



# ANNUAL STATEMENT

## For the Year Ended DECEMBER 31, 2022

### OF THE CONDITION AND AFFAIRS OF THE

# McLAREN HEALTH PLAN, INC

NAIC Group Code	4700 <small>(Current Period)</small>	4700 <small>(Prior Period)</small>	NAIC Company Code	95562	Employer's ID Number	38-3252216
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	MI		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	09/12/1997		Commenced Business	08/01/1998		
Statutory Home Office	G-3245 Beecher Rd. <small>(Street and Number)</small>		FLINT, MI, US 48532 <small>(City or Town, State, Country and Zip Code)</small>			
Main Administrative Office	FLINT, MI, US 48532 <small>(City or Town, State, Country and Zip Code)</small>		G-3245 Beecher Rd. <small>(Street and Number)</small>		(810)733-9723 <small>(Area Code) (Telephone Number)</small>	
Mail Address	G-3245 Beecher Rd. <small>(Street and Number or P.O. Box)</small>		FLINT, MI, US 48532 <small>(City or Town, State, Country and Zip Code)</small>			
Primary Location of Books and Records	FLINT, MI, US 48532 <small>(City or Town, State, Country and Zip Code)</small>		G-3245 Beecher Rd. <small>(Street and Number)</small>		(810)733-9723 <small>(Area Code) (Telephone Number)</small>	
Internet Website Address	www.mclarenhealthplan.org					
Statutory Statement Contact	Rachel L. Hairston <small>(Name)</small>		(810)733-9678 <small>(Area Code)(Telephone Number)(Extension)</small>			
	rachel.hairston@mclaren.org <small>(E-Mail Address)</small>		(810)600-7947 <small>(Fax Number)</small>			

### OFFICERS

Name	Title
NANCY JENKINS	President
KATHY KENDALL	Vice President
PATRICK HAYES	Secretary
DAVE MAZURKIEWICZ	Treasurer
RACHEL HAIRSTON	Assistant Treasurer/VP, Finance
KEVIN TOMPKINS	Chairman
CHERYL DIEHL	Assistant Secretary
DENNIS PERRY MD	Chief Medical Officer
Jane Heilig	Assistant Treasurer #

### OTHERS

LAKISHA ATKINS, Enrollee Representative

MELISSA JENKINS, Enrollee Representative

### DIRECTORS OR TRUSTEES

NANCY JENKINS  
PATRICK HAYES

KEVIN TOMPKINS  
DAVE MAZURKIEWICZ

State of Michigan  
County of Genesee ss

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

\_\_\_\_\_  
(Signature)  
NANCY JENKINS  
\_\_\_\_\_  
(Printed Name)  
1.  
President  
\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)  
CHERYL DIEHL  
\_\_\_\_\_  
(Printed Name)  
2.  
Assistant Secretary  
\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)  
RACHEL HAIRSTON  
\_\_\_\_\_  
(Printed Name)  
3.  
Assistant Treasurer/VP, Finance  
\_\_\_\_\_  
(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2023

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

Yes[X] No[ ]

\_\_\_\_\_  
(Notary Public Signature)

## ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1. Bonds (Schedule D) .....				
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common Stocks .....	211,448,410		211,448,410	108,757,596
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....	1,955,012		1,955,012	2,256,498
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....186,701,398, Schedule E Part 1), cash equivalents (\$.....1,346,552, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) .....	188,047,950		188,047,950	300,860,721
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....	7,265,845	6,322,956	942,889	829,133
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	408,717,217	6,322,956	402,394,261	412,703,949
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	84,866		84,866	1,707
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	333,268	79,508	253,759	275,086
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....154,636) and contracts subject to redetermination (\$.....0) .....	154,636		154,636	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,739,894		1,739,894	478,626
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	977,681	977,681		
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	33,546	33,546		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	3,896,009	1,050,102	2,845,907	4,607,236
24. Health care (\$.....9,449,889) and other amounts receivable .....	9,485,660	3,282	9,482,378	32,116,875
25. Aggregate write-ins for other than invested assets .....	17,819,896		17,819,896	
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	443,242,672	8,467,075	434,775,597	450,183,477
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	443,242,672	8,467,075	434,775,597	450,183,477
<b>DETAILS OF WRITE-INS</b>				
1101. INVENTORY .....				
1102. DEFERRED CHARGES EQUIP FEES .....	4,273,171	4,273,171		
1103. PREPAID EXPENSES .....	2,031,119	2,031,119		
1198. Summary of remaining write-ins for Line 11 from overflow page .....	961,555	18,666	942,889	829,133
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	7,265,845	6,322,956	942,889	829,133
2501. Insurance Provider Assessment .....	17,819,896		17,819,896	
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	17,819,896		17,819,896	

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	87,110,977		87,110,977	100,778,965
2. Accrued medical incentive pool and bonus amounts .....	2,778,114		2,778,114	5,596,614
3. Unpaid claims adjustment expenses .....	2,933,180		2,933,180	3,279,438
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....	29,433,067		29,433,067	29,575,525
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserves .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	2,330,493		2,330,493	2,552,125
9. General expenses due or accrued .....	30,846,692		30,846,692	25,951,839
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....	369,232		369,232	405,962
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	5,264,343		5,264,343	44,680,617
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20. Reinsurance in unauthorized and certified (\$.....0) companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....				
23. Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24. TOTAL Liabilities (Lines 1 to 23) .....	161,066,096		161,066,096	212,821,086
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		
26. Common capital stock .....	X X X	X X X		
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	1,140,000	1,140,000
29. Surplus notes .....	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	272,569,501	236,222,392
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	273,709,501	237,362,392
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....	X X X	X X X	434,775,597	450,183,477
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501. ....	X X X	X X X		
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

# STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	3,151,517	2,999,654
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	1,128,058,362	1,046,452,744
3. Change in unearned premium reserves and reserve for rate credits .....	X X X		
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X		
5. Risk revenue .....	X X X		
6. Aggregate write-ins for other health care related revenues .....	X X X	(2,897,572)	(3,004,157)
7. Aggregate write-ins for other non-health revenues .....	X X X		
8. TOTAL Revenues (Lines 2 to 7) .....	X X X	1,125,160,790	1,043,448,587
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		596,210,927	570,970,109
10. Other professional services .....		15,050,479	13,775,155
11. Outside referrals .....			
12. Emergency room and out-of-area .....		55,547,174	49,642,263
13. Prescription drugs .....		288,532,471	228,268,436
14. Aggregate write-ins for other hospital and medical .....			
15. Incentive pool, withhold adjustments and bonus amounts .....		42,288	3,003,157
16. Subtotal (Lines 9 to 15) .....		955,383,339	865,659,121
<b>Less:</b>			
17. Net reinsurance recoveries .....		3,629,135	979,786
18. TOTAL Hospital and Medical (Lines 16 minus 17) .....		951,754,204	864,679,335
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$.....1,947,523 cost containment expenses .....		9,903,863	8,701,527
21. General administrative expenses .....		107,540,317	96,168,883
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....		2,083,569	2,540,103
23. TOTAL Underwriting Deductions (Lines 18 through 22) .....		1,071,281,953	972,089,848
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	53,878,836	71,358,739
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		5,123,921	(392,018)
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			1,425,079
27. Net investment gains (losses) (Lines 25 plus 26) .....		5,123,921	1,033,061
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....			
29. Aggregate write-ins for other income or expenses .....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	59,002,758	72,391,801
31. Federal and foreign income taxes incurred .....	X X X		
32. Net income (loss) (Lines 30 minus 31) .....	X X X	59,002,758	72,391,801
<b>DETAILS OF WRITE-INS</b>			
0601. MPCA .....	X X X	(2,897,572)	(3,004,157)
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X	(2,897,572)	(3,004,157)
0701. ....	X X X		
0702. ....	X X X		
0703. ....	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X		
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	X X X		
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901. ....			
2902. LOSS ON SALE OF EQUIPMENT .....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....			

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

		1	2
		Current Year	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33.	Capital and surplus prior reporting year .....	237,362,392	210,938,524
34.	Net income or (loss) from Line 32 .....	59,002,758	72,391,801
35.	Change in valuation basis of aggregate policy and claim reserves .....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....	(22,787,910)	(8,181,294)
37.	Change in net unrealized foreign exchange capital gain or (loss) .....		
38.	Change in net deferred income tax .....		
39.	Change in nonadmitted assets .....	132,262	(1,786,639)
40.	Change in unauthorized and certified reinsurance .....		
41.	Change in treasury stock .....		
42.	Change in surplus notes .....		
43.	Cumulative effect of changes in accounting principles .....		
44.	Capital Changes:		
44.1	Paid in .....		
44.2	Transferred from surplus (Stock Dividend) .....		
44.3	Transferred to surplus .....		
45.	Surplus adjustments:		
45.1	Paid in .....		
45.2	Transferred to capital (Stock Dividend) .....		
45.3	Transferred from capital .....		
46.	Dividends to stockholders .....		(36,000,000)
47.	Aggregate write-ins for gains or (losses) in surplus .....		
48.	Net change in capital and surplus (Lines 34 to 47) .....	36,347,109	26,423,868
49.	Capital and surplus end of reporting year (Line 33 plus 48) .....	273,709,501	237,362,392
<b>DETAILS OF WRITE-INS</b>			
4701.	.....		
4702.	PENSION RELATED COSTS OTHER THAN NET PERIODIC PENSION COSTS .....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page .....		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		

**CASH FLOW**

		1	2
		Current Year	Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	1,127,564,225	1,054,360,805
2.	Net investment income .....	5,040,762	(391,640)
3.	Miscellaneous income .....	(2,906,090)	(3,028,129)
4.	TOTAL (Lines 1 through 3) .....	1,129,698,898	1,050,941,036
5.	Benefit and loss related payments .....	966,765,694	869,407,877
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	112,895,585	98,768,882
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....		
10.	TOTAL (Lines 5 through 9) .....	1,079,661,280	968,176,759
11.	Net cash from operations (Line 4 minus Line 10) .....	50,037,618	82,764,277
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		
12.2	Stocks .....		32,428,030
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7) .....		32,428,030
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		
13.2	Stocks .....	102,980,654	33,388,710
13.3	Mortgage loans .....		
13.4	Real estate .....		910,100
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....	21,786,887	15,531,745
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6) .....	124,767,542	49,830,555
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(124,767,542)	(17,402,524)
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	(38,082,847)	966,634
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(38,082,847)	966,634
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(112,812,771)	66,328,387
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	300,860,721	234,532,334
19.2	End of year (Line 18 plus Line 19.1) .....	188,047,950	300,860,721

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

20.0001	Dividend Payable to Parent .....		36,000,000
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## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	1,128,058,362	173,474					6,570,560	1,121,314,329		
2. Change in unearned premium reserves and reserve for rate credit .....										
3. Fee-for-service (net of \$.....0 medical expenses) .....										X X X
4. Risk revenue .....										X X X
5. Aggregate write-ins for other health care related revenues .....	(2,897,572)							(2,897,572)		X X X
6. Aggregate write-ins for other non-health care related revenues .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7. TOTAL Revenues (Lines 1 to 6) .....	1,125,160,790	173,474					6,570,560	1,118,416,756		
8. Hospital/medical benefits .....	596,210,927	(1,992)					5,015,705	591,197,214		X X X
9. Other professional services .....	15,050,479						40,889	15,009,590		X X X
10. Outside referrals .....										X X X
11. Emergency room and out-of-area .....	55,547,174						132,005	55,415,169		X X X
12. Prescription drugs .....	288,532,471						2,030,669	286,501,802		X X X
13. Aggregate write-ins for other hospital and medical .....										X X X
14. Incentive pool, withhold adjustments and bonus amounts .....	42,288							42,288		X X X
15. Subtotal (Lines 8 to 14) .....	955,383,339	(1,992)					7,219,268	948,166,063		X X X
16. Net reinsurance recoveries .....	3,629,135							3,629,135		X X X
17. TOTAL Hospital and Medical (Lines 15 minus 16) .....	951,754,204	(1,992)					7,219,268	944,536,927		X X X
18. Non-health claims (net) .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19. Claims adjustment expenses including \$.....1,947,523 cost containment expenses .....	9,903,863						547,909	9,355,954		
20. General administrative expenses .....	107,540,317						4,741,479	102,798,838		
21. Increase in reserves for accident and health contracts .....	2,083,569						2,083,569			X X X
22. Increase in reserves for life contracts .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23. TOTAL Underwriting Deductions (Lines 17 to 22) .....	1,071,281,953	(1,992)					14,592,226	1,056,691,719		
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	53,878,836	175,465					(8,021,666)	61,725,037		
<b>DETAILS OF WRITE-INS</b>										
0501. MPCA .....	(2,897,572)							(2,897,572)		X X X
0502. ....										X X X
0503. ....										X X X
0598. Summary of remaining write-ins for Line 5 from overflow page .....										X X X
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	(2,897,572)							(2,897,572)		X X X
0601. ....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602. ....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603. ....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698. Summary of remaining write-ins for Line 6 from overflow page .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301. ....										X X X
1302. ....										X X X
1303. ....										X X X
1398. Summary of remaining write-ins for Line 13 from overflow page .....										X X X
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....										X X X

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1. Comprehensive (hospital and medical) Individual .....	173,474			173,474
2. Comprehensive (hospital and medical) Group .....				
3. Medicare Supplement .....				
4. Dental only .....				
5. Vision only .....				
6. Federal Employees Health Benefits Plan .....				
7. Title XVIII - Medicare .....	6,607,832		37,272	6,570,560
8. Title XIX - Medicaid .....	1,125,342,869		4,028,540	1,121,314,329
9. Credit A&H .....				
10. Disability Income .....				
11. Long-Term Care .....				
12. Other health .....				
13. Health subtotal (Lines 1 through 12) .....	1,132,124,174		4,065,812	1,128,058,362
14. Life .....				
15. Property/casualty .....				
16. TOTALS (Lines 13 to 15) .....	1,132,124,174		4,065,812	1,128,058,362



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long- Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct .....	969,009,039	(1,992)						5,165,941	963,845,090					
1.2 Reinsurance assumed .....														
1.3 Reinsurance ceded .....	3,629,135								3,629,135					
1.4 Net .....	965,379,904	(1,992)						5,165,941	960,215,955					
2. Paid medical incentive pools and bonuses .....	2,860,789								2,860,789					
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct .....	87,110,977							2,053,327	85,057,649					
3.2 Reinsurance assumed .....														
3.3 Reinsurance ceded .....														
3.4 Net .....	87,110,977							2,053,327	85,057,649					
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct .....														
4.2 Reinsurance assumed .....														
4.3 Reinsurance ceded .....														
4.4 Net .....														
5. Accrued medical incentive pools and bonuses, current year .....	2,778,114								2,778,114					
6. Net healthcare receivables (a) .....														
7. Amounts recoverable from reinsurers December 31, current year .....	1,739,894								1,739,894					
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct .....	100,778,965								100,778,965					
8.2 Reinsurance assumed .....														
8.3 Reinsurance ceded .....														
8.4 Net .....	100,778,965								100,778,965					
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct .....														
9.2 Reinsurance assumed .....														
9.3 Reinsurance ceded .....														
9.4 Net .....														
10. Accrued medical incentive pools and bonuses, prior year .....	5,596,614								5,596,614					
11. Amounts recoverable from reinsurers December 31, prior year .....	478,626								478,626					
12. Incurred benefits:														
12.1 Direct .....	955,341,051	(1,992)						7,219,268	948,123,775					
12.2 Reinsurance assumed .....														
12.3 Reinsurance ceded .....	4,890,404								4,890,404					
12.4 Net .....	950,450,647	(1,992)						7,219,268	943,233,371					
13. Incurred medical incentive pools and bonuses .....	42,288								42,288					

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

## UNDERWRITING AND INVESTMENT EXHIBIT

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

10

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long- Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct .....	45,297,708							1,067,730	44,229,978					
1.2 Reinsurance assumed .....														
1.3 Reinsurance ceded .....														
1.4 Net .....	45,297,708							1,067,730	44,229,978					
2. Incurred but Unreported:														
2.1 Direct .....	41,813,269							985,597	40,827,672					
2.2 Reinsurance assumed .....														
2.3 Reinsurance ceded .....														
2.4 Net .....	41,813,269							985,597	40,827,672					
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct .....														
3.2 Reinsurance assumed .....														
3.3 Reinsurance ceded .....														
3.4 Net .....														
4. TOTALS														
4.1 Direct .....	87,110,977							2,053,327	85,057,649					
4.2 Reinsurance assumed .....														
4.3 Reinsurance ceded .....														
4.4 Net .....	87,110,977							2,053,327	85,057,649					

## 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	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical) Individual .....	(1,992)				(1,992)	
2.	Comprehensive (hospital and medical) Group .....						
3.	Medicare Supplement .....						
4.	Dental only .....						
5.	Vision only .....						
6.	Federal Employees Health Benefits Plan .....						
7.	Title XVIII - Medicare .....		5,165,941		2,053,327		
8.	Title XIX - Medicaid .....	71,877,747	888,338,208	7,266,578	77,791,071	79,144,325	100,778,965
9.	Credit A&H .....						
10.	Disability Income .....						
11.	Long-Term Care .....						
12.	Other health .....						
13.	Health subtotal (Lines 1 to 12) .....	71,875,755	893,504,149	7,266,578	79,844,399	79,142,333	100,778,965
14.	Healthcare receivables (a) .....						
15.	Other non-health .....						
16.	Medical incentive pool and bonus amounts .....	2,782,367	78,422	736,975	2,041,139	3,519,342	5,596,614
17.	TOTALS (Lines 13 - 14 + 15 + 16) .....	74,658,122	893,582,570	8,003,552	81,885,538	82,661,675	106,375,579

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

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

**Grand Total**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	53,417	56,172	45,626	46,602	46,625
2. 2018 .....	582,212	706,825	707,485	707,563	707,607
3. 2019 .....	X X X	537,483	590,594	591,761	591,859
4. 2020 .....	X X X	X X X	615,313	671,522	672,460
5. 2021 .....	X X X	X X X	X X X	789,833	853,526
6. 2022 .....	X X X	X X X	X X X	X X X	965,382

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	61,969	56,340	(6,396)	49,456	48,475
2. 2018 .....	656,715	714,385	710,438	710,477	710,941
3. 2019 .....	X X X	607,449	644,517	592,394	592,004
4. 2020 .....	X X X	X X X	706,137	675,864	673,129
5. 2021 .....	X X X	X X X	X X X	885,100	857,382
6. 2022 .....	X X X	X X X	X X X	X X X	1,047,267

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2018 .....	732,765	707,607	0	0.000	707,607	96.567	3,334	88	711,029	97.034
2. 2019 .....	788,258	591,859	0	0.000	591,860	75.085	145	110	592,115	75.117
3. 2020 .....	846,336	672,460	3	0.001	672,464	79.456	668	1,085	674,217	79.663
4. 2021 .....	1,046,453	853,526	1,223	0.143	854,749	81.681	3,856	2,008	860,613	82.241
5. 2022 .....	1,128,058	965,382	8,677	0.899	974,059	86.348	81,886	(346)	1,055,598	93.577

12 Grand Total

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

**Hospital and Medical**  
**Section A - Paid Health Claims**

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior .....	(426)	(482)	(10,813)	(10,813)	(10,813)
2.	2018 .....					
3.	2019 .....	X X X				
4.	2020 .....	X X X	X X X			
5.	2021 .....	X X X	X X X	X X X		
6.	2022 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior .....	(370)	(482)	(55,706)	(10,813)	(10,813)
2.	2018 .....					
3.	2019 .....	X X X				
4.	2020 .....	X X X	X X X			
5.	2021 .....	X X X	X X X	X X X		
6.	2022 .....	X X X	X X X	X X X	X X X	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2018 .....	6									
2. 2019 .....										
3. 2020 .....	447									
4. 2021 .....										
5. 2022 .....	173									

12 Hospital and Medical

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP . . . . . NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP . . . . . NONE

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

**Title XVIII - Medicare**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	433	(788)	(940)		
2. 2018 .....					
3. 2019 .....	X X X				
4. 2020 .....	X X X	X X X			
5. 2021 .....	X X X	X X X	X X X		
6. 2022 .....	X X X	X X X	X X X	X X X	5,166

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	450	(788)	(11,288)	(940)	
2. 2018 .....					
3. 2019 .....	X X X				
4. 2020 .....	X X X	X X X			
5. 2021 .....	X X X	X X X	X X X		
6. 2022 .....	X X X	X X X	X X X	X X X	7,219

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2018 .....	(295)									
2. 2019 .....	134									
3. 2020 .....	50									
4. 2021 .....			55		55				55	
5. 2022 .....	6,571	5,166	493	9.546	5,659	86.127	2,053		7,712	117.378

12 Title XVIII-Medicare

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

**Title XIX - Medicaid**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	53,409	57,442	57,378	57,415	57,438
2. 2018 .....	582,212	706,825	707,485	707,563	707,607
3. 2019 .....	X X X	537,483	590,594	591,761	591,859
4. 2020 .....	X X X	X X X	615,313	671,522	672,460
5. 2021 .....	X X X	X X X	X X X	789,833	853,526
6. 2022 .....	X X X	X X X	X X X	X X X	960,216

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	61,890	57,610	60,598	61,209	59,288
2. 2018 .....	656,715	714,385	710,438	710,477	710,941
3. 2019 .....	X X X	607,449	644,517	592,394	592,004
4. 2020 .....	X X X	X X X	706,137	675,864	673,129
5. 2021 .....	X X X	X X X	X X X	885,100	857,382
6. 2022 .....	X X X	X X X	X X X	X X X	1,040,048

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2018 .....	733,055	707,607	0	0.000	707,607	96.529	3,334	88	711,029	96.995
2. 2019 .....	788,124	591,859	0	0.000	591,860	75.097	145	110	592,115	75.130
3. 2020 .....	845,839	672,460	3	0.001	672,464	79.503	668	1,085	674,217	79.710
4. 2021 .....	1,046,453	853,526	1,168	0.137	854,694	81.675	3,856	2,008	860,558	82.236
5. 2022 .....	1,121,314	960,216	8,184	0.852	968,400	86.363	79,832	(346)	1,047,886	93.452

12 Title XIX-Medicaid



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

**Other**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....					
2. 2018 .....					
3. 2019 .....					
4. 2020 .....					
5. 2021 .....			X X X		
6. 2022 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....					
2. 2018 .....					
3. 2019 .....					
4. 2020 .....					
5. 2021 .....			X X X		
6. 2022 .....	X X X	X X X	X X X	X X X	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2018 .....										
2. 2019 .....										
3. 2020 .....										
4. 2021 .....										
5. 2022 .....										

12 Other

## UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves .....	24,809,394							28,081	24,781,313				
2. Additional policy reserves (a) .....													
3. Reserve for future contingent benefits .....													
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income) .....													
5. Aggregate write-ins for other policy reserves .....	4,623,672							4,623,672					
6. TOTALS (Gross) .....	29,433,067							4,651,753	24,781,313				
7. Reinsurance ceded .....													
8. TOTALS (Net) (Page 3, Line 4) .....	29,433,067							4,651,753	24,781,313				
9. Present value of amounts not yet due on claims .....													
10. Reserve for future contingent benefits .....													
11. Aggregate write-ins for other claim reserves .....													
12. TOTALS (Gross) .....													
13. Reinsurance ceded .....													
14. TOTALS (Net) (Page 3, Line 7) .....													
<b>DETAILS OF WRITE-INS</b>													
0501. Premium Deficiency Reserves .....	4,623,672							4,623,672					
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page .....													
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	4,623,672							4,623,672					
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page .....													
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....													

(a) Includes \$.....4,623,672 premium deficiency reserve.

## 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 (\$.....0 for occupancy of own building) .....				916,613	916,613
2. Salaries, wages and other benefits .....	1,038,450	4,427,078	15,555,734		21,021,263
3. Commissions (less \$.....0 ceded plus \$.....0 assumed) .....			107,794		107,794
4. Legal fees and expenses .....			14,721		14,721
5. Certifications and accreditation fees .....					
6. Auditing, actuarial and other consulting services .....			203,391		203,391
7. Traveling expenses .....	2,930	12,492	43,893		59,314
8. Marketing and advertising .....			3,215,379		3,215,379
9. Postage, express and telephone .....	42,160	179,733	631,541		853,433
10. Printing and office supplies .....	74,729	318,583	1,119,428		1,512,740
11. Occupancy, depreciation and amortization .....			3,874,047		3,874,047
12. Equipment .....	1,146	4,887	17,171		23,204
13. Cost or depreciation of EDP equipment and software .....	6,417	27,356	96,123		129,896
14. Outsourced services including EDP, claims, and other services .....	716,055	3,052,654	10,726,326		14,495,035
15. Boards, bureaus and association fees .....	4,836	20,618	72,448		97,903
16. Insurance, except on real estate .....			269,813		269,813
17. Collection and bank service charges .....				131,543	131,543
18. Group service and administration fees .....					
19. Reimbursements by uninsured plans .....					
20. Reimbursements from fiscal intermediaries .....					
21. Real estate expenses .....			112,808	417,799	530,607
22. Real estate taxes .....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....			70,615,369		70,615,369
23.2 State premium taxes .....					
23.3 Regulatory authority licenses and fees .....					
23.4 Payroll taxes .....	47,765	203,630	715,509		966,904
23.5 Other (excluding federal income and real estate taxes) .....	4,445	18,952	66,592		89,989
24. Investment expenses not included elsewhere .....					
25. Aggregate write-ins for expenses .....	8,589	(309,643)	82,234		(218,820)
26. TOTAL Expenses Incurred (Lines 1 to 25) .....	1,947,523	7,956,340	107,540,317	1,465,955	(a) 118,910,135
27. Less expenses unpaid December 31, current year .....			30,835,942		30,835,942
28. Add expenses unpaid December 31, prior year .....			25,951,839		25,951,839
29. Amounts receivable relating to uninsured plans, prior year .....					
30. Amounts receivable relating to uninsured plans, current year .....					
31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	1,947,523	7,956,340	102,656,214	1,465,955	114,026,033
<b>DETAILS OF WRITE-INS</b>					
2501. Business Development .....	208	887	3,118		4,213
2502. Misc .....	(702)	(349,250)	(56,938)		(406,890)
2503. Community Support .....	8,696	37,074	130,269		176,039
2598. Summary of remaining write-ins for Line 25 from overflow page .....	386	1,646	5,785		7,818
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	8,589	(309,643)	82,234		(218,820)

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	1,233,072	1,233,072
3. Mortgage loans	(c)	
4. Real estate	(d) style="text-align: right;">916,613	916,613
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) style="text-align: right;">4,658,517	4,741,677
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL gross investment income	6,808,203	6,891,363
11. Investment expenses		(g) style="text-align: right;">1,465,955
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i) style="text-align: right;">301,487
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		1,767,442
17. Net Investment income (Line 10 minus Line 16)		5,123,921

**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)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 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 \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....916,613 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....301,487 depreciation on real estate and \$.....0 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)				(11,550,661)	
2.21 Common stocks of affiliates				(11,237,250)	
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)				(22,787,910)	

**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)					

**EXHIBIT OF NONADMITTED 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) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income .....			
4.3 Properties held for sale .....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....	6,322,956	6,846,408	523,451
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	6,322,956	6,846,408	523,451
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	79,508	82,772	3,263
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....			
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....	977,681	853,540	(124,141)
21. Furniture and equipment, including health care delivery assets .....	33,546	60,338	26,793
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....	1,050,102	756,279	(293,823)
24. Health care and other amounts receivable .....	3,282		(3,282)
25. Aggregate write-ins for other than invested assets .....			
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	8,467,075	8,599,337	132,262
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. TOTAL (Lines 26 and 27) .....	8,467,075	8,599,337	132,262
<b>DETAILS OF WRITE-INS</b>			
1101. INVENTORY .....		5,554	5,554
1102. DEFERRED CHARGES EQUIP FEES .....	4,273,171	4,875,697	602,526
1103. PREPAID EXPENSES .....	2,031,119	1,924,203	(106,916)
1198. Summary of remaining write-ins for Line 11 from overflow page .....	18,666	40,953	22,287
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	6,322,956	6,846,408	523,451
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....			

## 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 .....	255,085	257,669	262,260	266,574	269,359	3,151,517
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business .....						
7. TOTAL .....	255,085	257,669	262,260	266,574	269,359	3,151,517
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....						
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....						

## Notes to Financial Statements

McLaren Health Plan, Inc.  
December 31, 2022

### Note 1 - Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of McLaren Health Plan have been prepared in accordance with NAIC Accounting Practices and Procedures manual and statutory accounting principles as prescribed by the Michigan Department of Insurance and Financial Services. Statutory accounting principles differ from generally accepted accounting principles (“GAAP”) in certain respects and include the following accounting practices:

Certain assets designated as “non-admitted assets” are excluded from the statement of admitted asset, liabilities, and capital and surplus by a direct charge to surplus. Such items include intangible assets, prepaid expenses, and certain receivables and certain depreciable/amortizable assets.

Statutory accounting principles require that the goodwill from a statutory purchase be calculated as the excess of cost of acquiring an entity over its book value, admitted subject to limitation, and amortized over a period not to exceed 10 years. Goodwill is required to be charged or credited immediately to surplus in the event that the investee to which the goodwill relates ceases to exist. GAAP requires that goodwill be recorded as a residual after the fair value of the entity and other identifiable assets have been determined and be subject to an impairment evaluation rather than amortized.

Real estate owned and occupied by the Plan is included in investments, while under GAAP it is reported as an operating asset.

Statutory basis investment income and operating expenses include rent for the Plan's occupancy of those properties, and depreciation expense is reported as investment expense as a component of investment income for statutory financial statement purposes, rather than operating expense under GAAP.

Salvage and subrogation are recognized when received rather than when earned, as required by GAAP.

Comprehensive income and its components are not presented in the statutory basis financial statements.

Subsidiaries are included as common stock carried under the statutory equity method, with changes in the carrying value credited or debited directly to the Plan's surplus for statutory accounting principles. GAAP requires consolidation or, for those entities being accounting for under the equity basis of accounting, that their net income or loss be recognized in the statement of operations.

The statement of cash flows is prepared in the prescribed statutory format.

The Plan adopted the NAIC's Codification of Statutory Accounting Principles on January 1, 2003 at the direction of the Michigan Department of Insurance and Financial Services. There are no significant differences between statutory accounting principles prescribed by the NAIC and the State of Michigan accounting requirements that are applicable to the Plan, except for the prescribed practice for SSAP 84, Certain Health Care Receivables and Receivables under Government Insured Plans. There is no impact on statutory surplus of the differences in accounting principles prescribed by the NAIC and the State of Michigan, due to the prescribed practice referenced above.

## Notes to Financial Statements

	Description	SSAP #	F/S Page	F/S Line #	State of Domicile	2022	2021
<b>Net Income</b>							
	1 State Basis	XXX	XXX	XXX	MI	59,002,758	72,391,801
	2 State Prescribed Practices that increase/(decrease) NAIC SAP						
	3 State Permitted Practices that increase/(decrease) NAIC SAP						
	4 NAIC SAP	XXX	XXX	XXX	MI	59,002,758	72,391,801
<b>Surplus</b>							
	5 State Basis	XXX	XXX	XXX	MI	273,709,501	237,362,392
	6 State Prescribed Practices that increase/(decrease) NAIC SAP						
	7 State Permitted Practices that increase/(decrease) NAIC SAP						
	8 NAIC SAP	XXX	XXX	XXX	MI	273,709,501	237,362,392

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

Preparation of financial statements in conformity with the Annual Statement Instructions and Accounting Practices and Procedures Manual requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates exist relating to accrued health care costs. These estimates are actuarially determined and represent the Plan's best estimate of the level of claims to be paid applicable to 2022 or prior periods. Any future adjustments to these amounts will affect the reported results in the future periods.

### C. Accounting Policy

(1) Short-term investments: None. Pursuant to SSAP 2R, money market mutual funds are no longer considered short-term investments and are now classified as cash equivalents.

(2) Bonds: None

(3) Common Stock: Unaffiliated common stocks are stated at fair market value, as prescribed by the NAIC Securities Valuation Office.

Health Advantage Inc. d/b/a McLaren Health Advantage, Inc. and McLaren Health Plan Community are wholly owned subsidiaries of the Plan. The Plan carries them on the statutory equity basis in accordance with Statement of Statutory Accounting Principles (SSAP) No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No. 88 (SSAP 97)*.

(4) Preferred Stock: None

(5) Mortgage Loans: None

(6) Loan-Backed Securities: None

(7) Investments in Subsidiaries, Controlled and Affiliated Companies: The Plan is the parent corporation of Health Advantage, Inc., a licensed Michigan TPA. The Plan carries Health Advantage, Inc., at SSAP equity basis.

During 2011, the plan became the Parent Corporation for McLaren Health Plan Community. The Plan carries McLaren Health Plan Community at SSAP equity basis.

(8) Investments in Joint Ventures, Partnerships, and Limited Liability Companies: None

(9) Derivatives: None

(10) Anticipated investment income is not a factor in the premium deficiency calculation.



## Notes to Financial Statements

(11) Policy and methodologies for estimating liabilities for losses and loss/claim adjustment expenses: Estimates of liabilities for losses and loss/claim adjustment expenses are made by our independent actuary and are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principals, are based on actuarial assumptions relevant to contract provisions, and include appropriate provision for all actuarial terms that ought to be established.

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss/lag reports, based on past experience, for losses incurred but not reported. The methods for making such estimates and for establishing the resulting liability, are continually reviewed and any adjustments are reflected in the period determined

(12) Effective October 1, 2021 the capitalization policy was revised and a new predefined threshold of \$5,000 was set.

(13) Pharmaceutical Rebate Receivables: Pharmaceutical rebates receivables are derived from actual confirmed receipts from the PBM.

### D. Going Concern

Management has evaluated McLaren Health Plan's ability to continue as a going concern and has no substantial doubt as to the going concern of McLaren Health Plan.

Note 2 - Accounting Changes and Corrections of Errors: None

Note 3 - Business Combinations and Goodwill

- A. Statutory Purchase Method: None
- B. Statutory Merger: None
- C. Assumption Reinsurance: None
- D. Impairment Loss: None
- E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill: None

Note 4 - Discontinued Operations

- A. Discontinued Operation Disposed of or Classified as Held for Sale: None
- B. Change in Plan of Sale of discontinued Operation: None
- C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal: None
- D. Equity Interest Retained in the Discontinued Operation After Disposal: None

Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None
- B. Debt Restructuring: None
- C. Reverse Mortgage: None
- D. Loan-Backed Securities: None
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None

## Notes to Financial Statements

- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None
- H. Repurchase Agreements Transactions Accounted for as a Sale: None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None
- J. Real Estate: None
- K. Low-Income Housing Tax Credits (LIHTC): None
- L. Restricted Assets:

Restricted Asset Category		Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/(Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted	Percent Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a.	Subject to contractual obligation for which liability is not shown							
b.	Collateral held under security lending agreements							
c.	Subject to repurchase agreements							
d.	Subject to reverse repurchase agreements							
e.	Subject to dollar repurchase agreements							
f.	Subject to dollar reverse repurchase agreements							
g.	Placed under option contracts							
h.	Letter stock or securities restricted as to sale							
i.	FHLB capital stock							
j.	On deposit with states							
k.	On deposit with other regulatory bodies	1,295,669	1,280,842	14,827	0.00	1,295,669	0.2923%	0.2980%
l.	Pledged as collateral to FHLB (including assets backing funding agreements)							
m.	Pledged as collateral not captured in other categories							
n.	Other restricted assets							
o.	Total Restricted Assets (Sum of a through n)	1,295,669	1,280,842	14,827	0.00	1,295,669	0.2923%	0.2980%

- M. Working Capital Finance Investments: None
- N. Offsetting and Netting of Assets and Liabilities: None
- O. 5GI Securities: None
- P. Short Sales: None
- Q. Prepayment Penalty and Acceleration Fees: None
- R. The financial statements shall disclose the reporting entity's share of the cash pool by asset type (cash, cash equivalent, or short-term investments)

	Asset Type	Percent Share
(1)	Cash	0.219%
(2)	Cash Equivalents	24.411%
(3)	Short-term Investments	0.000%
(4)	Total	24.630%

### Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investment in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

## Notes to Financial Statements

- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships or Limited Liability Companies during the statement periods.

### Note 7 - Investment Income

- A. Due and accrued income was excluded from surplus on the following basis:  
All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.
- B. The total amount excluded was \$0.

### Note 8 - Derivative Investments: None

### Note 9 - Income Taxes

- A. Components of Net Deferred Income Tax Asset: N/A
- B. Extent That DTL's Are Not Recognized: N/A
- C. Disclosure of Significant Components of Income Taxes Incurred: N/A
- D. Sum of Reporting Entity's Income Tax Incurred: N/A
- E. Reporting Entity Additional Disclosure: N/A
- F. Consolidated Federal Income Tax: N/A
- G. McLaren Health Care Corporation is subject to routine audits by taxing jurisdictions. McLaren Health Care Corporation, McLaren Health Plan's parent company and its subsidiaries completed an audit in 2017, covering the tax periods through 2015. McLaren Health Plan has received a notice from the IRS dated 01/21/15 stating the Plan as exempt from Federal income tax under IRS section 501 (c) (4) of the internal revenue code retroactive to August 1, 2012. The plan is, however, subject to unrelated business income tax. For 2022, the plan had no significant unrelated business income.
- H. Repatriation Transition Tax (RTT): N/A
- I. Alternative Minimum Tax (AMT) Credit: N/A

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

- A. Nature of the relationship:

McLaren Health Care Corporation (MHCC), a Michigan nonprofit corporation and holding company of various health care entities is the ultimate parent of McLaren Health Plan, Inc. The parent company initially invested into McLaren Health Plan gross paid in and contributed surplus of \$1,140,000. On March 15, 2018 the Board of Directors of McLaren Health Care Corporation (MHCC) adopted a resolution to establish a Michigan nonprofit corporation McLaren Integrated HMO Group as to which MHCC would be the sole Member. Further, the Board of Directors of McLaren Health Care Corporation adopted a resolution to transfer its Membership in McLaren Health Plan, Inc. and MDwise, Inc. to the McLaren Integrated HMO Group (MIG).

McLaren Regional Medical Center dba McLaren Flint is a subsidiary of McLaren Health Care Corporation.

Health Advantage Inc. is a wholly owned subsidiary of McLaren Health Plan.

## Notes to Financial Statements

McLaren Health Plan Community is a wholly owned subsidiary of McLaren Health Plan. The parent company initially invested into McLaren Health Plan Community gross paid in capital of \$3,000,000 in 2011. Additional investments were made of \$15,000,000 in 2016, \$22,000,000 in October 2021, and \$22,500,000 in December 2022.

- B. Description of transactions: None
- C. Transactions with related parties not reported on Schedule Y: None
- D. Due from Affiliates: At December 31, 2022, McLaren Health Plan reported \$2,845,907 as amounts due from affiliates for administrative services and information system operations support. The terms of the settlement require that these amounts be settled within 30 days.

Due to Affiliates: At December 31, 2022, McLaren Health Plan reported \$5,264,343 as amounts due to affiliates per contract for various administrative support, including personnel and information system operations support. The terms of the settlement require that these amounts be settled within 30 days.

- E. Management or Service Contracts and Cost-Sharing Arrangements:

**(1) McLaren Health Plan and McLaren Health Care Corporation:**

There are the following agreements between the companies.

- The Management Agreement states McLaren Health Care Corporation agrees to provide certain operational services and other resources to McLaren Health Plan. Amount for 2022 was \$11,736,562.
- The Service Agreement states McLaren Health Care Corporation agrees to provide a Leased Employee to perform certain operational, personnel services, and other resources to McLaren Health Plan.
- The Management Agreement states McLaren Health Plan agrees to provide certain operational services and other resources to McLaren Health Care Corporation.

**(2) McLaren Health Plan and McLaren Regional Medical Center, DBA McLaren Flint:**

MRMC agrees to provide certain accounting / resource services to McLaren Health Plan. Amount for 2022 was \$14,212.

**(3) McLaren Health Plan and Health Advantage:**

McLaren Health Plan agrees to provide certain operational, personnel services and other resources to Health Advantage. Amount for 2022 was \$11,375,296.

**(4) McLaren Health Plan and McLaren Health Plan Community:**

McLaren Health Plan agrees to provide certain operational, personnel services and other resources to MHPC. Amount for 2022 was \$5,103,368.

**(5) McLaren Health Plan and McLaren Integrated HMO Group:**

McLaren Integrated HMO Group and McLaren Health Plan entered into a services agreement effective 12/22/19. McLaren Integrated HMO Group agrees to provide McLaren Health Plan administrative services and lease personnel. McLaren Integrated HMO Group may purchase from McLaren Health Plan certain administrative services. Amount for 2022 was \$11,536,366.

## Notes to Financial Statements

- F. Guarantees or undertakings: None
- G. Nature of Control Relationship: N/A
- H. Upstream/downstream activity: None
- I. Investment in SCA: None
- J. Investments in impaired SCA: None
- K. Investment in foreign insurance subsidiary: None
- L. Investment in downstream noninsurance holding company: None
- M. All SCA Investments:

(1) Balance Sheet Value

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
b. SSAP No. 97 8b(ii) Entities				
Health Advantage	100%	\$ 5,320,463	\$ 5,320,463	\$ -

- (2) NAIC Filing Response Information: McLaren Health Plan received a one-year waiver dated August 24, 2022 from submitting its investment in McLaren Health Advantage to the NAIC SVO for valuation.

- N. Investment in Insurance SCAs: N/A
- O. The amount of the recognized guarantee under SSAP No. 5R.: N/A

Note 11 – Debt: None

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

- A. Defined Benefit Plan: None
- B. Narrative Description of Investment Policies and Strategies: N/A
- C. Fair Value of Assets: N/A
- D. Narrative Description of Basis: N/A
- E. Defined Contribution Plan: None
- F. Multiemployer Plans: None
- G. Consolidated/Holding Company Plans: McLaren Health Plan’s ultimate parent company is McLaren Health Care Corporation, which sponsors a defined benefit pension plan covering substantially all of McLaren Health Plan employees whose employment began prior to Oct 1, 2004. The benefits under the plan are based on years of service and the employee’s termination of employment. The plan has no legal obligation for benefits under this plan. The funding policy is to contribute annually an amount in accordance with the standards of the Employee Retirement Income Security Act of 1974. Contributions are intended to provide not only the benefits attributed to services to date, but also those expected to be earned in the future. As of Oct 1, 2012, the pension plan has been frozen.

McLaren Health Plan employees hired on or after October 1, 2004 are covered by a qualified defined contribution plan which is a part of the master trust agreement

## Notes to Financial Statements

with MHCC. Vesting period for contribution matching by McLaren Health Plan is 1 year (previous to 2014, was 2-year vesting period). For 2022, the employer contribution was \$776,353.

- H. Postemployment Benefits and Compensated Absences: They are accrued.
- I. The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the measurement of the accumulated postretirement benefit obligation (APBO) and net periodic postretirement cost for the Plan:
- A federal subsidy (based on 28% of an individual beneficiary's annual prescription drug costs between \$250 and \$5,000), which is not taxable, to sponsors of retiree health care benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D; and
  - The opportunity for a retiree to obtain a prescription drug benefit under Medicare.

McLaren Health Plan is unable to conclude whether the benefits provided by the Plan are actuarially equivalent to Medicare Part D under the Act. As a result, the effects of the Act on accumulated postretirement benefit obligation are not reflected in the financial statements of the accompanying notes.

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

- A. Capital stock: None
- B. Dividend rate: McLaren Health Plan has no preferred stock outstanding.
- C. Dividend restrictions: Pursuant to Michigan Statute 500.1343, shareholder dividends shall be declared or paid only from earned surplus (excluding surplus arising from unrealized capital gains or a revaluation of assets), unless the commissioner approves the dividend prior to payment. Shareholder dividends declared by domestic insurers must be report to the commissioner with 5 business days of the insurer declaring the dividend and at least 10 business days beginning from the date of receipt by the commissioner before the payment. Extraordinary dividends exceeding 10% of the insurer's prior year surplus or net gains from operations, excluding realized capital gains, of the preceding year, share not be paid until 30 days after the commissioner has received notice of the declaration and has not disapproved or has approved the payment within that period.
- D. Date and amount of dividends paid: None
- E. Within the limitations of C above, there are no restrictions placed on the portion of the Plan profits that may be paid as ordinary dividends to stockholders.
- F. Restrictions placed on unassigned funds (surplus): There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- G. Advances of surplus not paid: None
- H. Amount of stock held for special purposes: None
- I. Special surplus funds: None
- J. Unassigned funds (surplus) represented or reduced: The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is (\$11,550,661).

## Notes to Financial Statements

- K. Surplus notes: None
- L. Impact of any restatement due to quasi-reorganization: None
- M. Effective date(s) of a quasi-reorganization in the prior 10 years: N/A

### Note 14 - Liabilities, Contingencies and Assessments

- A. Contingent Commitments: None
- B. Assessments: None
- C. Gain Contingencies: None
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits: None
- E. Joint and Several Liabilities: None
- F. All Other Contingencies

The Plan is susceptible to various legal actions related to Plan activities. Management is of the opinion that no litigation matters are outstanding or pending that will have a material effect on its financial position or results of operations.

### Note 15 – Leases

- A. McLaren Health Plan currently holds one building lease:

The lease for the East Lansing office was renewed on March 17<sup>th</sup>, 2015 for a period of five (5) years, commencing on April 1, 2015, fully to be completed and ended March 31, 2020. The lease includes an option to extend the Lease for two 3-year terms at Tenant’s option at the same terms as if the Lease continues under the original provisions provided the rental rate for the first optional extension shall be \$20,191 monthly and the rental rate for the second option shall be \$21,705 monthly or the current market rate. The East Lansing lease was amended on September 4, 2019 commencing April 1, 2020 and expiring March 31, 2025. The amended lease contains an option to extend for one (1) additional period of five (5) years at the then “Fair Market Rental”.

The lease for the Auburn Hills office was executed on May 21, 2012, commenced on July 1, 2012 and is for ten years. The lease includes an option to extend the Lease for two 5-year terms. The Plan did not extend the lease.

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

Year Ending December 31	Operating Lease
1. 2022	\$384,619
2. 2023	\$223,992
3. 2024-2025	\$279,990

The company is not involved in any material sales – leaseback transactions.

### Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk: None

### Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:

## Notes to Financial Statements

- A. Transfers of Receivables Reported as Sales: None.
- B. Transfer and Servicing of Financial Assets: None
- C. Wash Sales: None

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

#### A. ASO plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured			
	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	0	0	0
b. Total net other income or expenses (including interest paid to or received from plans)	0	0	0
c. Net gain or (loss) from operations (a+b)	0	0	0
d. Total claim payment volume	335,058,471	0	335,058,471

B. ASC plans – N/A

C. Medicare or similarly structured cost based reimbursed contracts – N/A

### Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators: None

### Note 20 - Fair Value Measurements:

Accounting standards require certain assets and liabilities be reported or disclosed at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following table presents information about the Plan's assets and liabilities measured at fair value at December 31, 2022, and the valuation techniques used by the Plan to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active market for identical assets or liabilities that the Plan has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.



## Notes to Financial Statements

### A. Fair Value Measurements

#### 1. Fair Value Measurements at Reporting Date

	Assets measured or disclosed at Fair Value at December 31, 2022				Total
	Level 1	Level 2	Level 3	Net Asset Value (NAV)	
<b>a. Assets at fair value</b>					
Perpetual Preferred stock					
Industrial and Misc					
Parent, Subsidiaries and Affiliates					
Total Perpetual Preferred Stocks					
Bonds					
US Governments					
Industrial and Misc					
Hybrid Securities					
Parent, Subsidiaries and Affiliates					
Total Bonds					
Common Stock					
Industrial and Misc	\$166,837,621				\$166,837,621
Parent, Subsidiaries and Affiliates	\$44,610,789				\$44,610,789
Total Common Stocks	\$211,448,410				\$211,448,410
Derivative assets					
Interest rate contracts					
Foreign rate contracts					
Credit contracts					
Commodity futures contracts					
Commodity forward contracts					
Total Derivatives					
Separate account assets					
Total assets at fair value/NAV	\$211,448,410				\$211,448,410
<b>b. Liabilities at fair value</b>					
Derivative liabilities					
Total liabilities at fair value					

B. Fair Value information under SSAP No. 100 combined with Fair Value information under other accounting pronouncements: None

C. Aggregate Fair Value of All Financial Instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds							
Industrial and Misc	\$166,837,621.24	\$166,837,621.24	\$166,837,621.24				
Parent, Subsidiaries and Affiliates	\$44,610,789	\$44,610,789	\$44,610,788.61				

D. Not Practicable to Estimate Fair Value: None

E. Investments Measured Using NAV: None

#### Note 21 - Other Items

A. Unusual or Infrequent Items: None

B. Troubled Debt Restructuring: Debtors: None

## Notes to Financial Statements

- C. Other Disclosures: Cash equivalents in the amount of \$1,295,669 as of 12/31/22 are on deposit with the State of Michigan Treasury in a safekeeping account as required by regulation.
- D. Business Interruption Insurance Recoveries: None
- E. State Transferable and Non-transferable Tax Credits: None
- F. Subprime Mortgage Related Risk Exposure: None
- G. Retained Assets: None
- H. Insurance-Linked Securities (ILS) Contracts: None
- I. 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: None

### Note 22 - Events Subsequent:

Type I – Recognized Subsequent Events:

Type II – Nonrecognized Subsequent Events: None

### Note 23 – Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1-General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? No.
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? No.

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

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit? No.
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? No.

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

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement?

## Notes to Financial Statements

Where necessary, the company may consider the current or anticipated experience of the business in making this estimate.

The Plan cedes reinsurance under a specific excess loss reinsurance agreement. During 2022 the Plan's specific deductible per covered person is \$325,000 for Medicaid (ABAD, AFDC, OAA, and Healthy MI), \$500,000 (CSHCS) and \$325,000 for Medicare Advantage, up to a maximum per covered person of \$1,000,000 for Medicaid, \$1,000,000 for CSHCS and \$2,000,000 for Medicare Advantage.

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

B. Uncollectible Reinsurance: None

C. Commutation of Ceded Reinsurance: None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None

E. Reinsurance Credit: None

F. Retroactive Reinsurance: None

### Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Medicare Advantage: The Plan estimates accrued retrospective premium adjustments for its group health insurance business through a mathematical approach using an algorithm based on members risk score adjustments submitted to CMS.

B. The Plan records accrued retrospective premium as an adjustment to earned premium.

C. The amount of net premiums written by the Plan at December 31, 2022 that are subject to retrospective rating features was \$6,607,832.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act

The Plan did not have any medical loss ratio rebates required pursuant to the Public Health Service Act.

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

- Risk adjustment program - Premium adjustments pursuant to the risk adjustment program will be based on the risk scores (health status) of enrollees participating in risk adjustment covered plans, rather than the actual loss experience of the insured. Risk adjustment receivables or payables are estimated based on experience to date and determinations of the Plan's risk score versus the overall market risk score. These amounts represent the estimated amounts receivable or payable for both individual and small group populations, and are based on general demographic data and health status of these populations and data assumptions regarding the general health status of the overall market for which there is limited data. For 2022, the Plan did not write any accident and health insurance premium.
- Risk corridors - The risk corridors program is effective for benefit years beginning in 2015 through 2016. The purpose of the program is to provide limitations on issuer losses and gains for qualified health plans through additional protection

## Notes to Financial Statements

against initial pricing risk. The program creates a mechanism for sharing the risk for allowable costs between the federal government and the qualified health plan issuers. Although the risk corridors program provides protection against extreme bounds of experience, there is a substantial corridor in which all variance in experience directly affects the loss experience of the Plan.

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions – No
- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year – None
- (3)

### ROLL-FORWARD OF PRIOR YEAR ACA RISK-SHARING PROVISIONS

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1 Receivable	2 (Payable)	3 Receivable	4 (Payable)	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances	9 Receivable	10 (Payable)	
					5 Receivable	6 (Payable)	7 Receivable	8 (Payable)			
<b>Permanent ACA Risk Adjustment Program</b>											
Premium adjustments receivable	\$ -		\$ 173,474	\$ -	\$ (173,474)	\$ -	\$ 173,474		A	\$ -	\$ -
Premium adjustments (payable)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	B	\$ -	\$ -
Subtotal ACA Permanent Risk Adjustment Program	\$ -	\$ -	\$ 173,474	\$ -	\$ (173,474)	\$ -	\$ 173,474	\$ -		\$ -	\$ -
<b>Transitional ACA Reinsurance Program</b>											
Amounts recoverable for claims paid	\$ -		\$ -		\$ -	\$ -	\$ -		C	\$ -	\$ -
Amounts recoverable for claims unpaid (contra liability)					\$ -	\$ -			D	\$ -	\$ -
Amounts receivable relating to uninsured plans					\$ -	\$ -			E	\$ -	\$ -
Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium		\$ -	\$ -	\$ -	\$ -	\$ -			F	\$ -	\$ -
Ceded reinsurance premiums payable					\$ -	\$ -			G	\$ -	\$ -
Liability for amounts held under uninsured plans					\$ -	\$ -			H	\$ -	\$ -
Subtotal ACA Transitional Reinsurance Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
<b>Temporary ACA Risk Corridors Program</b>											
Accrued retrospective premium	\$ -	\$ -	\$ -		\$ -	\$ -			I	\$ -	\$ -
Reserve for rate credit or policy experience rating refunds					\$ -	\$ -	\$ -	\$ -	J	\$ -	\$ -
Subtotal ACA Risk Corridors Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
<b>Total for ACA Risk Sharing Provisions</b>	\$ -	\$ -	\$ 173,474	\$ -	\$ (173,474)	\$ -	\$ 173,474	\$ -		\$ -	\$ -

Explanations of adjustments:

- A. Updated Report from CMS received in 2022

### (4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

### (5) ACA Risk Corridors Receivable as of Reporting Date

### Note 25 - Change in Incurred Claims and Claim Adjustment Expenses

An enrolled actuary has determined the estimated reserve for claims incurred but not reported. Although management believes that the provision for unpaid claims is adequate, no assurance can be given that the ultimate settlement of these liabilities may not be greater or less than such estimates. Any future adjustments to these amounts will affect the reported results of future periods.

Note 26 - Intercompany Pooling Arrangements: None

Note 27 - Structured Settlements: N/A

### Note 28 - Health Care Receivable

- A. Pharmaceutical Rebate Receivables:

## Notes to Financial Statements

*Section ID	Quarter	Estimated pharmacy rebates reported	Pharmacy rebates as billed	Actual rebates received <= 90 days	Actual rebates received 91 - 180 days	Actual rebates received > 180 days	Total Received
01	12/31/22						
01	09/30/22						
01	06/30/22			748,932			
01	03/31/22			4,610	723,542		728,152
01	12/31/21			2,094	3,080	672,483	677,656
01	09/30/21			5		606,645	606,650
01	06/30/21					629,129	629,129
01	03/31/21					661,924	661,924
01	12/31/20					739,056	739,056
01	09/30/20					970,469	970,469
01	06/30/20					778,067	778,067
01	03/31/20					747,573	747,573

B. Risk Sharing Receivables –See note 24.

Note 29 - Participating Policies: None

Note 30- Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves: \$4,623,672
2. Date of the most recent evaluation of this liability: December 31, 2022
3. Was anticipated investment income utilized in the calculation? No

Note 31 - Anticipated Salvage and Subrogation: None

# 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?  
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3. Yes[X] No[ ]
- 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? Michigan
- 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[ ] No[X]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....12/31/2019.....
- 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. .....12/31/2019.....
- 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). .....06/15/2021.....
- 3.4 By what department or departments?  
Michigan Department of Insurance and Financial Services
- 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[X] No[ ] N/A[ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? 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?  
If yes, complete and file the merger history data file with the NAIC. Yes[ ] No[X]
- 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, .....0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....	.....

- 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 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 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
.....	.....	No	No	No	No

- 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?  
PLANTE AND MORAN LLP, 1111 MICHIGAN AVE. EAST LANSING MI 48823
- 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:

## GENERAL INTERROGATORIES (Continued)

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?  
 JOHN VATAHA, ASA, MAAA ACTUARY CONSULTANT, 96 Willibrook Drive Doylestown, PA 18901
- 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 0  
 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 [ ] N/A [X]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [X]  
 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).
- 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 \$ ..... 0  
 21.22 Borrowed from others \$ ..... 0  
 21.23 Leased from others \$ ..... 0  
 21.24 Other \$ ..... 0
- 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 \$ ..... 0  
 22.22 Amount paid as expenses \$ ..... 0  
 22.23 Other amounts paid \$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]  
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 1,063,808
- 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.

## GENERAL INTERROGATORIES (Continued)

1 Name of Third-Party	2 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[ ]
- 25.02 If no, give full and complete information, relating thereto
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ ..... 0
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ ..... 0
- 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 \$ ..... 1,295,669
- 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:
- 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. \$ ..... 0
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 I, 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
JPMORGAN CHASE BANK, NA .....	1111 POLARIS PARKWAY, COLUMBUS OH 43240 .....

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:



## GENERAL INTERROGATORIES (Continued)

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

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

1 Name of Firm or Individual	2 Affiliation
Rachel Hairston, Assistant Treasurer/VP, Finance .....	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[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[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 Legal Entity Identifier (LEI)	4 Registered With	5 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 .....		

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

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds .....			
31.2 Preferred stocks .....			
31.3 Totals .....			

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

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

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 [ ] No [ ] N/A[X]

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 for each self-designated 5GI security:

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

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

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

## GENERAL INTERROGATORIES (Continued)

d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
 Has the reporting entity self-designated PLGI securities? Yes [ ] No [X]

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

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

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

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

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

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

38.1 Does the reporting entity directly hold cryptocurrencies? Yes [ ] No [X]  
 38.2 If the response to 38.1 is yes, on what schedule are they reported?

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [ ] No [X]  
 39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?

39.21 Held directly Yes [ ] No [ ]  
 39.22 Immediately converted to U.S. dollars Yes [ ] No [ ]

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

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

### OTHER

40.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ ..... 324,023

40.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid
Michigan Association of Health Plans .....	324,023

41.1 Amount of payments for legal expenses, if any? \$ ..... 14,721

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

1	2
Name	Amount Paid

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ ..... 0

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

1	2
Name	Amount Paid

# GENERAL INTERROGATORIES (Continued)

## 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: \$ ..... 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ ..... 0
  - 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. \$ ..... 0
- 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 Current Year	2 Prior Year
2.1 Premium Numerator .....	1,128,058,362	1,046,452,744
2.2 Premium Denominator .....	1,128,058,362	1,046,452,744
2.3 Premium Ratio (2.1 / 2.2) .....	100.000	100.000
2.4 Reserve Numerator .....	119,322,157	135,951,104
2.5 Reserve Denominator .....	119,322,157	135,951,104
2.6 Reserve Ratio (2.4 / 2.5) .....	100.000	100.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? 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 [ ] N/A[X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes[X] No [ ]
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions):
  - 5.31 Comprehensive Medical \$ ..... 550,000
  - 5.32 Medical Only \$ ..... 0
  - 5.33 Medicare Supplement \$ ..... 0
  - 5.34 Dental & Vision \$ ..... 0
  - 5.35 Other Limited Benefit Plan \$ ..... 0
  - 5.36 Other \$ ..... 0
- 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:  
ALL ABOVE TOPICS ARE INCLUDED IN ALL PROVIDER CONTRACTS WITH LANGUAGE APPROVED BY DIFS
- 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 ..... 38,072
  - 8.2 Number of providers at end of reporting year ..... 40,522
- 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 ..... 0
  - 9.22 Business with rate guarantees over 36 months ..... 0
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes[X] No [ ]
- 10.2 If yes:
  - 10.21 Maximum amount payable bonuses \$ ..... 2,778,114
  - 10.22 Amount actually paid for year bonuses \$ ..... 2,860,789
  - 10.23 Maximum amount payable withholds \$ ..... 0
  - 10.24 Amount actually paid for year withholds \$ ..... 0
- 11.1 Is the reporting entity organized as:
  - 11.12 A Medical Group/Staff Model, Yes [ ] No[X]
  - 11.13 An Individual Practice Association (IPA), or, Yes [ ] No[X]
  - 11.14 A Mixed Model (combination of above)? Yes [ ] No[X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes[X] No [ ]
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.  
MICHIGAN
- 11.4 If yes, show the amount required. \$ ..... 91,037,974
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No[X]
- 11.6 If the amount is calculated, show the calculation.  
200% OF AUTHORIZED CONTROL LEVEL
- 12. List service areas in which the reporting entity is licensed to operate:

1 Name of Service Area
Alcona County .....
Allegan County .....
Alpena County .....
Antrim County .....
Arenac County .....
Bay County .....
Benzie County .....
Berrien County .....
Branch County .....
Barry County .....
Calhoun County .....

# GENERAL INTERROGATORIES (Continued)

1 Name of Service Area
Cass County .....
Cheboygan County .....
Charlevoix County .....
Clare County .....
Clinton County .....
Crawford County .....
Eaton County .....
Emmet County .....
Genesee County .....
Gladwin County .....
Gratiot County .....
Grand Traverse County .....
Hillsdale County .....
Huron County .....
Ingham County .....
Ionia County .....
Iosco County .....
Isabella County .....
Jackson County .....
Kent County .....
Kalkaska County .....
Kalamazoo County .....
Lake County .....
Lapeer County .....
Leelenau County .....
Lenawee County .....
Livingston County .....
Mason County .....
Macomb County .....
Montcalm County .....
Montmorency County .....
Mecosta County .....
Midland County .....
Missaukee County .....
Monroe County .....
Manistee County .....
Muskegon County .....
Newaygo County .....
Oakland County .....
Oceana County .....
Ogemaw County .....
Osceola County .....
Oscoda County .....
Otsego County .....
Ottawa County .....
Presque Isle County .....
Roscommon County .....
Saginaw County .....
Sanilac County .....
St. Clair County .....
Shiawassee County .....
St. Joseph County .....
Tuscola County .....
Van Buren County .....
Washtenaw County .....
Wayne County .....
Wexford County .....

- 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: \$ ..... 0
- 13.3 Do you act as an administrator for health savings accounts? Yes [ ] No[X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ ..... 0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as 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 \$ ..... 0
- 15.2 Total incurred claims \$ ..... 0
- 15.2 Number of covered lives ..... 0

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

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

## FIVE-YEAR HISTORICAL DATA

	1 2022	2 2021	3 2020	4 2019	5 2018
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. TOTAL Admitted Assets (Page 2, Line 28) .....	434,775,597	450,183,477	365,181,863	258,187,114	227,932,953
2. TOTAL Liabilities (Page 3, Line 24) .....	161,066,096	212,821,086	154,243,339	108,152,679	112,042,135
3. Statutory minimum capital and surplus requirement .....	91,037,974	80,138,270	66,575,822	64,539,710	50,426,676
4. TOTAL Capital and Surplus (Page 3, Line 33) .....	273,709,501	237,362,392	210,938,524	150,034,435	115,890,818
<b>INCOME STATEMENT (Page 4)</b>					
5. TOTAL Revenues (Line 8) .....	1,125,160,790	1,043,448,587	843,441,404	785,565,909	694,237,623
6. TOTAL Medical and Hospital Expenses (Line 18) .....	951,754,204	864,679,335	694,166,787	662,689,381	634,129,434
7. Claims adjustment expenses (Line 20) .....	9,903,863	8,701,527	7,929,927	7,346,333	6,429,682
8. TOTAL Administrative Expenses (Line 21) .....	107,540,317	96,168,883	91,953,441	86,784,934	42,819,020
9. Net underwriting gain (loss) (Line 24) .....	53,878,836	71,358,739	49,391,248	28,745,261	10,859,486
10. Net investment gain (loss) (Line 27) .....	5,123,921	1,033,061	1,311,078	3,714,812	4,711,943
11. TOTAL Other Income (Lines 28 plus 29) .....					
12. Net income or (loss) (Line 32) .....	59,002,758	72,391,801	50,702,326	32,460,072	15,571,429
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	50,037,618	82,764,277	88,065,395	37,157,474	10,109,784
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. TOTAL Adjusted Capital .....	273,709,501	237,362,392	210,938,524	150,034,435	115,890,818
15. Authorized control level risk-based capital .....	45,517,946	40,069,067	33,287,911	32,269,855	25,213,338
<b>ENROLLMENT (Exhibit 1)</b>					
16. TOTAL Members at End of Period (Column 5, Line 7) .....	269,359	255,085	236,104	203,039	201,579
17. TOTAL Members Months (Column 6, Line 7) .....	3,151,517	2,999,654	2,649,831	2,417,039	2,400,627
<b>OPERATING PERCENTAGE (Page 4)</b>					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19) .....	84.4	82.6	82.0	84.1	90.9
20. Cost containment expenses .....	0.2	0.2	0.2	0.2	0.2
21. Other claims adjustment expenses .....	0.7	0.7	0.8	0.8	0.7
22. TOTAL Underwriting Deductions (Line 23) .....	95.0	92.9	93.8	96.0	98.0
23. TOTAL Underwriting Gain (Loss) (Line 24) .....	4.8	6.8	5.8	3.6	1.6
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 17, Column 5) .....	82,661,675	84,227,915	66,782,378	77,364,741	80,944,909
25. Estimated liability of unpaid claims-[prior year (Line 17, Column 6)] .....	106,375,579	101,336,216	77,770,028	83,054,863	86,321,591
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1) .....					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1) .....					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1) .....	44,610,789	33,349,968	20,488,514	20,450,184	22,110,831
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. TOTAL of Above Lines 26 to 31 .....	44,610,789	33,349,968	20,488,514	20,450,184	22,110,831
33. TOTAL Investment in Parent Included in Lines 26 to 31 above .....					

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

If no, please explain:

# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

1	2	Direct Business Only								
		3	4	5	6	7	8	9	10	
State, Etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	Deposit - Type Contracts
1. Alabama (AL)	N									
2. Alaska (AK)	N									
3. Arizona (AZ)	N									
4. Arkansas (AR)	N									
5. California (CA)	N									
6. Colorado (CO)	N									
7. Connecticut (CT)	N									
8. Delaware (DE)	N									
9. District of Columbia (DC)	N									
10. Florida (FL)	N									
11. Georgia (GA)	N									
12. Hawaii (HI)	N									
13. Idaho (ID)	N									
14. Illinois (IL)	N									
15. Indiana (IN)	N									
16. Iowa (IA)	N									
17. Kansas (KS)	N									
18. Kentucky (KY)	N									
19. Louisiana (LA)	N									
20. Maine (ME)	N									
21. Maryland (MD)	N									
22. Massachusetts (MA)	N									
23. Michigan (MI)	L	173,474	6,607,832	1,125,342,869					1,132,124,174	
24. Minnesota (MN)	N									
25. Mississippi (MS)	N									
26. Missouri (MO)	N									
27. Montana (MT)	N									
28. Nebraska (NE)	N									
29. Nevada (NV)	N									
30. New Hampshire (NH)	N									
31. New Jersey (NJ)	N									
32. New Mexico (NM)	N									
33. New York (NY)	N									
34. North Carolina (NC)	N									
35. North Dakota (ND)	N									
36. Ohio (OH)	N									
37. Oklahoma (OK)	N									
38. Oregon (OR)	N									
39. Pennsylvania (PA)	N									
40. Rhode Island (RI)	N									
41. South Carolina (SC)	N									
42. South Dakota (SD)	N									
43. Tennessee (TN)	N									
44. Texas (TX)	N									
45. Utah (UT)	N									
46. Vermont (VT)	N									
47. Virginia (VA)	N									
48. Washington (WA)	N									
49. West Virginia (WV)	N									
50. Wisconsin (WI)	N									
51. Wyoming (WY)	N									
52. American Samoa (AS)	N									
53. Guam (GU)	N									
54. Puerto Rico (PR)	N									
55. U.S. Virgin Islands (VI)	N									
56. Northern Mariana Islands (MP)	N									
57. Canada (CAN)	N									
58. Aggregate other alien (OT)	X X X									
59. Subtotal	X X X	173,474	6,607,832	1,125,342,869					1,132,124,174	
60. Reporting entity contributions for Employee Benefit Plans	X X X									
61. TOTAL (Direct Business)	X X X	173,474	6,607,832	1,125,342,869					1,132,124,174	

**DETAILS OF WRITE-INS**

58001	X X X									
58002	X X X									
58003	X X X									
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X									
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X									

(a) Active Status Counts:

1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG

2. R - Registered - Non-domiciled RRGs

3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state

1

4. Q - Qualified - Qualified or accredited reinsurer

5. N - None of the above - Not allowed to write business in the state

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(b) Explanation of basis of allocation by state, premiums by state, etc.: All premiums written in the State of Michigan

# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

## MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART

McLaren Health Care Corporation



McLaren Health Care 38-2397643 [MI] 100%	McLaren Greater Lansing 38-1434090 [MI] 100%	McLaren Northern Michigan 38-2146751 [MI] 100%	McLaren Bay Region 38-1976271 [MI] 100%	McLaren Central Michigan 38-1420304 [MI] 100%	McLaren Macomb 38-1218516 [MI] 100%	McLaren Oakland 38-1428164 [MI] 100%	McLaren Flint 38-2383119 [MI] 100%	McLaren Lapeer 38-2689033 [MI] 100%	Karmanos Cancer Institute 38-1613280 [MI] 100%	McLaren Port Huron 38-1369611 [MI] 100%	McLaren Medical Group 38-2988086 [MI] 100%	McLaren Health Management Group 38-3491714 [MI] 100%	McLaren High Performance Network 81-2692784 [MI] 100%	McLaren Insurance Company LTD [CYM] 100%	McLaren Thumb Region 38-1474929 [MI] 100%	McLaren Integrated HMO Group 82-4449304 [MI] 100%	McLaren Caro Region 38-3426063 [MI] 100%	McLaren St. Luke's Hospital 34-4428232 [OH] 100%
McLaren Healthcare Village 26-2693350 [MI] 100%	McLaren Lansing Foundation 38-2463637 [MI] 100%	McLaren Northern Michigan Foundation 38-2445611 [MI] 100%	McLaren Bay Special Care 38-3161753 [MI] 100%	Meridian Ventures 38-3226022 [MI] 100%	McLaren Macomb Foundation 38-2578873 [MI] 100%	McLaren Riley Foundation 20-0442217 [MI] 100%	McLaren Flint Foundation 38-1358053 [MI] 100%	McLaren Lapeer Foundation 38-2689603 [MI] 100%	Karmanos Cancer Center 20-1649466 [MI] 100%	McLaren Port Huron Foundation 38-2777750 [MI] 100%	Mid-Michigan Physicians 38-3267121 [MI] 100%	Hospice and Homecare Foundation 46-3643089 [MI] 100%	McLaren Health Plan 38-3252216 [MI] 100%	MDWise, Inc 35-1931354 [IN] 100%	MDWise Medicaid Network 47-3192307 [IN] 100%	McLaren Caro Region Foundation 38-2422995 [MI] 100%	Wellcare Physician Group 61-1528443 [OH] 100%	
Great Lakes Cancer Institute 38-3584572 [MI] 100%		VitalCare, Inc 38-2527255 [MI] 100%	McLaren Bay Medical Foundation 38-2156534 [MI] 100%			McLaren Physician Partners 38-3136458 [MI] 100%	McLaren Hospitality House 45-5567669 [MI] 100%		Michigan Cancer Society 38-2823451 [MI] 100%	Marwood Manor Nursing 38-2683251 [MI] 100%			McLaren Health Plan Community 27 2204037 [MI] 100%			CCH Holdings Inc 81-3487385 [MI] 100%		
		NMI Medical Management 20-8458840 [MI] 100%				Hospital Health Care 38-2643070 [MI] 100%			Delphinus Investments Inc 45-4758176 [MI] 100%	Parkview Property Management 38-2467310 [MI] 100%			McLaren Health Advantage 91-214720 [MI] 100%					
		NMI Hematology/Oncology 32-0020293 [MI] 100%									Willow Enterprises 38-2491659 [MI] 100%							
		Cardiac Institute 26-2774689 [MI] 100%																
		Charlevoix Nursing Home 38-3038683 [MI] 100%																
		Rapin & Rapin Prescription Services Pharmacy 38-3465261 [MI] 100%																