	1.9	174,871	97.4	2,334		177,205	98.7
5. 2025	216,379	207,299	2,988	1.4	210,287	97.2	19,816	379	230,482	106.5

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

Section B - Incurred Health Claims - Title XIX

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2) Percent	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 4/2) Percent	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	NONE				
2. 2021					
3. 2022					
4. 2023					
5. 2024					
6. 2025					

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense (Col. 3/2) Percent	4	5 Claim and Claim Adjustment Expense Payments (Col. 5/1) Percent	6	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	NONE									
2. 2022										
3. 2023										
4. 2024										
5. 2025										

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ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	10,658	11,532	11,372	11,235	(16)
2. 2021	146,220	161,517	162,063	162,072	(35)
3. 2022	XXX	143,622	156,807	157,416	109
4. 2023	XXX	XXX	150,890	157,745	4
5. 2024	XXX	XXX	XXX	163,682	7,906
6. 2025	XXX	XXX	XXX	XXX	207,299

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	11,653	11,532	11,372	11,235	0
2. 2021	163,211	162,407	162,063	162,072	0
3. 2022	XXX	163,678	157,009	157,416	0
4. 2023	XXX	XXX	168,552	159,261	0
5. 2024	XXX	XXX	XXX	184,406	2,334
6. 2025	XXX	XXX	XXX	XXX	19,816

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	176,496	162,037	2,615	1.6	164,652	93.3	0	0	164,652	93.3
2. 2022	174,094	157,526	1,957	1.2	159,483	91.6	0	0	159,483	91.6
3. 2023	175,202	157,749	1,997	1.3	159,746	91.2	0	0	159,746	91.2
4. 2024	179,481	171,588	3,283	1.9	174,871	97.4	2,334	0	177,205	98.7
5. 2025	216,379	207,299	2,988	1.4	210,287	97.2	19,816	379	230,482	106.5

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ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves	0												
2. Additional policy reserves (a)	16,400,000							16,400,000					
3. Reserve for future contingent benefits	0												
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) ..	67,893							67,893					
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Totals (gross)	16,467,893	0	0	0	0	0	0	16,467,893	0	0	0	0	0
7. Reinsurance ceded	0												
8. Totals (Net)(Page 3, Line 4)	16,467,893	0	0	0	0	0	0	16,467,893	0	0	0	0	0
9. Present value of amounts not yet due on claims	0												
10. Reserve for future contingent benefits	0												
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0												
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501.													
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes \$ 16,400,000 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building)			273,060		273,060
2. Salary, wages and other benefits	1,919,402	570,654	9,942,856		12,432,912
3. Commissions (less \$ ceded plus \$ assumed)			5,334,235		5,334,235
4. Legal fees and expenses			138,637		138,637
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services ...	61,452		2,718,158		2,779,610
7. Traveling expenses	773		43,065		43,838
8. Marketing and advertising			(25,719)		(25,719)
9. Postage, express and telephone	42	82	40,076		40,200
10. Printing and office supplies	18,410		110,806		129,216
11. Occupancy, depreciation and amortization			65,958		65,958
12. Equipment			4,272		4,272
13. Cost or depreciation of EDP equipment and software			2,359,357		2,359,357
14. Outsourced services including EDP, claims, and other services	524,554	20,985	5,259,788		5,805,327
15. Boards, bureaus and association fees			18,462		18,462
16. Insurance, except on real estate					0
17. Collection and bank service charges			902		902
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees			43,273		43,273
23.4 Payroll taxes	251,778	66,956	1,485,543		1,804,277
23.5 Other (excluding federal income and real estate taxes)					0
24. Investment expenses not included elsewhere				4,044	4,044
25. Aggregate write-ins for expenses	0	0	373,319	0	373,319
26. Total expenses incurred (Lines 1 to 25)	2,776,411	658,677	28,186,048	4,044	(a) 31,625,180
27. Less expenses unpaid December 31, current year	306,990	72,010	4,116,328		4,495,328
28. Add expenses unpaid December 31, prior year	256,000	64,000	8,277,726	0	8,597,726
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	2,725,421	650,667	32,347,446	4,044	35,727,578
DETAILS OF WRITE-INS					
2501. Network access fees			373,319		373,319
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	373,319	0	373,319

(a) Includes management fees of \$ 26,735,396 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 114,605	116,010
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) (39,483)	66,836
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) 3,262,770	3,275,110
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	3,337,892	3,457,956
11. Investment expenses		(g) 4,044
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		4,044
17. Net investment income (Line 10 minus Line 16)		3,453,912
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 2,477 accrual of discount less \$ 6,296 amortization of premium and less \$ 65,135 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 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 \$ 0 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 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)					
NONE					
DETAILS OF WRITE-INS					
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)					

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)		0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks		0	0
2.2 Common stocks		0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens		0	0
3.2 Other than first liens.....		0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company		0	0
4.2 Properties held for the production of income.....		0	0
4.3 Properties held for sale		0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)		0	0
6. Contract loans		0	0
7. Derivatives (Schedule DB)		0	0
8. Other invested assets (Schedule BA)	505,226	505,226	0
9. Receivables for securities		0	0
10. Securities lending reinvested collateral assets (Schedule DL)		0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	505,226	505,226	0
13. Title plants (for Title insurers only)		0	0
14. Investment income due and accrued		0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	73,907	48,543	(25,364)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..		0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination		0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers		0	0
16.2 Funds held by or deposited with reinsured companies		0	0
16.3 Other amounts receivable under reinsurance contracts		0	0
17. Amounts receivable relating to uninsured plans		0	0
18.1 Current federal and foreign income tax recoverable and interest thereon		0	0
18.2 Net deferred tax asset		0	0
19. Guaranty funds receivable or on deposit		0	0
20. Electronic data processing equipment and software	2,612,464	5,648,438	3,035,974
21. Furniture and equipment, including health care delivery assets	8,409,599	6,926,166	(1,483,433)
22. Net adjustment in assets and liabilities due to foreign exchange rates		0	0
23. Receivable from parent, subsidiaries and affiliates		0	0
24. Health care and other amounts receivable	1,652	0	(1,652)
25. Aggregate write-ins for other-than-invested assets	626,460	1,963,151	1,336,691
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	12,229,308	15,091,524	2,862,216
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts		0	0
28. Total (Lines 26 and 27)	12,229,308	15,091,524	2,862,216
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaids	624,412	1,954,960	1,330,548
2502. Other	2,048	8,191	6,143
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	626,460	1,963,151	1,336,691

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	12,059	14,114	14,291	14,483	14,526	171,698
2. Provider Service Organizations	0					
3. Preferred Provider Organizations	0					
4. Point of Service	0					
5. Indemnity Only	0					
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	12,059	14,114	14,291	14,483	14,526	171,698
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

NOTE 1 Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying statutory financial statements of Paramount Care, Inc. (the Company) have been prepared in conformity with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual (NAIC SAP), as prescribed by the Ohio Department of Insurance (ODI). No accounting practices were employed by the Company in 2025 or 2024 that departed from NAIC SAP.

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2025</u>	<u>2024</u>
NET INCOME					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (25,670,141)	\$ (43,045,177)
(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	\$ (25,670,141)	\$ (43,045,177)
SURPLUS					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 36,795,680	\$ 37,501,759
(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	\$ 36,795,680	\$ 37,501,759

NOTES TO FINANCIAL STATEMENTS

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

The preparation of the statutory financial statements requires management to make estimates and assumptions that affect amounts reported in the statutory financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein.

C. Accounting Policy

Basis of Presentation

Statutory accounting practices vary from U.S. generally accepted accounting principles (GAAP). The more significant variances from GAAP are as follows:

Investments

Investments in bonds are reported at cost, or the lower of amortized cost or fair value based on their NAIC rating; for GAAP, such fixed maturity investments are held as available-for-sale and are reported at fair value with unrealized holding gains and losses reported as a separate component of surplus.

Under statutory accounting, a realized loss is recorded upon the sale of an investment at a loss or when a decline in the fair value of an investment is determined by management to be other-than-temporary. Realized capital gains and losses are determined on the first-in, first-out cost method.

For GAAP, the Company evaluates an available-for-sale debt security for credit-related impairment by considering the present value of expected cash flows relative to a security's amortized cost, the extent to which fair value is less than amortized cost, the financial condition and near-term prospects of the issuer and specific events or circumstances which may influence the operations of the issuer. Credit-related impairments are recorded as an allowance, with an offset to investment and other income. Non-credit related impairments are recorded through other comprehensive income. If the Company intends to sell an impaired security or will likely be required to sell a security before recovery of the entire amortized cost, the entire impairment is included in net earnings. The amount of the total impairment related to the credit loss would be recognized in earnings. The amount of the total impairment related to other factors would be recognized in other comprehensive income.

Leases

Financial statements prepared in accordance with NAIC SAP do not include operating lease right-of-use assets or liabilities in the statutory statements of admitted assets, liabilities and capital and surplus as leases are generally expensed as incurred. Under GAAP, these assets and liabilities are reported on the balance sheet with lease liabilities being recognized for future cash flows of leases offset by right of use assets.

Property and Equipment

Property and equipment is recorded at cost, less accumulated depreciation. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the related assets. The undepreciated portion of furniture, fixtures, and other equipment (including leasehold improvements) is reported as nonadmitted assets and charged against surplus. Certain computer equipment and software are admitted, including electronic data processing (EDP) equipment and operating system software, in accordance with statutory accounting practices.

Nonadmitted Assets

Certain assets designated as nonadmitted, principally deferred taxes, pharmaceutical rebates, claim overpayments, furniture and equipment, electronic data processing equipment and software, certain accounts receivables, prepaid expenses, and other assets not identified as an admitted asset in the NAIC SAP, are excluded from the statutory statements of admitted assets, liabilities and capital and surplus and are charged directly to surplus. In accordance with GAAP, such assets are included in the balance sheet, net of a valuation allowance, if necessary. Surplus was reduced by nonadmitted assets of \$12,229,000 and \$15,092,000 at December 31, 2025 and 2024, respectively.

Guarantee Fund Premium Tax Assets

The Company recognizes premium tax assets that are recoverable in excess of one year if the credits are due to the insolvency of a writer of long-term care contracts. For GAAP, the Company is only permitted to recognize premium tax assets that are recoverable in the next calendar year as credits against taxes owed on premiums earned in the current calendar year.

Deferred Income Taxes

The Company computes deferred income taxes in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, Income Taxes. Under SSAP No. 101, gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more likely than not that some portion or all of the gross deferred tax assets will not be realized to calculate the adjusted gross deferred tax assets.

Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company includes many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be used; (6) unique tax rules that would impact the utilization of the deferred tax assets and (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused.

Admitted adjusted deferred income tax assets are limited to: (1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with the Internal Revenue Service (IRS) tax loss carryback provisions, not to exceed three years, plus (2) the amount of adjusted gross deferred income tax assets expected to be realized within three years limited to an amount that is no greater than 15% of current period's adjusted statutory surplus, plus (3) the amount of remaining adjusted gross deferred income tax assets that can be offset against existing gross deferred income tax liabilities after considering the character (i.e., ordinary versus capital) and reversal patterns of the deferred tax assets and liabilities. The remaining adjusted deferred income tax assets are nonadmitted.

Under GAAP, a deferred income tax asset is recorded for the amount of gross deferred income tax assets expected to be realized in all future years, and a valuation allowance is established for deferred income tax assets not expected to be realizable.

Unpaid assumed or ceded claims liability has been reported as an adjustment of the related reserves rather than as a net receivable or payable as would be required under GAAP.

Assumed premium receivable or ceded premium payable has been reported as an adjustment of uncollected premiums rather than a net receivable or payable as required under GAAP.

Leases

Under statutory accounting, leases are generally expensed as incurred. Under GAAP, lease liabilities would be recognized for future cash flows of leases, with offsetting right of use assets.

Statutory Statements of Cash Flows

Cash and short-term investments in the statutory statements of cash flow represent cash balances and investments with maturities of one year or less. In accordance with GAAP, the corresponding caption of cash and cash equivalents includes cash balances and investments with initial maturities of three months or less.

NOTES TO FINANCIAL STATEMENTS

Other significant accounting policies are as follows:

Cash and Invested Assets

Short-term investments, principally money market accounts, include investments with maturities of one year or less at the time of acquisition and are principally stated at amortized cost, which approximates fair value.

U.S. government securities not backed by other assets are recorded at amortized cost using the interest method or fair value based on their NAIC rating.

Vulnerability due to Certain Concentrations

The Company maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses on such amounts.

Cybersecurity Risk

Due to the information technology systems used by the Company and/or our third-party vendors, the Company may be the target of cyber-attacks and other security threats which could cause significant disruption in the Company's business. Programs are in place which are intended to detect, contain, and respond to data security incidents and provide employee awareness training regarding phishing, malware and other cyber risks to protect against cyber risks and security breaches. However, because the techniques used to obtain unauthorized access, disable, or degrade service, or sabotage systems change frequently and are increasing in sophistication, the Company may be unable to anticipate these techniques, detect breaches or implement adequate preventive measures and may be subject to breaches of our information technology systems or business interruption.

Investment Credit Risk

The Company invests in a professionally managed portfolio of securities, which includes obligations of the U.S. government and corporate bonds. Such investments are inherently exposed to various risks, such as interest rate, market and credit risks. Due to the level of risks in such investments, it is at least reasonably possible that changes in risk factors in the near term could affect the varying value of individual investments and the related amounts reported in the Company's financial statements, and such amounts could be material. The credit quality of the portfolio at December 31, 2025 and 2024, is Class 1, as rated by the NAIC's Securities Valuation Office (SVO), which is the highest quality.

Other-than-temporary Impairment

The Company reviews the values of the Company's investments on a quarterly basis. If the value of the investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the following is considered:

- The length of time and the extent to which the fair value has been less than the amortized cost basis.
- The Company's ability and intent to hold the security long enough for it to recover its value.
- A significant deterioration in the earning performance, credit rating, asset quality or business prospects of the investee.
- A significant adverse change in the regulatory, economic, or technological environment of the investee.
- Factors that raise significant concerns about the investee's ability to continue as a going concern such as negative cash flows from operations, working capital deficiencies, or noncompliance with statutory capital requirements or debt covenants.

Fair Value Measurements

Assets recorded in the statutory statements of admitted assets, liabilities and capital and surplus are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs are as follows:

Level 1: Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2: Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates, volatilities, spreads and yield curves.

Level 3: Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

Depreciation

Depreciation is charged on a straight-line basis over the estimated useful lives of software, furniture and equipment. Depreciation expense was \$2,370,000 and \$2,543,000 in 2025 and 2024, respectively.

Unpaid Claims and Claims Adjustment Expenses

Unpaid claims and claims adjustment expenses represent management's best estimate of the ultimate net cost of all reported and unreported claims, less the estimated amount recoverable from claim overpayments and subrogation. The unpaid claims liability is actuarially estimated based on a review of historical claim payment patterns and claim trends. The estimates are subject to the effects of trends in claim severity and frequency, and a reasonable provision for adverse development has been incorporated in management's best estimate. Although considerable variability is inherent in such estimates, management believes that the amounts reported for unpaid claims and claims adjustment expenses are adequate. The estimates are regularly reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current period earnings.

NOTES TO FINANCIAL STATEMENTS

Premiums

Premiums are earned and recorded, net of amounts assumed and ceded under reinsurance agreements, pro rata over the period for which coverage is provided. Uncollected premiums include uncollected amounts from insured individuals and groups and are reported net of an allowance for amounts deemed uncollectible. Premium payments received prior to the period of coverage are classified as advance premiums.

The Company's MA premium revenues are subject to periodic adjustment under the Centers for Medicare & Medicaid Services' (CMS) risk adjustment payment methodology. CMS deploys a risk adjustment model that apportions premiums paid to all health plans according to health severity and certain demographic factors. The CMS risk adjustment model provides higher per member payments for enrollees diagnosed with certain conditions and lower payments for enrollees who are healthier. Under this risk adjustment methodology, CMS calculates the risk adjusted premium payment using diagnosis data from hospital inpatient, hospital outpatient and physician treatment settings. The Company and health care providers collect, capture and submit the necessary and available diagnosis data to CMS within prescribed deadlines. Risk adjustment data for certain plans of the Company are subject to review by the government, including audit by regulators. Based on the timing of the submission of this data, retrospective settlements are received in the year following the dates of the claims to true up the risk payment to the plan. These settlements are estimated and accrued in the current year. As of December 31, 2025 and 2024, the Company recorded risk adjustment receivables of \$1,804,000 and \$2,125,000 respectively. The Company received approximately \$10,515,000 and \$4,972,000 of risk adjustment receipts in 2025 and 2024, respectively.

Medicare Part D Pharmacy Benefits

The Company serves as a plan sponsor offering Medicare Part D prescription drug insurance coverage under contracts with CMS. Under the Medicare Part D program, there are seven separate elements of payment during the plan year. These payment elements are as follows:

- CMS premium: CMS pays a fixed monthly premium per member to the Company for the entire plan year.
- Member premium: Additionally, certain members pay a fixed monthly premium to the Company for the entire plan year.
- Low-income premium subsidy: For qualifying low-income members, CMS pays some or all of the member's monthly premiums to the Company on the member's behalf.
- Catastrophic reinsurance subsidy: CMS pays the Company a cost reimbursement estimate monthly to fund the CMS obligation to pay approximately 80% of the costs incurred by individual members in excess of the individual annual out-of-pocket maximum. A settlement is made with CMS based on actual cost experience, after the end of the plan year.
- Low-income member cost sharing subsidy: For qualifying low-income members, CMS pays on the member's behalf some or all of a member's cost sharing amounts, such as deductibles and coinsurance. The cost sharing subsidy is funded by CMS through monthly payments to the Company. The Company administers and pays the subsidized portion of the claims on behalf of CMS, and a settlement payment is made between CMS and the Company based on actual claims and premium experience, after the end of the plan year.
- CMS risk corridor: Premiums from CMS are subject to risk corridor provisions that compare costs targeted in the Company's annual bids by product and region to actual prescription drug costs, limited to actual costs that would have been incurred under the standard coverage as defined by CMS. Variances of more than 5% above or below the original bid submitted by the Company may result in CMS making additional payments to the Company or require the Company to refund to CMS a portion of the premiums it received. The Company estimates and recognizes an adjustment to net accident and health premiums earned related to the risk corridor payment settlement based upon pharmacy claims experience to date. The estimate of the settlement associated with these risk corridor provisions requires the Company to consider factors that may not be certain, including estimates of eligible pharmacy costs and member eligibility status differences with CMS. The Company records risk corridor adjustments to net accident and health premiums earned in the statutory statements of revenue and expenses.
- Coverage gap discount program/Manufacturer Discount Program: Health Reform Legislation mandated a consumer discount on brand name prescription drugs for Medicare Part D plan participants in the coverage gap. Effective January 1, 2025, the Inflation Reduction Act replaced the Coverage Gap Discount Program with the Medicare Part D Manufacturer Discount Program, under which manufacturers provide point of sale discounts on applicable brand drugs in the Initial and Catastrophic Coverage phases. This discount is funded by CMS and pharmaceutical manufacturers while the Company administers the application of these funds. Accordingly, amounts received are not reflected as premium revenues, but rather are accounted for as deposits.

The CMS premium, the member premium and the low-income premium subsidy represent payments for the Company's insurance risk coverage under the Medicare Part D program and, therefore, are recorded as net accident and health premiums earned in the statutory statements of revenue and expenses.

Premiums are recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits. The Company records premium payments received in advance of the applicable service period in advanced premiums in the statutory statements of admitted assets, liabilities and capital and surplus.

The Catastrophic reinsurance subsidy and the low-income member cost sharing subsidy (subsidies) represent cost reimbursements under the Medicare Part D program. Amounts received for these subsidies are not reflected as net accident and health premiums earned, but rather are accounted for as receivables and/or deposits.

Pharmacy benefit costs and administrative costs under the contract are expensed as incurred and are recognized in net accident and health benefits and general administrative expenses, in the statutory statements of revenue and expenses.

The final 2024 risk corridor amount was settled during the second half of 2025 and was subject to the reconciliation process with CMS. The final 2025 risk corridor amount is expected to be settled during the second half of 2026 and is subject to the reconciliation process with CMS.

Uncertain Tax Policies

The Company records uncertain tax positions on the basis of a two-step process whereby (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more likely than not recognition threshold. The Company recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority.

Changes to liabilities for uncertain tax positions are recorded as income tax expenses in the accompanying statutory statements of revenue and expense. The total liability for uncertain tax positions at December 31, 2025 and 2024, was \$0 and \$0, respectively, included in net current federal income tax receivable in the statutory statements of admitted assets, liabilities and capital and surplus.

- D. Going Concern
Not applicable.

NOTE 2 Accounting Changes and Corrections of Errors

Not applicable.

NOTE 3 Business Combinations and Goodwill

Not applicable.

NOTE 4 Discontinued Operations

Not applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
Not applicable.
- B. Debt Restructuring
Not applicable.
- C. Reverse Mortgages
Not applicable.
- D. Asset-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. Investments in Tax Credit Structures (tax credit investments)
Not applicable.
- L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Non- admitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Non- admitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown		\$ -	\$ -		\$ -	0.000%	0.000%
b. Collateral held under security lending agreements		\$ -	\$ -		\$ -	0.000%	0.000%
c. Subject to repurchase agreements		\$ -	\$ -		\$ -	0.000%	0.000%
d. Subject to reverse repurchase agreements		\$ -	\$ -		\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements		\$ -	\$ -		\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements		\$ -	\$ -		\$ -	0.000%	0.000%
g. Placed under option contracts		\$ -	\$ -		\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock		\$ -	\$ -		\$ -	0.000%	0.000%
i. FHLB capital stock		\$ -	\$ -		\$ -	0.000%	0.000%
j. On deposit with states		\$ -	\$ -		\$ -	0.000%	0.000%
k. On deposit with other regulatory bodies	\$ 507,167	\$ 501,648	\$ 5,519		\$ 507,167	0.479%	0.542%
l. Pledged collateral to FHLB (including assets backing funding agreements)		\$ -	\$ -		\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories		\$ -	\$ -		\$ -	0.000%	0.000%
n. Other restricted assets		\$ -	\$ -		\$ -	0.000%	0.000%
o. Collateral assets received and on balance sheet			\$ -		\$ -	0.000%	0.000%
p. Assets held under modco reinsurance agreements			\$ -		\$ -	0.000%	0.000%
q. Assets held under funds withheld reinsurance agreements			\$ -		\$ -	0.000%	0.000%
r. Total restricted assets (Sum of a through q)	\$ 507,167	\$ 501,648	\$ 5,519	\$ -	\$ 507,167	0.479%	0.542%

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	8 Amount Reported in General Interrogatories	9 Difference from Note and GI	10 GI Ref
a. Subject to contractual obligation for which liability is not shown	XXX	XXX	XXX
b. Collateral held under security lending agreements	\$ -	\$ -	25.04 + 25.05
c. Subject to repurchase agreements	\$ -	\$ -	26.21
d. Subject to reverse repurchase agreements	\$ -	\$ -	26.22
e. Subject to dollar repurchase agreements	\$ -	\$ -	26.23
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	26.24
g. Placed under option contracts	\$ -	\$ -	26.25
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	26.26
i. FHLB capital stock	\$ -	\$ -	26.27
j. On deposit with states	\$ -	\$ -	26.28
k. On deposit with other regulatory bodies	\$ 507,167	\$ -	26.29
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	26.31
m. Pledged as collateral not captured in other categories	\$ -	\$ -	26.30
n. Other restricted assets	\$ -	\$ -	26.32
o. Collateral assets received and on balance sheet	XXX	XXX	XXX
p. Assets held under modco reinsurance agreements	XXX	XXX	XXX
q. Assets held under funds withheld reinsurance agreements	XXX	XXX	XXX
r. Total restricted assets (Sum of a through q)	XXX	XXX	XXX

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

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

GI Reference	Difference between Note and GI (Per Column 8 above)	Explanation
25.04 + 25.05	\$ -	
26.21	\$ -	
26.22	\$ -	
26.23	\$ -	
26.24	\$ -	
26.25	\$ -	
26.26	\$ -	
26.27	\$ -	
26.28	\$ -	
26.29	\$ -	
26.31	\$ -	
26.30	\$ -	
26.32	\$ -	

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding Modco/FWH) and Derivatives, Are Reported in the Aggregate)

Not applicable.

3. Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude Modco/FWH) and Derivatives, Are Reported in the Aggregate)

Not applicable.

4. Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements

Not applicable.

5. Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

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.

NOTES TO FINANCIAL STATEMENTS

Q. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>
1. Number of CUSIPs	0
2. Aggregate Amount of Investment Income	\$ -

R. Reporting Entity's Share of Cash Pool by Asset Type
Not applicable.

S. Aggregate Collateral Loans by Qualifying Investment Collateral
Not applicable.

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

Not applicable.

NOTE 7 Investment Income

A. Not applicable. The Company does not have any nonadmitted accrued investment income.

B. Not applicable.

C. The gross, nonadmitted and admitted amounts for interest income due and accrued.

Interest Income Due and Accrued	<u>Amount</u>
1. Gross	\$ 283,017
2. Nonadmitted	
3. Admitted	\$ 283,017

D. The aggregate deferred interest.

	<u>Amount</u>
Aggregate Deferred Interest	\$ -

E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance.

	<u>Amount</u>
Cumulative amounts of PIK interest included in the current principal balance	\$ -

NOTE 8 Derivative Instruments

Not applicable.

NOTE 9 Income Taxes

A. The components of the net deferred tax asset/(liability) at the end of current period are as follows:

The Company is taxed as a stock property and casualty insurance company and files a consolidated federal income tax return with MMO and other affiliates. The Company is party to a written tax sharing agreement with its Parent and other affiliates. According to the agreement each member pays taxes or receives credits (from the Parent) as if the member had filed a separate tax return. The payment is finalized for the tax year after the return is filed and/or after an IRS audit is completed. A member generating a taxable loss, or whose net operating losses (NOLs) or other tax attributes are utilized in the current year, or whose tax attributes are utilized, is compensated for such losses or attributes utilized in the year absorbed.

Deferred income tax assets (DTAs) and liabilities (DTLs) represent the expected future tax consequences of temporary items with differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis statutory statements of admitted assets, liabilities and capital and surplus are compared.

Current federal income tax payable to Parent include all current income taxes, including interest, expected to be collected in a subsequent accounting period. Any tax related to the tax sharing agreement is included in the current federal income tax payable balance until the tax return is filed and amounts are then settled with the Parent.

The Company paid no federal income taxes during 2025 or 2024.

The Company is subject to federal income tax examinations by tax authorities for the years 2022 through 2025. The years 2021 and prior are closed.

At December 31, 2025 and 2024, there were no capital DTAs or DTLs. Components of ordinary DTAs and DTLs are as follows:

1.

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$18,266,038		\$18,266,038	\$13,425,616	\$ -	\$13,425,616	\$ 4,840,422		\$ 4,840,422
(b) Statutory Valuation Allowance Adjustment	\$18,263,173		\$18,263,173	\$13,425,616	\$ -	\$13,425,616	\$ 4,837,557		\$ 4,837,557
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 2,865	\$ -	\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -	\$ 2,865
(d) Deferred Tax Assets Nonadmitted			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 2,865	\$ -	\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -	\$ 2,865
(f) Deferred Tax Liabilities	\$ 2,865		\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -	\$ 2,865
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

2.

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX		XXX	XXX	\$ -	XXX	XXX	\$ -
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 2,865		\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -	\$ 2,865
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 2,865	\$ -	\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -	\$ 2,865

3.

	<u>2025</u>	<u>2024</u>
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	402.000%	493.000%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 35,774,821	\$ 36,041,190

4.

	As of End of Current Period		12/31/2024		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1 (c)	\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies			0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 2,865	\$ -	\$ -	\$ -	\$ 2,865	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies			0.000%	0.000%	0.000%	0.000%

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes No

B. There are no temporary differences for deferred tax liabilities that are not recognized at December 2025 and 2024.

NOTES TO FINANCIAL STATEMENTS

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

	(1) As of End of Current Period	(2) 12/31/2024	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ (116,128)	\$ 692,717	\$ (808,845)
(b) Foreign		\$ -	\$ -
(c) Subtotal (1a+1b)	\$ (116,128)	\$ 692,717	\$ (808,845)
(d) Federal income tax on net capital gains		\$ -	\$ -
(e) Utilization of capital loss carry-forwards		\$ -	\$ -
(f) Other	\$ (109,118)	\$ 70,453	\$ (179,571)
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ (225,246)	\$ 763,170	\$ (988,416)
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 82,971	\$ 74,803	\$ 8,168
(2) Unearned premium reserve	\$ 5,592	\$ 4,625	\$ 967
(3) Policyholder reserves	\$ 3,444,000	\$ -	\$ 3,444,000
(4) Investments		\$ -	\$ -
(5) Deferred acquisition costs		\$ -	\$ -
(6) Policyholder dividends accrual		\$ -	\$ -
(7) Fixed assets		\$ -	\$ -
(8) Compensation and benefits accrual		\$ -	\$ -
(9) Pension accrual		\$ -	\$ -
(10) Receivables - nonadmitted		\$ -	\$ -
(11) Net operating loss carry-forward	\$ 9,388,914	\$ 4,610,011	\$ 4,778,903
(12) Tax credit carry-forward		\$ -	\$ -
(13) Other	\$ 5,344,561	\$ 8,736,177	\$ (3,391,616)
(99) Subtotal (sum of 2a1 through 2a13)	\$ 18,266,038	\$ 13,425,616	\$ 4,840,422
(b) Statutory valuation allowance adjustment	\$ 18,263,173	\$ 13,425,616	\$ 4,837,557
(c) Nonadmitted		\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 2,865	\$ -	\$ 2,865
(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)	\$ 2,865	\$ -	\$ 2,865
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments		\$ -	\$ -
(2) Fixed assets	\$ 2,865	\$ -	\$ 2,865
(3) Deferred and uncollected premium		\$ -	\$ -
(4) Policyholder reserves		\$ -	\$ -
(5) Other		\$ -	\$ -
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 2,865	\$ -	\$ 2,865
(b) Capital:			
(1) Investments		\$ -	\$ -
(2) Real estate		\$ -	\$ -
(3) Other		\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ -	\$ -	\$ -
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 2,865	\$ -	\$ 2,865
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ -	\$ -

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

Description	December 31, 2025			December 31, 2024		
	Amount	Tax Effect	Effective Tax Rate	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ (25,895,000)	\$ (5,438,000)	21.0%	\$ (42,282,000)	\$ (8,879,000)	21.0%
Change in nonadmitted assets	2,862,000	601,000	-2.3%	(11,768,000)	(2,471,000)	-31.6%
Change in valuation allowance	23,036,000	4,838,000	-18.7%	63,632,000	13,363,000	5.8%
Permanent adjustments and other	(1,076,000)	(226,000)	0.9%	434,000	90,000	-0.2%
	<u>\$ (1,073,000)</u>	<u>\$ (225,000)</u>	<u>0.9%</u>	<u>\$ 10,016,000</u>	<u>\$ 2,103,000</u>	<u>-5.0%</u>
Federal income tax incurred		(225,000)	0.9%		763,000	-1.8%
Change in net deferred income taxes		-	0.0%		1,340,000	-3.2%
Total statutory income taxes		<u>(225,000)</u>	<u>0.9%</u>		<u>2,103,000</u>	<u>-5.0%</u>

E. At December 31, 2025 the Company had \$44,709,000 of net operating loss carryforwards. At December 31, 2024 the Company had \$21,952,000 of net operating loss carryforwards. The Company has no capital loss carryforwards to utilize in future years at December 31, 2025 and 2024.

NOTES TO FINANCIAL STATEMENTS

F. Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with the following entities:

Medical Mutual of Ohio
 MedMutual Life Insurance Company
 Medical Health Insuring Corporation of Ohio
 Superior Dental Care, Inc.
 Paramount Insurance Company
 Paramount Care of Michigan
 Paramount Care of Maryland
 Paramount Care of Pennsylvania
 Paramount Care Inc
 Paramount Care of Indiana

The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

A valid tax sharing agreement.

- G. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.
- H. Repatriation Transition Tax (RTT)
 Not Applicable.
- I. Alternative Minimum Tax (AMT) Credit
 Not Applicable.

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

A-B; MMO provides administrative services to the Company in connection with an administrative services agreement. Expense allocations are reviewed periodically to ensure expenses are being appropriately charged to each affiliate and could vary from year-to-year. In 2025 and 2024, charges to the Company for these services totaled \$817,000 and \$1,287,000, respectively. These charges could vary if the administrative services were provided by an unaffiliated vendor. Amounts payable and receivable between the Company and MMO are settled within three months.

During the period January 1, 2024 to April 30, 2024, PHS provided administrative services to the Company in connection with an administrative services agreement. The Company was allocated \$613,000 during this time period.

The Company also has a management service agreement that provides administrative support to its affiliated entities, Paramount Care of Michigan, Inc. (PCM), Paramount Insurance Company (PICO), Paramount Care of Indiana, Inc. (PCIN), Paramount Care of Maryland, Inc. (PCMD) and Paramount Care of Pennsylvania (PCPA), all of which are subsidiaries of MMO as of May 1, 2024 and subsidiaries of PHS for the period January 1, 2024 to April 30, 2024. Administrative expenses allocated by PCI to affiliates, a portion of which were initially allocated from PHS in 2024, were \$27,552,000 and \$29,407,000 for the years ended December 31, 2025 and 2024, respectively.

Net accident and health benefits with ProMedica affiliated entities were \$19,261 for the period January 1, 2024 through April 30, 2024.

The Company received a capital contribution of \$22,142,000 and \$54,758,000 from MMO in 2025 and 2024, respectively. The 2024 amount includes \$26,000,000 of capital contributions that were originally disclosed as a subsequent event and recorded in the 2024 financial statements.

- C. Transactions with related party who are not reported on Schedule Y
 Not applicable.
- M. All SCA Investments
 Not applicable.
- N. Investment in Insurance SCAs
 Not applicable.
- O. SCA or SSAP 48 Entity Loss Tracking
 Not applicable.

NOTE 11 Debt

Not applicable.

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

- A. Defined Benefit Plan
 Not applicable.
- B. Not applicable.
- C. The fair value of each class of plan assets
 Not applicable.
- D. Not applicable.
- E. Defined Contribution Plan
 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- A. The Company is a non-profit entity and does not issue stock.
- B. The Company does not have preferred stock.
- C. As the Company is a non-profit organization, distributions are allowed to a non-profit member. The payment of dividends is limited and can only be made from earned profits unless prior approval is received from the Ohio Insurance Commissioner. The maximum amount of dividends that may be paid by insurance companies without prior approval of the Ohio Insurance Commissioner is also subject to restrictions relating to statutory capital and surplus and net income.
- D. During 2025 and 2024, the Company did not make any contributions to its parent company, MMO. The Company received \$22,141,976 and \$54,758,058 in capital contributions from MMO during 2025 and 2024, respectively. In 2024, the Company reported \$750,693 as additional paid in capital for the tax expense gain related to the sale of the Company to MMO that will be paid by the seller.
- E. Within the limitations of [C] above, there are no restrictions placed on the portion of the Company profits that may be paid as ordinary dividends.
- F. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- G. There were no advances to surplus.
- H. Not applicable. There is no stock held by the Company.
- I. Not applicable. The Company has no special surplus funds.
- J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0.
- K. The Company issued the following surplus debentures or similar obligations:
Not applicable.
- L. The impact of any restatement due to prior quasi-reorganizations is as follows:
Not applicable. The Company was not involved in a quasi-reorganization during the year.
- M. Not applicable.

NOTE 14 Liabilities, Contingencies and Assessments

- A. Contingent Commitments
Not applicable.
- B. Assessments
- (1)
The Company is subject to regulations that may result in assessments under state insurance guaranty association laws. The Company is not anticipating any significant assessments as of December 31, 2025.
- (2) a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end \$ -
- (3) Not applicable.
- C. Gain Contingencies
Not applicable.
- D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits
Not applicable.
- E. Joint and Several Liabilities
Not applicable.
- F. All Other Contingencies
Various lawsuits against the Company have arisen in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty at this time, management believes they will not have a material adverse effect on the Company's financial position or results of operations.

CMS uses a risk-adjustment model to determine premiums paid to MA plans according to the health status of covered members. Under the risk-adjustment methodology, all MA plans must collect and submit specified medical diagnosis code information from providers to CMS. This data is used to calculate the risk-adjusted premium payments to MA plans. The Company relies on providers to submit claims using proper coding practices and to appropriately document medical data. The Company conducts medical record reviews as part of our data and payment accuracy compliance efforts.

CMS has instituted risk adjustment data validation (RADV) audits to validate the coding practices and supporting documentation maintained by providers. If selected for audit, CMS could require the Company to refund premium payments if the Company's risk-adjusted premiums are not properly supported by medical record data. Currently, none of the Company's MA plans have been selected for audit. The Company is unable to predict if any of the Company's MA plans will be selected for future audit, or the amount of any retrospective or prospective MA premium adjustments that may result. Premium adjustments resulting from RADV audits could have a material adverse effect on the Company's operating results, financial position and cash flows.

NOTE 15 Leases

- A. Lessee Operating Lease:
- (1) The Company is obligated under operating leases primarily for leased office space, expiring at various dates through December 31, 2032. Total rent expense under these leases was \$699,000 and \$831,000 for 2025 and 2024, respectively.
- The following is a summary of future minimum lease payments under noncancelable leases having initial or remaining terms in excess of one year at December 31, 2025:
- (2) a. At December 31, 2025, the minimum aggregate rental commitments are as follows:
- | | Operating
Leases |
|-------------------------------|---------------------|
| 1. 2026 | \$ 188,000 |
| 2. 2027 | |
| 3. 2028 | |
| 4. 2029 | |
| 5. 2030 | |
| 6. Thereafter | |
| 7. Total (sum of 1 through 6) | \$ 188,000 |
- (3) Not applicable. No sale-leaseback transactions.

- B. Lessor Leases
Not applicable.

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

Not applicable.

NOTE 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 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 Similarly Structured Cost Based Reimbursement Contract
The statutory statements of admitted assets, liabilities, and capital and surplus include \$2,190,000 of subsidies receivable, \$801,000 of coverage gap discount receivables, \$3,647,000 of manufacturers discounts receivable and \$3,837,000 of risk corridor receivables included in other admitted assets at December 31, 2025, related to the Medicare Part D program.

The statutory statements of admitted assets, liabilities, and capital and surplus include \$3,080,000 of subsidies receivable, \$801,000 of coverage gap discount receivables and \$1,434,000 of risk corridor receivables included in other admitted assets at December 31, 2024, related to the Medicare Part D program.

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

Not applicable.

NOTE 20 Fair Value Measurements

- A. Not Applicable
- B. Not applicable.
- C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
BONDS	\$ 9,672,452	\$ 9,577,729		\$ 9,672,452			

- D. Not Practicable to Estimate Fair Value
Not applicable.
- E. Not applicable.

NOTE 21 Other Items

- A. Unusual or Infrequent Items
Not applicable.
- B. Troubled Debt Restructuring: Debtors
Not applicable.
- C. Other Disclosures
The Company is subject to certain RBC requirements specified by the NAIC and required by ODI. Under those requirements, the amount of capital and surplus maintained by the Company is determined based on various risk factors. At December 31, 2025 and 2024, the Company met the RBC requirements.
- D. Business Interruption Insurance Recoveries
Not applicable.
- E. State and Federal Tax Credits
Not applicable.
- F. Subprime Mortgage Related Risk Exposure
(1) Not applicable.
- G. Retained Assets
(1) Not applicable.
- H. Insurance-Linked Securities (ILS) Contracts
Not applicable.
- I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy
Not applicable.

NOTE 22 Events Subsequent

Type I – Recognized Subsequent Events:
Not applicable. The Company has evaluated subsequent events from the end of the most recent fiscal year through February 27, 2026, the date the statutory financial statements were available to be issued and determined that there have been no events that have occurred that would require adjustments to our disclosures in the statutory financial statements.

Type II – Nonrecognized Subsequent Events:
Not applicable.

NOTE 23 Reinsurance

- A. Ceded Reinsurance Report
Certain premiums and benefits were ceded to other insurance companies during 2024. The ceded reinsurance agreements provide the Company with increased capacity to write larger risks and maintain its exposure to loss within its capital resources. The Company remains obligated for amounts ceded in the event that the reinsurers do not meet their obligations.

For 2024, under the terms of the Company's reinsurance agreement, the reinsurer will reimburse the Company approximately 90% of the cost of each member's annual eligible services in excess of \$1,000, with a per member per contract year of no limitation.

For the year ended December 31, 2024, reinsurance premiums were \$55,000 and are netted against premiums earned in the statutory statements of revenue and expenses. Also included in premiums earned were refunds received for prior year overpayment of premiums of \$249,000 and \$371,000 during 2025 and 2024, respectively. There were no collections on reinsurance recoveries during 2025 and 2024. There is no reinsurance recoverable on paid claims as of December 31, 2024.

- B. Uncollectible Reinsurance
(1) The Company has written off in the current year reinsurance balances due from the companies listed below, the amount of: \$0.
- C. Commutation of Reinsurance Reflected in Income and Expenses.
Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

E. Reinsurance Credit
Not Applicable.

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination
Not applicable.

NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses

The following table provides a reconciliation of the beginning and ending reserve balances for unpaid claims, medical incentive pool and bonuses, and claim adjustment expenses (CAE), net of reinsurance and recoveries. The table is also net of health care receivables of \$6,743,000 and \$6,966,000 for 2025 and 2024, respectively:

	2025	2024
Unpaid claims and CAE	\$ 19,023,000	\$ 17,484,000
Healthcare receivables, net	(6,966,000)	(4,262,000)
Incentives	3,538,000	699,000
Reserve at beginning of year, net of health care receivables	<u>15,595,000</u>	<u>13,921,000</u>
Add provision for claims and CAE, net of reinsurance, occurring in:		
Current year	225,905,000	177,449,000
Prior years	(7,070,000)	(5,357,000)
Net incurred claims and CAE during the current year	<u>218,835,000</u>	<u>172,092,000</u>
Deduct payments for claims and CAE, net of reinsurance, occurring in:		
Current year	210,287,000	162,697,000
Prior years	8,356,000	7,721,000
Net claims and CAE payments during the current year	<u>218,643,000</u>	<u>170,418,000</u>
Reserve at end of year, net of health care receivables	\$15,787,000	\$15,595,000
Healthcare receivables, net	6,743,000	6,966,000
Incentives	(2,314,000)	(3,538,000)
Unpaid claims and CAE	<u>\$ 20,216,000</u>	<u>\$ 19,023,000</u>

The foregoing reconciliation shows that a \$7,070,000 redundancy in the December 31, 2024, reserves emerged in 2025, and a \$5,357,000 redundancy in the December 31, 2023, reserves emerged in 2024. The redundancies resulted from differences in claims severity and utilization as compared to expectations.

At December 31, 2025 and 2024, health care receivables include \$1,700 and \$0 of claims related receivables that are non-admitted in accordance with the original SSAP No. 84, Certain Health Care Receivables and Receivables Under Government Insured Plans.

NOTE 26 Intercompany Pooling Arrangements
Not applicable.

NOTE 27 Structured Settlements
Not applicable.

NOTE 28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84, Certain Health Care Receivables and Receivables Under Government Insured Plans (SSAP No. 84). The admitted receivable balances as of December 31, 2025 and 2024, of \$6,127,000 and \$4,409,000 respectively, are included in health care receivables for insured plans and other admitted assets for uninsured plans on the statutory statements of admitted assets, liabilities, and capital and surplus. These are comprised of the estimated pharmacy rebates for the current quarter as reported in the statutory financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. Additional details are included in the table below:

Date	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
12/31/2025	\$ 6,127,000	\$ 6,127,000	\$ -	\$ -	\$ -
09/30/2025	\$ 5,742,000	\$ 5,467,155	\$ 5,467,155	\$ -	\$ -
06/30/2025	\$ 4,080,000	\$ 6,075,795	\$ 5,219,612	\$ 856,183	\$ -
03/31/2025	\$ 4,083,317	\$ 5,698,741	\$ 5,019,982	\$ 677,959	\$ 800
12/31/2024	\$ 4,409,232	\$ 3,808,146	\$ 3,335,880	\$ 502,208	\$ (29,942)
09/30/2024	\$ 5,563,992	\$ 4,124,241	\$ 3,378,466	\$ 750,560	\$ (4,785)
06/30/2024	\$ 3,195,302	\$ 4,120,796	\$ 3,476,260	\$ 653,307	\$ (8,771)
03/31/2024	\$ 3,140,022	\$ 4,188,488	\$ 3,608,664	\$ 556,913	\$ 22,911
12/31/2023	\$ 3,240,850	\$ 3,620,558	\$ 2,091,108	\$ 1,491,278	\$ 38,172
09/30/2023	\$ 2,699,150	\$ 3,632,957	\$ 2,132,688	\$ 1,450,142	\$ 50,127
06/30/2023	\$ 2,699,149	\$ 3,764,331	\$ 2,051,691	\$ 1,607,536	\$ 105,104
03/31/2023	\$ 2,613,219	\$ 3,702,750	\$ 2,008,050	\$ 1,575,651	\$ 119,049

NOTES TO FINANCIAL STATEMENTS

B. Risk-Sharing Receivables

Beginning in 2021, the Company entered a risk-sharing arrangement with a third-party health care provider. The Company reports risk-sharing receivables and payables based upon annual settlement calculations per the executed arrangements. Risk-sharing receivables of \$611,000 and \$2,557,000 as of December 31, 2025 and 2024, respectively, are included in health care receivables.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
2025	2025		\$ 553,542		\$ 553,542				
2025	2024	\$ 904,693	\$ 57,366		\$ 57,366				
2025	2023	\$ 1,651,860							
2024	2024		\$ 904,693		\$ 904,693				
2024	2023	\$ 688,000	\$ 1,651,860		\$ 1,651,860				
2023	2023								
2023	2022		\$ 688,000		\$ 688,000			\$ 633,372	

C. Medicare Prescription Payment Plan Receivables

(1) Amounts included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period \$ 4,310

(2) Aging of other health care receivables which are due from participant in Medicare Part D Prescription Payment Plan.

1 Name of Plan	2 Current Period Gross*	3 1 - 30 Days	4 31 - 60 Days	5 61 - 90 Days	6 Over 90 Days	7 Nonadmitted	8 Admitted
Medicare Prescription Payment Plan Recoverables	\$ 4,310	\$ 1,243	\$ 878	\$ 537	\$ 1,652	\$ 1,652	\$ 2,658

*represents the Assets Page Column 1, included within Line 24 before nonadmission.

(3) Incurred claims expense includes write-offs of impaired Medicare Prescription Payment Plan receivables of \$ - for 2025 and \$ - for 2024.

NOTE 29 Participating Policies

Not applicable.

NOTE 30 Premium Deficiency Reserves

- Liability carried for premium deficiency reserves \$ 16,400,000
- Date of the most recent evaluation of this liability 12/31/2025
- Was anticipated investment income utilized in the calculation? Yes [X] No []

Aggregate health policy reserves include premium deficiency reserves (PDR) that are recognized for health contracts when expected claims, claim adjustment expenses, and administrative costs exceed the premium to be collected for the remainder of the contract period. The Company considers anticipated net investment income as a factor in determining the premium deficiency reserve amount. Premium deficiency reserves related to Medicare Advantage policies at December 31, 2025, totaled \$16,400,000. Premium deficiency reserves related to Medicare Advantage policies at December 31, 2024, totaled \$17,600,000.

NOTE 31 Anticipated Salvage and Subrogation

The Company did not have any estimated anticipated salvage and subrogation to reduce the reserve for unpaid claims and CAE as of December 31, 2025 and December 31, 2024.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Ohio
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []
- 2.2 If yes, date of change: 07/10/2025
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2023
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2023
- 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). 06/24/2025
- 3.4 By what department or departments?
Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control 0.0 %
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [] N/A [X]
- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
RSM US LLP 801 Nicollet Mall, Suite 1200, Minneapolis, MN 55402
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain.
.....
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Andrew Larocque, FSA, MAA, Risk & Regulatory Consulting, LLC, 20 Batterson Park Road, Suite 380, Farmington, CT 06032
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 - 12.11 Name of real estate holding company ...
 - 12.12 Number of parcels involved 0
 - 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
.....
- 13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 - a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$0
 - 20.12 To stockholders not officers.....\$0
 - 20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 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.....\$0
 - 20.22 To stockholders not officers.....\$0
 - 20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$
 - 21.22 Borrowed from others.....\$
 - 21.23 Leased from others\$
 - 21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
 - 22.22 Amount paid as expenses\$
 - 22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 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? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

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

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto

 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
 3
 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? Yes [] No [] N/A [X]
 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]
 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 \$ 0
 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
 25.093 Total payable for securities lending reported on the liability page \$ 0

- 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 [X] No []
 26.2 If yes, state the amount thereof at December 31 of the current year:
 26.21 Subject to repurchase agreements \$ 0
 26.22 Subject to reverse repurchase agreements \$ 0
 26.23 Subject to dollar repurchase agreements \$ 0
 26.24 Subject to reverse dollar repurchase agreements \$ 0
 26.25 Placed under option agreements \$ 0
 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0
 26.27 FHLB Capital Stock \$ 0
 26.28 On deposit with states \$ 0
 26.29 On deposit with other regulatory bodies \$ 507,167
 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 0
 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 0
 26.32 Other \$ 0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]
 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
 27.41 Special accounting provision of SSAP No. 108 Yes [] No [X]
 27.42 Permitted accounting practice Yes [] No [X]
 27.43 Other accounting guidance Yes [] No [X]
 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [] No [X]
 • The reporting entity has obtained explicit approval from the domiciliary state.
 • Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 • Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 • Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
 28.2 If yes, state the amount thereof at December 31 of the current year. \$
 29. Excluding items in Schedule E, Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
Fifth Third Bank	5050 Kingsley Drive, Cincinnati, OH 45263

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

GENERAL INTERROGATORIES

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

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

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

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

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

29.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. 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 Name of Firm or Individual	2 Affiliation
James Cellura	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?..... Yes [] No [] N/A [X]

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Registered With	4 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)])? Yes [] No [X]

30.2 If yes, complete the following schedule:

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

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

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

GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Issuer Credit Obligations	9,577,729	9,672,452	94,723
31.2 Asset-Backed Securities			0
31.3 Preferred stocks	0		0
31.4 Totals	9,577,729	9,672,452	94,723

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

The fair value fo our securities was determined by utilizing prices obtained from our custodian, Fifth Third Bank. Fifth Third Bank utilized ICE DATA Services for their pricing.

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

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

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

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

33.2 If no, list exceptions:

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

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

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

35. By self-designating PLGI securities, the reporting entity is certifying 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
 - 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 a 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? Yes [] No [X]

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

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

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

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

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

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

GENERAL INTERROGATORIES

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

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

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

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

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

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

OTHER

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

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

1 Name	2 Amount Paid

41.1 Amount of payments for legal expenses, if any? \$ 138,637

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

1 Name	2 Amount Paid

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 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

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. \$ _____ 0

1.6 Individual policies: Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7 Group policies: Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

		1	2	
		Current Year	Prior Year	
2.1	Premium Numerator	216,379,033	179,480,920	
2.2	Premium Denominator	216,379,033	179,480,920	
2.3	Premium Ratio (2.1/2.2)	1.000	1.000	
2.4	Reserve Numerator	38,618,275	40,039,151	
2.5	Reserve Denominator	38,618,275	40,039,151	
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000	

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

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 [X] No []

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

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

5.2 If no, explain:
.....

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$

5.32 Medical Only \$

5.33 Medicare Supplement \$

5.34 Dental & Vision \$

5.35 Other Limited Benefit Plan \$

5.36 Other \$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
.....

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

7.2 If no, give details
.....

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 40,226

8.2 Number of providers at end of reporting year 42,548

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

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 \$.....

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
- | | |
|--|---|
| | 10.21 Maximum amount payable bonuses.....\$ 2,313,474 |
| | 10.22 Amount actually paid for year bonuses.....\$ 0 |
| | 10.23 Maximum amount payable withholds.....\$ |
| | 10.24 Amount actually paid for year withholds.....\$ |
- 11.1 Is the reporting entity organized as:
- | | |
|--|---|
| | 11.12 A Medical Group/Staff Model, Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | 11.13 An Individual Practice Association (IPA), or, Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | 11.14 A Mixed Model (combination of above)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. Ohio
- 11.4 If yes, show the amount required. \$ 1,500,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes 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
Boone
Campbell
Kenton
Adams
Allen
DeKalb
Noble
Dearborn
Franklin
Ohio
Switzerland
Adams
Allen
Ashland
Auglaize
Brown
Butler
Champaign
Clark
Clermont
Clinton
Crawford
Cuyahoga
Darke
Defiance
Erie
Fayette
Fulton
Geauga
Greene
Hamilton
Hardin
Henry
Highland
Huron
Lake
Lorain
Lucas
Madison
Medina
Mercer
Miami
Montgomery
Ottawa
Paulding
Portage
Putnam
Preble
Sandusky
Seneca
Shelby
Summit
Van Wert
Warren
Wayne
Williams
Wood
Wyandot

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

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

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

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

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

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

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

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

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

15.1 Direct Premium Written \$

15.2 Total Incurred Claims \$

15.3 Number of Covered Lives

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE Paramount Care Inc.

FIVE-YEAR HISTORICAL DATA

	1 2025	2 2024	3 2023	4 2022	5 2021
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	93,543,316	86,311,431	70,746,212	73,682,260	72,208,892
2. Total liabilities (Page 3, Line 24)	56,747,636	48,809,672	48,975,634	54,342,827	48,563,813
3. Statutory minimum capital and surplus requirement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. Total capital and surplus (Page 3, Line 33)	36,795,680	37,501,759	21,770,578	19,339,433	23,645,079
Income Statement (Page 4)					
5. Total revenues (Line 8)	216,379,033	179,480,920	175,200,398	174,081,641	176,465,906
6. Total medical and hospital expenses (Line 18)	215,400,245	172,692,678	160,383,541	163,191,304	157,821,235
7. Claims adjustment expenses (Line 20)	3,435,088	3,279,925	1,826,743	2,014,838	2,643,969
8. Total administrative expenses (Line 21)	28,186,048	31,691,124	18,495,361	14,300,348	13,422,377
9. Net underwriting gain (loss) (Line 24)	(29,442,348)	(45,782,807)	(5,505,247)	(5,424,849)	2,578,325
10. Net investment gain (loss) (Line 27)	3,453,912	3,218,112	4,750,472	1,858,215	(43,166)
11. Total other income (Lines 28 plus 29)	93,049	282,688	75,791	12,355	0
12. Net income or (loss) (Line 32)	(25,670,141)	(43,045,177)	(703,527)	(2,654,829)	1,760,717
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(35,808,880)	(28,958,179)	(3,262,533)	1,904,913	1,883,905
Risk-Based Capital Analysis					
14. Total adjusted capital	36,795,680	37,501,759	21,770,578	19,339,433	23,645,079
15. Authorized control level risk-based capital	8,899,720	7,305,099	6,742,485	7,230,730	6,993,446
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	14,526	12,059	12,235	12,533	13,109
17. Total members months (Column 6, Line 7)	171,698	144,582	148,284	152,662	159,214
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	99.5	96.2	91.5	93.7	89.4
20. Cost containment expenses	1.3	1.5	0.9	1.0	1.3
21. Other claims adjustment expenses	0.3	0.4	0.1	0.1	0.2
22. Total underwriting deductions (Line 23)	113.6	125.5	103.1	103.1	98.5
23. Total underwriting gain (loss) (Line 24)	(13.6)	(25.5)	(3.1)	(3.1)	1.5
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	10,302,197	8,853,169	13,772,202	17,062,308	11,651,607
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	15,274,562	13,600,727	17,677,659	14,280,128	13,335,815
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 9 + 15, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 22, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 28, Col. 1)	0	0	0	0	0
29. Affiliated mortgage loans on real estate	0	0	0	0	0
30. All other affiliated	0	0	0	0	0
31. Total of above Lines 26 to 30	0	0	0	0	0
32. Total investment in parent included in Lines 26 to 30 above	0	0	0	0	0

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

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	N								0	
2. Alaska	AK	N								0	
3. Arizona	AZ	N								0	
4. Arkansas	AR	N								0	
5. California	CA	N								0	
6. Colorado	CO	N								0	
7. Connecticut	CT	N								0	
8. Delaware	DE	N								0	
9. District of Columbia	DC	N								0	
10. Florida	FL	N								0	
11. Georgia	GA	N								0	
12. Hawaii	HI	N								0	
13. Idaho	ID	N								0	
14. Illinois	IL	N								0	
15. Indiana	IN	L	367,760							367,760	
16. Iowa	IA	N								0	
17. Kansas	KS	N								0	
18. Kentucky	KY	L	127,526							127,526	
19. Louisiana	LA	N								0	
20. Maine	ME	N								0	
21. Maryland	MD	N								0	
22. Massachusetts	MA	N								0	
23. Michigan	MI	N								0	
24. Minnesota	MN	N								0	
25. Mississippi	MS	N								0	
26. Missouri	MO	N								0	
27. Montana	MT	N								0	
28. Nebraska	NE	N								0	
29. Nevada	NV	N								0	
30. New Hampshire	NH	N								0	
31. New Jersey	NJ	N								0	
32. New Mexico	NM	N								0	
33. New York	NY	N								0	
34. North Carolina	NC	N								0	
35. North Dakota	ND	N								0	
36. Ohio	OH	L	215,634,998							215,634,998	
37. Oklahoma	OK	N								0	
38. Oregon	OR	N								0	
39. Pennsylvania	PA	N								0	
40. Rhode Island	RI	N								0	
41. South Carolina	SC	N								0	
42. South Dakota	SD	N								0	
43. Tennessee	TN	N								0	
44. Texas	TX	N								0	
45. Utah	UT	N								0	
46. Vermont	VT	N								0	
47. Virginia	VA	N								0	
48. Washington	WA	N								0	
49. West Virginia	WV	N								0	
50. Wisconsin	WI	N								0	
51. Wyoming	WY	N								0	
52. American Samoa	AS	N								0	
53. Guam	GU	N								0	
54. Puerto Rico	PR	N								0	
55. U.S. Virgin Islands	VI	N								0	
56. Northern Mariana Islands	MP	N								0	
57. Canada	CAN	N								0	
58. Aggregate other aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	216,130,284	0	0	0	0	0	0	216,130,284	0
60. Reporting entity contributions for employee benefit plans	XXX									0	
61. Totals (direct business)	XXX	0	216,130,284	0	0	0	0	0	0	216,130,284	0
DETAILS OF WRITE-INS											
58001.	XXX										
58002.	XXX										
58003.	XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0	0

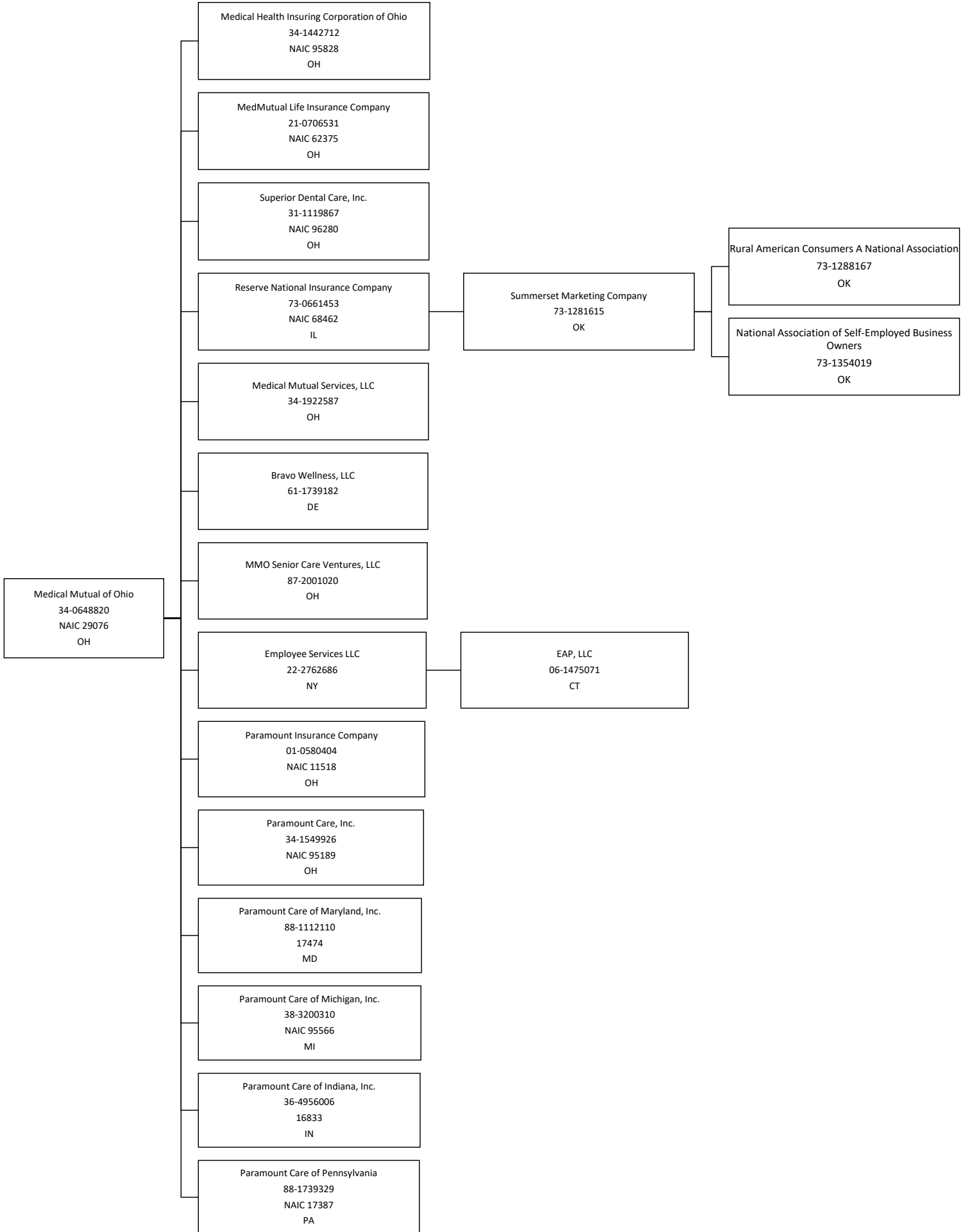
(a) Active Status Counts:

- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 3
- 2. R - Registered - Non-domiciled RRGs..... 0
- 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state. 0
- 4. Q - Qualified - Qualified or accredited reinsurer..... 0
- 5. N - None of the above - Not allowed to write business in the state..... 54

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

All policies are based on residency.

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



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504. Contribution receivable			0	26,000,000
2505. Experience rating refund	212,521		212,521	
2597. Summary of remaining write-ins for Line 25 from overflow page	212,521	0	212,521	26,000,000