* 1 1 5 2 0 2 0 1 4 2 0 1 0 0 1 0 0 *

ANNUAL STATEMENT

For the Year Ended December 31, 2014

of the Condition and Affairs of the

Priority Health Choice, Inc.

NAIC Group Code.....3383, 3383 (Current Period) (Prior Period) NAIC Company Code..... 11520 Employer's ID Number..... 32-0016523

Organized under the Laws of Michigan State of Domicile or Port of Entry Michigan Country of Domicile US

Licensed as Business Type.....Health Maintenance Organization Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized..... June 3, 2002 Commenced Business..... October 1, 2002

Statutory Home Office	1231 East Beltline NE….. Grand Rapids ..... MI ..... …. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	1231 East Beltline NE….. Grand Rapids ..... MI ..... …. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	616-942-0954 *(Area Code) (Telephone Number)*
Mail Address	1231 East Beltline NE….. Grand Rapids ..... MI ..... …. 49525-4501 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	1231 East Beltline NE….. Grand Rapids ..... MI ..... …. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	616-464-8966 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.priorityhealth.com	
Statutory Statement Contact	Michael VanTil *(Name)*	616-464-8966 *(Area Code) (Telephone Number) (Extension)*
	michael.vantil@priorityhealth.com *(E-Mail Address)*	616-942-7916 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Michael P Freed	President / Chief Executive Officer	2. Mary Anne Jones	Treasurer / Chief Financial Officer
3. Kimberly L Thomas	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Michael P Freed	Michael Koziara	Jay LaBine MD	Mary Anne Jones
Nicole Karsies	Chelsee Davis-Herzhaft #		

State of.....
County of.....

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

(Signature)	(Signature)	(Signature)
Michael P Freed	Mary Anne Jones	Kimberly L Thomas
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President / Chief Executive Officer	Treasurer / Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2015

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

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
A&H Premiums Due and Unpaid						
0499999. Premiums due and unpaid from Medicaid entities	2,290,291					2,290,291
0599999. Accident and health premiums due and unpaid (Page 2, Line 15)	2,290,291	0	0	0	0	2,290,291

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Claim Overpayment Receivables						
Aggregate of amounts not individually listed	62,461	30,008	18,876			111,345
0299999. Total Claim Overpayment Receivables	62,461	30,008	18,876	0	0	111,345
Other Receivables						
State of Michigan	1,100,660	370,381	432,980			1,904,021
0699999. Total Other Receivables	1,100,660	370,381	432,980	0	0	1,904,021
0799999. Gross Health Care Receivables	1,163,121	400,389	451,856	0	0	2,015,366

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Heath Care Receivables Accrued as of December 31 of Current Year		5	6
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year	Health Care Receivables in Prior Years (Columns 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
1. Pharmaceutical rebate receivables					0	
2. Claim overpayment receivables	109,907			111,345	109,907	109,907
3. Loans and advances to providers					0	
4. Capitation arrangement receivables					0	
5. Risk sharing receivables					0	
6. Other health care receivables	2,722,820			1,904,021	2,722,820	2,722,820
7. Totals (Lines 1 through 6)	2,832,727	0	0	2,015,366	2,832,727	2,832,727

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0399999. Aggregate accounts not individually listed - covered	6,550,198					6,550,198
0499999. Subtotals	6,550,198	0	0	0	0	6,550,198
0599999. Unreported claim and other claim reserves						35,132,024
0799999. Total claims unpaid						41,682,222
0899999. Accrued medical incentive pool and bonus amounts						2,724,168

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Priority Health	1,377,231					1,377,231	
Priority Health Managed Benefits	41,546					41,546	
0199999. Individually listed receivables	1,418,777	0	0	0	0	1,418,777	0
0399999. Total gross amounts receivable	1,418,777	0	0	0	0	1,418,777	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Amounts Due To Parent, Subsidiaries and Affiliates				
Priority Health Managed Benefits	Management Fee Payable	2,161,541	2,161,541	
Priority Health	Pharmacy Payments made by Parent	1,274,665	1,274,665	
Spectrum Health	Medicaid Risk Share	595,712	595,712	
0199999. Individually listed payables		4,031,918	4,031,918	0
0299999. Payables not individually listed		1,574,861	1,574,861	
0399999. Total gross payables		5,606,779	5,606,779	0

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	305,439	0.1			305,439	
2. Intermediaries	0	0.0				
3. All other providers	136,143,875	47.6			136,143,875	
4. Total capitation payments	136,449,314	47.7	0		136,449,314	0
Other Payments:						
5. Fee-for-service	7,711,087	2.7	XXX	XXX		7,711,087
6. Contractual fee payments	99,315,990	34.7	XXX	XXX	99,315,990	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	42,738,758	14.9	XXX	XXX	42,738,758	
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	149,765,835	52.3	XXX	XXX	142,054,748	7,711,087
13. Total (Line 4 plus Line 12)	286,215,149	100.0	XXX	XXX	278,504,062	7,711,087

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC

NONE

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment						0
2. Medical furniture, equipment and fixtures						0
3. Pharmaceuticals and surgical supplies						0
4. Durable medical equipment						0
5. Other property and equipment						0
6. Total	0	0	0	0	0	0

NONE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Priority Health Choice, Inc. 2. Grand Rapids, MI

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR (Location)

NAIC Group Code.....3383

NAIC Company Code.....11520

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	75,136	4,437							70,699	
2. First quarter	79,053	4,169							74,884	
3. Second quarter	98,065	5,621							92,444	
4. Third quarter	97,525	5,356							92,169	
5. Current year	100,120	5,796							94,324	
6. Current year member months	1,099,804	58,247							1,041,557	
Total Member Ambulatory Encounters for Year:										
7. Physician	1,020,803	27,222							993,581	
8. Non-physician	110,267	2,940							107,327	
9. Totals	1,131,070	30,162	0	0	0	0	0	0	1,100,908	0
10. Hospital patient days incurred	38,940	289							38,651	
11. Number of inpatient admissions	8,626	76							8,550	
12. Health premiums written (b)	341,272,999	8,561,661							332,711,338	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	341,051,362	8,561,661							332,489,701	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	286,215,149	5,792,068							280,423,081	
18. Amount incurred for provision of health care services	306,075,417	7,019,433							299,055,984	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....0

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Priority Health Choice, Inc. 2. Grand Rapids, MI

BUSINESS IN THE STATE OF MICHIGAN DURING THE YEAR (Location)

NAIC Group Code.....3383

NAIC Company Code.....11520

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	75,136	4,437							70,699	
2. First quarter	79,053	4,169							74,884	
3. Second quarter	98,065	5,621							92,444	
4. Third quarter	97,525	5,356							92,169	
5. Current year	100,120	5,796							94,324	
6. Current year member months	1,099,804	58,247							1,041,557	
Total Member Ambulatory Encounters for Year:										
7. Physician	1,020,803	27,222							993,581	
8. Non-physician	110,267	2,940							107,327	
9. Totals	1,131,070	30,162	0	0	0	0	0	0	1,100,908	0
10. Hospital patient days incurred	38,940	289							38,651	
11. Number of inpatient admissions	8,626	76							8,550	
12. Health premiums written (b)	341,272,999	8,561,661							332,711,338	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	341,051,362	8,561,661							332,489,701	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	285,003,668	5,358,392							279,645,276	
18. Amount incurred for provision of health care services	306,075,417	7,019,433							299,055,984	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....0

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance

NONE

SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
Accident and Health - Non-Affiliates - U.S. Non-Affiliates						
10227	13-4924125	09/01/2013	Munich Reinsurance America, Inc.	NJ	329,434	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates				329,434	0
2199999.	Total - Accident and Health Non-Affiliates				329,434	0
2299999.	Total - Accident and Health				329,434	0
2399999.	Total U.S.				329,434	0
9999999.	Total				329,434	0

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	Outstanding Surplus Relief		13	14
									Reserve Credit Taken Other Than for Unearned Premiums	11	12		
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type	Type of Business Ceded	Premiums	Unearned Premiums (estimated)		Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
10227	13-4924125	09/01/2013	Munich Reinsurance America, Inc.	NJ	SSL/A/I		221,637						
0899999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						221,637	0	0	0	0	0	0
1099999.	Total - General Account - Authorized - Non-Affiliates						221,637	0	0	0	0	0	0
1199999.	Total - General Account - Authorized						221,637	0	0	0	0	0	0
3499999.	Total - General Account - Authorized, Unauthorized and Certified						221,637	0	0	0	0	0	0
6999999.	Total - U.S.						221,637	0	0	0	0	0	0
9999999.	Total						221,637	0	0	0	0	0	0

Sch. S-Pt. 4
NONE

Sch. S-Pt. 5
NONE

SCHEDULE S - PART 6

Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2014	2 2013	3 2012	4 2011	5 2010
A. OPERATIONS ITEMS					
1. Premiums		2	1	1	2
2. Title XVIII - Medicare					
3. Title XIX - Medicaid	222	160	122	70	174
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses					
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses	329				
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances due					
11. Unauthorized reinsurance offset					
12. Offset for reinsurance with certified reinsurers				XXX	XXX
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F)					
14. Letters of credit (L)					
15. Trust agreements (T)					
16. Other (O)					
D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Multiple beneficiary trust				XXX	XXX
18. Funds deposited by and withheld from (F)				XXX	XXX
19. Letters of credit (L)				XXX	XXX
20. Trust agreements (T)				XXX	XXX
21. Other (O)				XXX	XXX

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

		1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 12)	79,314,597	221,637	79,536,234
2.	Accident and health premiums due and unpaid (Line 15)	2,290,291		2,290,291
3.	Amounts recoverable from reinsurers (Line 16.1)	329,434		329,434
4.	Net credit for ceded reinsurance	XXX	(221,637)	(221,637)
5.	All other admitted assets (balance)	3,498,616		3,498,616
6.	Totals assets (Line 28)	85,432,938	0	85,432,938
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	41,682,222		41,682,222
8.	Accrued medical incentive pool and bonus payments (Line 2)	2,724,168		2,724,168
9.	Premiums received in advance (Line 8)	1,708,078		1,708,078
10.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount)			0
11.	Reinsurance in unauthorized companies (Line 20 minus inset amount)			0
12.	Reinsurance with certified reinsurers (Line 20 inset amount)			0
13.	Funds held under reinsurance treaties with certified reinsurers (Line 19 third inset amount)			0
14.	All other liabilities (balance)	9,551,951		9,551,951
15.	Total liabilities (Line 24)	55,666,419	0	55,666,419
16.	Total capital and surplus (Line 33)	29,766,519	XXX	29,766,519
17.	Total liabilities, capital and surplus (Line 34)	85,432,938	0	85,432,938
	NET CREDIT FOR CEDED REINSURANCE			
18.	Claims unpaid	0		
19.	Accrued medical incentive pool	0		
20.	Premiums received in advance	0		
21.	Reinsurance recoverable on paid losses	0		
22.	Other ceded reinsurance recoverables	(221,637)		
23.	Total ceded reinsurance recoverables	(221,637)		
24.	Premiums receivable	0		
25.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
26.	Unauthorized reinsurance	0		
27.	Reinsurance with certified reinsurers	0		
28.	Funds held under reinsurance treaties with certified reinsurers	0		
29.	Other ceded reinsurance payables/offsets	0		
30.	Total ceded reinsurance payables/offsets	0		
31.	Total net credit for ceded reinsurance	(221,637)		

SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		Direct Business Only					
	States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1.	Alabama AL						0
2.	Alaska AK						0
3.	Arizona AZ						0
4.	Arkansas AR						0
5.	California CA						0
6.	Colorado CO						0
7.	Connecticut CT						0
8.	Delaware DE						0
9.	District of Columbia DC						0
10.	Florida FL						0
11.	Georgia GA						0
12.	Hawaii HI						0
13.	Idaho ID						0
14.	Illinois IL						0
15.	Indiana IN						0
16.	Iowa IA						0
17.	Kansas KS						0
18.	Kentucky KY						0
19.	Louisiana LA						0
20.	Maine ME						0
21.	Maryland MD						0
22.	Massachusetts MA						0
23.	Michigan MI						0
24.	Minnesota MN						0
25.	Mississippi MS						0
26.	Missouri MO						0
27.	Montana MT						0
28.	Nebraska NE						0
29.	Nevada NV						0
30.	New Hampshire NH						0
31.	New Jersey NJ						0
32.	New Mexico NM						0
33.	New York NY						0
34.	North Carolina NC						0
35.	North Dakota ND						0
36.	Ohio OH						0
37.	Oklahoma OK						0
38.	Oregon OR						0
39.	Pennsylvania PA						0
40.	Rhode Island RI						0
41.	South Carolina SC						0
42.	South Dakota SD						0
43.	Tennessee TN						0
44.	Texas TX						0
45.	Utah UT						0
46.	Vermont VT						0
47.	Virginia VA						0
48.	Washington WA						0
49.	West Virginia WV						0
50.	Wisconsin WI						0
51.	Wyoming WY						0
52.	American Samoa AS						0
53.	Guam GU						0
54.	Puerto Rico PR						0
55.	US Virgin Islands VI						0
56.	Northern Mariana Islands MP						0
57.	Canada CAN						0
58.	Aggregate Other Alien OT						0
59.	Totals	0	0	0	0	0	0

NONE

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
Members														
3383	Priority Health	95561	38-2715520				Priority Health	MI	UDP	Spectrum Health System	Ownership	93.900	Spectrum Health System	1
										Munson HealthCare	Ownership	5.500		1
										Healthshare DBA The Healthshare Group	Ownership	0.600		1
3383	Priority Health	11520	32-0016523				Priority Health Choice, Inc.	MI	IA	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health	12208	20-1529553				Priority Health Insurance Company	MI		Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2715520				PHMB Properties, LLC	MI	NIA	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2663747				Trinity Health Plans	MI	NIA	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-3085182				Priority Health Managed Benefits, Inc.	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	

Asterisk	Explanation
1	Spectrum Health Systems (EIN 38-3382353), Class A Shareholder - 93.9%; Munson Healthcare (EIN 38-1362830), Class B Shareholder - 5.5%; Healthshare (EIN 38-2146751), Class B Shareholder - 0.6%

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1 NAIC Company Code	2 ID Number	3 Names of Insurers and Parent, Subsidiaries or Affiliates	4 Shareholder Dividends	5 Capital Contributions	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	7 Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	8 Management Agreements and Service Contracts	9 Income/ (Disbursements) Incurred under Reinsurance Agreements	10 *	11 Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	12 Totals	13 Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
12208	20-1529553	Priority Health Insurance Company					(18,025,402)				(18,025,402)	
	38-3085182	Priority Health Managed Benefits					164,769,907				164,769,907	
95561	38-2715520	Priority Health					(129,452,818)				(129,452,818)	
11520	32-0016523	Priority Health Government Programs					(17,291,687)				(17,291,687)	
9999999.	Control Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	MARCH FILING	Responses
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?	YES
4.	Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES
	APRIL FILING	
5.	Will the Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
	JUNE FILING	
8.	Will an audited financial report be filed by June 1?	YES
9.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
	AUGUST FILING	
10.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES

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

	MARCH FILING	
11.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	NO
14.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
15.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
16.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
17.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
18.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partners be filed electronically with the NAIC by March 1?	NO
19.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
20.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	NO
	APRIL FILING	
21.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
22.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	YES
25.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	YES
	AUGUST FILING	
26.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

EXPLANATIONS:

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11520201422500000
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11520201430600000
11520201421100000
11520201421300000

Overflow Page for Write-Ins

Additional Write-ins for Underwriting and Investment Exhibit-Part 3:

	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
2504. IS Management Fee	580,057	849,175	1,601,372		3,030,604
2505. Other Corporate Management Fee	24,021	35,165	66,315		125,501
2597. Summary of remaining write-ins for Line 25	604,078	884,340	1,667,687	0	3,156,105

Overflow Page for Write-Ins

NONE

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