



# HEALTH QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2025  
OF THE CONDITION AND AFFAIRS OF THE

## University of Michigan Health Medicare

NAIC Group Code 3408 3408 NAIC Company Code 16555 Employer's ID Number 83-2766121  
(Current) (Prior)

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: Health Maintenance Organization

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

Incorporated/Organized 11/01/2018 Commenced Business 04/01/2019

Statutory Home Office 1301 N. Hagadorn, Ste 1E, East Lansing, MI, US 48823  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1301 N. Hagadorn, Ste 1E  
(Street and Number)  
East Lansing, MI, US 48823, 517-364-8400  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1301 N. Hagadorn, Ste 1E, East Lansing, MI, US 48823  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1301 N. Hagadorn, Ste 1E  
(Street and Number)  
East Lansing, MI, US 48823, 517-364-8400  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.uofmhealthplan.org

Statutory Statement Contact Jason Speirs, 517-364-8472  
(Name) (Area Code) (Telephone Number)  
jason.speirs@uofmhealthplan.org, 517-364-8407  
(E-mail Address) (FAX Number)

### OFFICERS

President Sharon Ann Williams Treasurer/Secretary Eric John Strucko  
 Chief Medical Officer Timothy Alan Peterson MD

### OTHER

### DIRECTORS OR TRUSTEES

<u>Richard Allen Bruner</u>	<u>Keith Dickey - Chair</u>	<u>Kevin Stanley Albosta - Vice Chair</u>
<u>Audrey Liangyue-Wanling Fan MD</u>	<u>Eric John Strucko</u>	<u>Douglas Allen Edema</u>
<u>Kimberly Ann Ross</u>	<u>John David Pirich</u>	<u>Margaret Ann Dimond Ph.D</u>

State of Michigan SS:  
 County of Ingham

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.

Sharon A. Williams  
President

Timothy A. Peterson  
Chief Medical Officer

Eric J. Strucko  
Treasurer/Secretary

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

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

STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	0	0	0	0
2. Stocks:				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	0	0	0	0
3. Mortgage loans on real estate:				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	0	0	0	0
5. Cash (\$ .....(656,736) ), cash equivalents (\$ ..... 19,718,897 ) and short-term investments (\$ .....0 ) .....	19,062,161	0	19,062,161	12,454,744
6. Contract loans (including \$ .....0 premium notes) .....	0	0	0	0
7. Derivatives .....	0	0	0	0
8. Other invested assets .....	0	0	0	0
9. Receivables for securities .....	0	0	0	0
10. Securities lending reinvested collateral assets .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	19,062,161	0	19,062,161	12,454,744
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	67,773	0	67,773	59,589
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	190,997	23,783	167,214	186,782
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	0	0	0	0
15.3 Accrued retrospective premiums (\$ .....0 ) and contracts subject to redetermination (\$ .....0 ) .....	350,354	0	350,354	360,375
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	215,287	0	215,287	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0	0
17. Amounts receivable relating to uninsured plans .....	3,242,878	0	3,242,878	1,499,682
18.1 Current federal and foreign income tax recoverable and interest thereon ....	0	0	0	0
18.2 Net deferred tax asset .....	0	0	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0	0
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	8,749,371	0	8,749,371	24,721,632
24. Health care (\$ .....2,591,969 ) and other amounts receivable .....	5,364,692	579,645	4,785,047	6,882,034
25. Aggregate write-ins for other-than-invested assets .....	16,040	16,040	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	37,259,553	619,468	36,640,085	46,164,839
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27)	37,259,553	619,468	36,640,085	46,164,839
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Miscellaneous .....	16,040	16,040	0	0
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	16,040	16,040	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....0 reinsurance ceded) .....	10,232,223	570,961	10,803,184	11,059,730
2. Accrued medical incentive pool and bonus amounts .....	0	0	0	1,384,137
3. Unpaid claims adjustment expenses .....	158,275	0	158,275	183,996
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	3,423,500	0	3,423,500	13,694,000
5. Aggregate life policy reserves .....	0	0	0	0
6. Property/casualty unearned premium reserve .....	0	0	0	0
7. Aggregate health claim reserves .....	0	0	0	0
8. Premiums received in advance .....	62,581	0	62,581	107,724
9. General expenses due or accrued .....	1,006,309	0	1,006,309	2,611,292
10.1 Current federal and foreign income tax payable and interest thereon (including \$ .....0 on realized gains (losses)) .....	0	0	0	0
10.2 Net deferred tax liability .....	0	0	0	0
11. Ceded reinsurance premiums payable .....	0	0	0	0
12. Amounts withheld or retained for the account of others.....	0	0	0	710,466
13. Remittances and items not allocated .....	0	0	0	0
14. Borrowed money (including \$ .....0 current) and interest thereon \$ .....0 (including \$ .....0 current) .....	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates .....	20,917	0	20,917	727,640
16. Derivatives .....	0	0	0	0
17. Payable for securities .....	0	0	0	0
18. Payable for securities lending .....	0	0	0	0
19. Funds held under reinsurance treaties (with \$ .....0 authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers).....	0	0	0	0
20. Reinsurance in unauthorized and certified (\$ .....0 ) companies .....	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0	0	0
22. Liability for amounts held under uninsured plans .....	0	0	0	0
23. Aggregate write-ins for other liabilities (including \$ .....0 current) .....	0	0	0	0
24. Total liabilities (Lines 1 to 23) .....	14,903,804	570,961	15,474,765	30,478,984
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX	0	0
27. Preferred capital stock .....	XXX	XXX	0	0
28. Gross paid in and contributed surplus .....	XXX	XXX	115,312,000	108,812,000
29. Surplus notes .....	XXX	XXX	0	0
30. Aggregate write-ins for other-than-special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(94,146,679)	(93,126,145)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$ .....0 ) .....	XXX	XXX	0	0
32.2 .....0 shares preferred (value included in Line 27 \$ .....0 ) .....	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	21,165,321	15,685,855
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	36,640,086	46,164,839
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	0	0	0
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	XXX	81,473	85,609	114,904
2. Net premium income ( including \$ .....0 non-health premium income).....	XXX	87,378,636	81,208,206	107,274,154
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	0	0	0
4. Fee-for-service (net of \$ .....0 medical expenses) .....	XXX	0	0	0
5. Risk revenue .....	XXX	0	0	0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	87,378,636	81,208,206	107,274,154
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....	0	56,360,178	56,992,924	73,169,106
10. Other professional services .....	0	2,556,848	3,190,455	3,330,725
11. Outside referrals .....	0	5,129,289	4,429,030	6,005,329
12. Emergency room and out-of-area .....	0	2,689,684	2,630,979	3,345,422
13. Prescription drugs .....	0	22,331,056	12,573,381	15,841,113
14. Aggregate write-ins for other hospital and medical .....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....	0	(125,666)	978,028	1,240,574
16. Subtotal (Lines 9 to 15) .....	0	88,941,389	80,794,797	102,932,269
<b>Less:</b>				
17. Net reinsurance recoveries .....	0	215,287	0	0
18. Total hospital and medical (Lines 16 minus 17) .....	0	88,726,102	80,794,797	102,932,269
19. Non-health claims (net) .....	0	0	0	0
20. Claims adjustment expenses, including \$ .....3,092,742 cost containment expenses .....	0	3,946,804	4,224,229	7,494,888
21. General administrative expenses .....	0	8,993,538	9,625,703	17,078,514
22. Increase in reserves for life and accident and health contracts (including \$ .....0 increase in reserves for life only) .....	0	(10,270,500)	(8,922,000)	4,772,000
23. Total underwriting deductions (Lines 18 through 22).....	0	91,395,944	85,722,729	132,277,671
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(4,017,308)	(4,514,523)	(25,003,517)
25. Net investment income earned .....	0	828,033	1,047,203	1,254,251
26. Net realized capital gains (losses) less capital gains tax of \$ .....0 .....	0	0	0	0
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	828,033	1,047,203	1,254,251
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ .....0 ) (amount charged off \$ .....0 )].....	0	0	0	0
29. Aggregate write-ins for other income or expenses .....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	(3,189,275)	(3,467,320)	(23,749,266)
31. Federal and foreign income taxes incurred .....	XXX	0	0	0
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(3,189,275)	(3,467,320)	(23,749,266)
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX			
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above) .....	XXX	0	0	0
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above) .....	XXX	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) .....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) .....	0	0	0	0

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

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	15,685,850	14,033,111	14,033,111
34. Net income or (loss) from Line 32.....	(3,189,275)	(3,467,320)	(23,749,266)
35. Change in valuation basis of aggregate policy and claim reserves.....	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	0	0	0
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0	0
38. Change in net deferred income tax.....	0	0	0
39. Change in nonadmitted assets.....	2,168,741	(1,575,405)	(1,597,995)
40. Change in unauthorized and certified reinsurance.....	0	0	0
41. Change in treasury stock.....	0	0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....	0	0	0
44. Capital Changes:			
44.1 Paid in.....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....	0	0	0
45. Surplus adjustments:			
45.1 Paid in.....	6,500,000	2,000,000	27,000,000
45.2 Transferred to capital (Stock Dividend).....	0	0	0
45.3 Transferred from capital.....	0	0	0
46. Dividends to stockholders.....	0	0	0
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital & surplus (Lines 34 to 47).....	5,479,466	(3,042,725)	1,652,739
49. Capital and surplus end of reporting period (Line 33 plus 48)	21,165,316	10,990,386	15,685,850
<b>DETAILS OF WRITE-INS</b>			
4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	77,100,729	73,223,848	112,838,406
2. Net investment income .....	819,849	1,056,203	1,296,369
3. Miscellaneous income .....	0	0	0
4. Total (Lines 1 to 3) .....	77,920,578	74,280,051	114,134,775
5. Benefit and loss related payments .....	76,037,950	71,476,901	109,979,245
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	16,314,243	14,084,528	22,315,876
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ .....0 tax on capital gains (losses) .....	0	0	0
10. Total (Lines 5 through 9) .....	92,352,192	85,561,429	132,295,121
11. Net cash from operations (Line 4 minus Line 10) .....	(14,431,614)	(11,281,378)	(18,160,346)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	0	0	0
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	0	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	0	0	0
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	0	0	0
14. Net increase/(decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	0	0	0
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	6,500,000	2,000,000	27,000,000
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	14,539,032	1,268,757	(26,088,452)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	21,039,032	3,268,757	911,548
<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) .....	6,607,417	(8,012,620)	(17,248,798)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	12,454,740	29,703,537	29,703,537
19.2 End of period (Line 18 plus Line 19.1) .....	19,062,157	21,690,917	12,454,740

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

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STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
<b>Total Members at end of:</b>														
1. Prior Year .....	9,798	0	0	0	0	0	0	9,798	0	0	0	0	0	0
2. First Quarter .....	9,424	0	0	0	0	0	0	9,424	0	0	0	0	0	0
3. Second Quarter .....	8,950	0	0	0	0	0	0	8,950	0	0	0	0	0	0
4. Third Quarter .....	8,858	0	0	0	0	0	0	8,858	0	0	0	0	0	0
5. Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	81,473	0	0	0	0	0	0	81,473	0	0	0	0	0	0
<b>Total Member Ambulatory Encounters for Period:</b>														
7. Physician .....	58,994	0	0	0	0	0	0	58,994	0	0	0	0	0	0
8. Non-Physician .....	42,029	0	0	0	0	0	0	42,029	0	0	0	0	0	0
9. Total	101,023	0	0	0	0	0	0	101,023	0	0	0	0	0	0
10. Hospital Patient Days Incurred	5,952	0	0	0	0	0	0	5,952	0	0	0	0	0	0
11. Number of Inpatient Admissions	1,004	0	0	0	0	0	0	1,004	0	0	0	0	0	0
12. Health Premiums Written (a) .....	87,486,420	0	0	0	0	0	0	87,486,420	0	0	0	0	0	0
13. Life Premiums Direct .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned.....	87,486,420	0	0	0	0	0	0	87,486,420	0	0	0	0	0	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services.....	100,749,097	0	0	0	0	0	0	100,749,097	0	0	0	0	0	0
18. Amount Incurred for Provision of Health Care Services	88,941,389	0	0	0	0	0	0	88,941,389	0	0	0	0	0	0

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ ..... 87,486,420



## UNDERWRITING AND INVESTMENT EXHIBIT

### ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual .....	0	0	0	0	0	0
2. Comprehensive (hospital and medical) group .....	0	0	0	0	0	0
3. Medicare Supplement .....	0	0	0	0	0	0
4. Vision only .....	0	0	0	0	0	0
5. Dental only .....	0	0	0	0	0	0
6. Federal Employees Health Benefits Plan .....	0	0	0	0	0	0
7. Title XVIII - Medicare .....	8,657,166	90,828,153	98,487	10,704,697	8,755,653	11,059,730
8. Title XIX - Medicaid .....	0	0	0	0	0	0
9. Credit A&H .....	0	0	0	0	0	0
10. Disability Income .....	0	0	0	0	0	0
11. Long-term care .....	0	0	0	0	0	0
12. Other health .....	0	0	0	0	0	0
13. Health subtotal (Lines 1 to 12) .....	8,657,166	90,828,153	98,487	10,704,697	8,755,653	11,059,730
14. Health care receivables (a) .....	5,282,106	10,248,627	377,392	2,429,864	5,659,498	7,955,676
15. Other non-health .....	0	0	0	0	0	0
16. Medical incentive pools and bonus amounts .....	1,263,778	0	0	0	1,263,778	1,384,137
17. Totals (Lines 13 - 14 + 15 + 16)	4,638,838	80,579,526	(278,905)	8,274,833	4,359,933	4,488,191

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

# NOTES TO FINANCIAL STATEMENTS

## NOTE 1 Summary of Significant Accounting Policies

### A. Accounting Practices

The financial statements of University of Michigan Health Medicare are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (DIFS).

University of Michigan Health Medicare was formed on November 1, 2018 on a non-stock basis and is a wholly owned subsidiary of University of Michigan Health Plan (Formerly Physicians Health Plan (PHP)). University of Michigan Health Medicare operations commenced on January 1, 2020.

DIFS recognizes only statutory accounting practices prescribed or permitted by the state of Michigan for determining and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Michigan.

A reconciliation of University of Michigan Health Medicare's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Michigan is shown below:

	SSAP #	F/S Page	F/S Line #	2025	2024
<b>NET INCOME</b>					
(1) State basis (Page 4, Line 32, Columns 2 & 4) .....	XXX	XXX	XXX	(3,189,275)	(23,749,264)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: .....					
(3) State Permitted Practices that increase/(decrease) NAIC SAP: .....					
(4) NAIC SAP (1-2-3=4) .....	XXX	XXX	XXX	(3,189,275)	(23,749,264)
<b>SURPLUS</b>					
(5) State basis (Page 3, Line 33, Columns 3 & 4) .....	XXX	XXX	XXX	21,165,320	15,685,855
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: .....					
(7) State Permitted Practices that increase/(decrease) NAIC SAP: .....					
(8) NAIC SAP (5-6-7=8) .....	XXX	XXX	XXX	21,165,320	15,685,855

### B. Use of Estimates

In preparing the financial statements in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual, management makes estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### C. Accounting Policy

1. Short-term investments are stated at amortized cost or at market value depending upon the respective investment.
2. Bonds  
Not applicable
3. Common stocks are stated at market value.
4. Preferred stocks  
Not applicable
5. Mortgage loans  
Not applicable
6. Loan-backed securities  
Not applicable
7. Investments in subsidiaries, controlled and affiliated companies  
Not applicable
8. Investments in joint ventures, partnerships and limited liability companies  
Not applicable
9. Derivatives  
Not applicable
10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54R – Individual and Group Accident and Health Contracts.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12. University of Michigan Health Medicare has adopted the capitalization policy of the parent, University of Michigan Health Plan (Formerly PHP). No modifications to this capitalization policy have occurred in the current year.

### D. Going Concern

In November 2024, the decision was made by the University of Michigan Health board of directors to wind down the plan's operations. This decision was made as a result of continued losses and a bleak outlook going forward. This decision includes all of the insurance companies and other companies in the University of Michigan Health Holdings group, which includes: University of Michigan Health Plan, University of Michigan Health Insurance Company, University of Michigan Health Medicare, University of Michigan Health Service Company, and Physicians Health Network.

The current plan is to run business as usual through December 2025. After that time, we will continue to handle all run out of claims and continue the business until our responsibilities have been completed.

**NOTE 2 Accounting Changes and Corrections of Errors**

Not Applicable

**NOTE 3 Business Combinations and Goodwill**

Not Applicable

**NOTE 4 Discontinued Operations**

Not Applicable

**NOTE 5 Investments**

A-K. Not Applicable

L. Restricted Assets

## 1. Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Percentage Gross Restricted to Total Assets	6 Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown			0		0.000	0.000
b. Collateral held under security lending agreements			0		0.000	0.000
c. Subject to repurchase agreements			0		0.000	0.000
d. Subject to reverse repurchase agreements			0		0.000	0.000
e. Subject to dollar repurchase agreements			0		0.000	0.000
f. Subject to dollar reverse repurchase agreements			0		0.000	0.000
g. Placed under option contracts			0		0.000	0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock			0		0.000	0.000
i. FHLB capital stock			0		0.000	0.000
j. On deposit with states	1,278,411	1,239,281	39,130	1,278,411	3.586	3.649
k. On deposit with other regulatory bodies			0		0.000	0.000
l. Pledged collateral to FHLB (including assets backing funding agreements)			0		0.000	0.000
m. Pledged as collateral not captured in other categories			0		0.000	0.000
n. Other restricted assets			0		0.000	0.000
o. Total Restricted Assets	1,278,411	1,239,281	39,130	1,278,411	3.586	3.649

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

Not Applicable

## 3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable

## 4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Not Applicable

M-R. Not Applicable

**NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies**

Not Applicable

**NOTE 7 Investment Income**

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

Not applicable.

**NOTE 8 Derivatives Instruments**

Not Applicable

**NOTE 9 Income Taxes**

No Significant Change

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

No Significant Change

**NOTE 11 Debt**

Not Applicable

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

Not Applicable

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

No Significant Change

**NOTE 14 Liabilities, Contingencies and Assessments**

Not Applicable

**NOTE 15 Leases**

Not Applicable

**NOTE 16 Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

Not Applicable

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

Not Applicable

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

A. ASO Plans

Not applicable

B. ASC Plans

Not applicable

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

1. Medicare Part D cost-based reimbursements for September 30, 2025, and December 31, 2024, consisted of coverage gap discount of \$1,163,566 and \$1,274,279, respectively, and low-income subsidy (cost sharing portion) of \$471,601 and \$225,403, respectively.

2. As of September 30, 2025, and December 31, 2024, University of Michigan Health Medicare had recorded receivables from the following payors whose account balances were greater than 10% of University of Michigan Health Medicare's amounts receivable from uninsured accident and health plans or \$10,000:

	9/30/2025	12/31/2024
Centers for Medicare & Medicaid Services (CMS)	1,635,167	1,499,682

3. In connection with the Medicare Part D cost-based reimbursement portion of the contract, University of Michigan Health Medicare has recorded no allowances and reserves for adjustment of recorded reimbursement advances as of September 30, 2025, and December 31, 2024.

4. Adjustments to revenue resulting from audit of receivables related to revenues recorded in the prior period.

Not applicable

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

Not Applicable

**NOTE 20 Fair Value Measurement**

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

(1) Items Measured at Fair Value by Levels 1, 2 and 3

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

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common stocks and mutual funds. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are therefore classified as Level 1.

Level 2 - Significant Other Observable Inputs: This category, for items measured at fair value on a recurring basis, includes bonds which are not exchange traded and common stock of a subsidiary which is valued using an adjusted market method. The estimated fair values of some of these bonds were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded. The Company has no Level 2 assets or liabilities.

Level 3 - Significant Unobservable Inputs: The Company has no Level 3 assets or liabilities.

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash Equivalents .....	19,718,896	0	0	0	19,718,896
Total assets at fair value	19,718,896	0	0	0	19,718,896

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 as stated in paragraph 3 below. No transfers between Levels 1 and 2 occurred during the current year.

(2) Rollforward of Level 3 Items

The Company has no assets or liabilities measured at fair value in the Level 3 category.

(3) Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

(4) Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company has no assets or liabilities measured at fair value in the Level 2 or 3 categories.

(5) Derivative Fair Values

Not applicable.

B. Other Fair Value Disclosures

Not applicable.

C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash Equivalents .....	19,718,896	19,718,896	19,718,896	0	0	0	0

D. Not Practicable to Estimate Fair Value  
Not applicable

**NOTE 21 Other Items**

Not Applicable

**NOTE 22 Subsequent Events**

In October 2025, the University of Michigan Health Plan made a capital contribution to the Company in the amount of \$6,500,000. The Company recorded a receivable of \$6,500,000 on Line 23 of the Assets page. This capital contribution has been recorded as a receivable as of September 30, 2025 in accordance with SSAP 72 and approval from the Company's state of domicile.

**NOTE 23 Reinsurance**

No Significant Change

**NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination**

- A-C. The Company does not participate in traditional retrospectively rated contracts.
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act.  
Not applicable
- A. Risk Sharing Provisions of the Affordable Care Act  
Not applicable

**NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses**

Reserves as of December 31, 2024 were \$11.1 million. As of September 30, 2025, \$9.7 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$0.1 million due to re-estimation of unpaid claims and claim adjustment expenses. Resulting in favorable prior-year development of approximately \$1.2 million from December 31, 2024 to September 30, 2025. Original estimates increase or decrease, as additional information becomes known regarding individual claims.

**NOTE 26 Intercompany Pooling Arrangements**

Not Applicable

**NOTE 27 Structured Settlements**

Not Applicable

**NOTE 28 Health Care Receivables**

No Significant Change

**NOTE 29 Participating Policies**

Not Applicable

**NOTE 30 Premium Deficiency Reserves**

- 1. Liability carried for premium deficiency reserves \$ 3,423,500
- 2. Date of the most recent evaluation of this liability November 1, 2025
- 3. Was anticipated investment income utilized in the calculation? Yes  No

**NOTE 31 Anticipated Salvage and Subrogation**

Not Applicable

STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 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 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
 If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
 .....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 4.2 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
 If yes, attach an explanation.  
 .....
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2022
- 6.2 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. .... 12/31/2022
- 6.3 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). .... 10/05/2023
- 6.4 By what department or departments?  
 .....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ X ] No [ ] N/A [ ]
- 7.1 Has this 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 ]
- 7.2 If yes, give full information:  
 .....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
 .....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

## GENERAL INTERROGATORIES

- 9.1 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 [  ] 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.
- 9.11 If the response to 9.1 is No, please explain:  
.....
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes [  ] No [  ]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [  ] No [  ]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [  ] No [  ]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ 8,749,371

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [  ] No [  ]
- 11.2 If yes, give full and complete information relating thereto:  
.....
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ 0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [  ] No [  ]
- 14.2 If yes, please complete the following:
- |   | 1<br>Prior Year-End<br>Book/Adjusted<br>Carrying Value | 2<br>Current Quarter<br>Book/Adjusted<br>Carrying Value |
|---|--|---|
| 14.21 Bonds   | \$ 0   | \$ 0  |
| 14.22 Preferred Stock   | \$ 0   | \$ 0  |
| 14.23 Common Stock  | \$ 0   | \$ 0  |
| 14.24 Short-Term Investments  | \$ 0   | \$ 0  |
| 14.25 Mortgage Loans on Real Estate   | \$ 0   | \$ 0  |
| 14.26 All Other   | \$ 0   | \$ 0  |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 0   | \$ 0  |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above                       | \$ 0   | \$ 0  |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [  ] No [  ]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [  ] No [  ] N/A [  ]  
If no, attach a description with this statement.  
.....
16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. .... \$ 0
- 16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ 0
- 16.3 Total payable for securities lending reported on the liability page. .... \$ 0

STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare  
**GENERAL INTERROGATORIES**

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [ ] No [ X ]
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

- 17.2 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)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [ X ]

- 17.4 If yes, give full information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation

- 17.5097 For those firms/individuals listed in the table for Question 17.5, 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 ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [ ] No [ X ]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed

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

- 18.2 If no, list exceptions:  
 .....

19. 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 ]

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

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

- Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

21. 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 ]

# GENERAL INTERROGATORIES

## PART 2 - HEALTH

- 1. Operating Percentages:
  - 1.1 A&H loss percent ..... 105.100 %
  - 1.2 A&H cost containment percent ..... 3.500 %
  - 1.3 A&H expense percent excluding cost containment expenses ..... 11.300 %
  
- 2.1 Do you act as a custodian for health savings accounts? ..... Yes [  ] No [  ]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$..... 0
- 2.3 Do you act as an administrator for health savings accounts? ..... Yes [  ] No [  ]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date ..... \$..... 0
  
- 3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [  ] No [  ]
- 3.1 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 [  ]



STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare  
**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

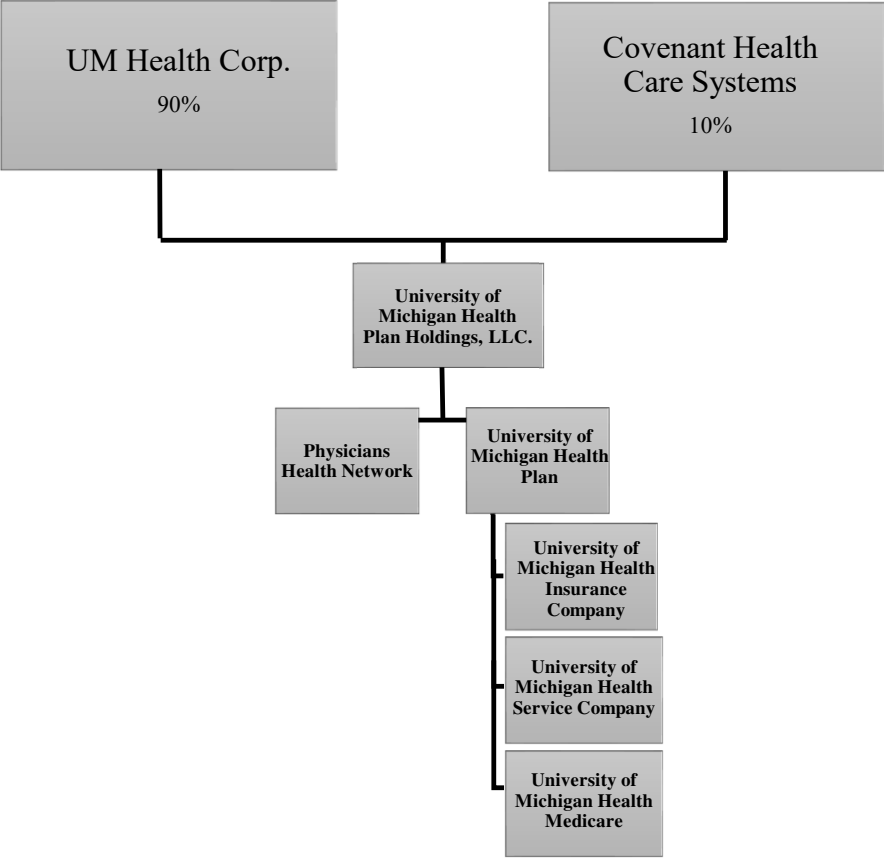
States, etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	10
	Active Status (a)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1. Alabama	AL	.N.	.0	.0	.0	.0	.0	.0	.0	.0
2. Alaska	AK	.N.	.0	.0	.0	.0	.0	.0	.0	.0
3. Arizona	AZ	.N.	.0	.0	.0	.0	.0	.0	.0	.0
4. Arkansas	AR	.N.	.0	.0	.0	.0	.0	.0	.0	.0
5. California	CA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
6. Colorado	CO	.N.	.0	.0	.0	.0	.0	.0	.0	.0
7. Connecticut	CT	.N.	.0	.0	.0	.0	.0	.0	.0	.0
8. Delaware	DE	.N.	.0	.0	.0	.0	.0	.0	.0	.0
9. District of Columbia	DC	.N.	.0	.0	.0	.0	.0	.0	.0	.0
10. Florida	FL	.N.	.0	.0	.0	.0	.0	.0	.0	.0
11. Georgia	GA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
12. Hawaii	HI	.N.	.0	.0	.0	.0	.0	.0	.0	.0
13. Idaho	ID	.N.	.0	.0	.0	.0	.0	.0	.0	.0
14. Illinois	IL	.N.	.0	.0	.0	.0	.0	.0	.0	.0
15. Indiana	IN	.N.	.0	.0	.0	.0	.0	.0	.0	.0
16. Iowa	IA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
17. Kansas	KS	.N.	.0	.0	.0	.0	.0	.0	.0	.0
18. Kentucky	KY	.N.	.0	.0	.0	.0	.0	.0	.0	.0
19. Louisiana	LA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
20. Maine	ME	.N.	.0	.0	.0	.0	.0	.0	.0	.0
21. Maryland	MD	.N.	.0	.0	.0	.0	.0	.0	.0	.0
22. Massachusetts	MA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
23. Michigan	MI	L	.0	87,486,420	.0	.0	.0	.0	87,486,420	.0
24. Minnesota	MN	.N.	.0	.0	.0	.0	.0	.0	.0	.0
25. Mississippi	MS	.N.	.0	.0	.0	.0	.0	.0	.0	.0
26. Missouri	MO	.N.	.0	.0	.0	.0	.0	.0	.0	.0
27. Montana	MT	.N.	.0	.0	.0	.0	.0	.0	.0	.0
28. Nebraska	NE	.N.	.0	.0	.0	.0	.0	.0	.0	.0
29. Nevada	NV	.N.	.0	.0	.0	.0	.0	.0	.0	.0
30. New Hampshire	NH	.N.	.0	.0	.0	.0	.0	.0	.0	.0
31. New Jersey	NJ	.N.	.0	.0	.0	.0	.0	.0	.0	.0
32. New Mexico	NM	.N.	.0	.0	.0	.0	.0	.0	.0	.0
33. New York	NY	.N.	.0	.0	.0	.0	.0	.0	.0	.0
34. North Carolina	NC	.N.	.0	.0	.0	.0	.0	.0	.0	.0
35. North Dakota	ND	.N.	.0	.0	.0	.0	.0	.0	.0	.0
36. Ohio	OH	.N.	.0	.0	.0	.0	.0	.0	.0	.0
37. Oklahoma	OK	.N.	.0	.0	.0	.0	.0	.0	.0	.0
38. Oregon	OR	.N.	.0	.0	.0	.0	.0	.0	.0	.0
39. Pennsylvania	PA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
40. Rhode Island	RI	.N.	.0	.0	.0	.0	.0	.0	.0	.0
41. South Carolina	SC	.N.	.0	.0	.0	.0	.0	.0	.0	.0
42. South Dakota	SD	.N.	.0	.0	.0	.0	.0	.0	.0	.0
43. Tennessee	TN	.N.	.0	.0	.0	.0	.0	.0	.0	.0
44. Texas	TX	.N.	.0	.0	.0	.0	.0	.0	.0	.0
45. Utah	UT	.N.	.0	.0	.0	.0	.0	.0	.0	.0
46. Vermont	VT	.N.	.0	.0	.0	.0	.0	.0	.0	.0
47. Virginia	VA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
48. Washington	WA	.N.	.0	.0	.0	.0	.0	.0	.0	.0
49. West Virginia	WV	.N.	.0	.0	.0	.0	.0	.0	.0	.0
50. Wisconsin	WI	.N.	.0	.0	.0	.0	.0	.0	.0	.0
51. Wyoming	WY	.N.	.0	.0	.0	.0	.0	.0	.0	.0
52. American Samoa	AS	.N.	.0	.0	.0	.0	.0	.0	.0	.0
53. Guam	GU	.N.	.0	.0	.0	.0	.0	.0	.0	.0
54. Puerto Rico	PR	.N.	.0	.0	.0	.0	.0	.0	.0	.0
55. U.S. Virgin Islands	VI	.N.	.0	.0	.0	.0	.0	.0	.0	.0
56. Northern Mariana Islands	MP	.N.	.0	.0	.0	.0	.0	.0	.0	.0
57. Canada	CAN	.N.	.0	.0	.0	.0	.0	.0	.0	.0
58. Aggregate Other Aliens	OT	.XXX	.0	.0	.0	.0	.0	.0	.0	.0
59. Subtotal	.XXX	.0	87,486,420	.0	.0	.0	.0	.0	87,486,420	.0
60. Reporting Entity Contributions for Employee Benefit Plans	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
61. Totals (Direct Business)	.XXX	0	87,486,420	0	0	0	0	0	87,486,420	0
DETAILS OF WRITE-INS										
58001.	.XXX									
58002.	.XXX									
58003.	.XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	.XXX	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

- |   |   |
|---|---|
| 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 1                     | 4. Q - Qualified - Qualified or accredited reinsurer..... 0                   |
| 2. R - Registered - Non-domiciled RRGs..... 0   | 5. N - None of the above - Not allowed to write business in the state..... 56 |
| 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state. .... 0 |   |

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

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**SCHEDULE Y**

**PART 1A - DETAILS OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Yes/No)	*
3408	University of Michigan Health Plan Group	95849	38-2594856	0	0		Physicians Health Network	..MI.....	.....NIA.....	University of Michigan Health Plan Holdings, LLC.	Ownership.....	100.000	UM Health Corp.	..NO.....	
3408	University of Michigan Health Plan Group	12816	38-2356288	0	0		University of Michigan Health Plan	..MI.....	.....UDP.....	University of Michigan Health Plan Holdings, LLC.	Ownership.....	100.000	UM Health Corp.	..NO.....	
3408	University of Michigan Health Plan Group	16555	20-5565219	0	0		University of Michigan Health Insurance Company	..MI.....	.....IA.....	University of Michigan Health Plan	Ownership.....	100.000	UM Health Corp.	..NO.....	
3408	University of Michigan Health Plan Group	16555	38-3344741	0	0		University of Michigan Health Service Company	..MI.....	.....NIA.....	University of Michigan Health Plan	Ownership.....	100.000	UM Health Corp.	..YES.....	
			83-2766121	0	0		University of Michigan Health Medicare	..MI.....	.....RE.....	University of Michigan Health Plan	Ownership.....	100.000	UM Health Corp.	..NO.....	
			83-3965697	0	0		University of Michigan Health Plan Holdings, LLC.	..MI.....	.....UIP.....	UM Health Corp.	Ownership.....	90.000	UM Health Corp.	..NO.....	

Asterisk	Explanation
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# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

**AUGUST FILING**

2. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter. ....	N/A
--	-----

Explanation:

1.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



**OVERFLOW PAGE FOR WRITE-INS**

**NONE**

Schedule A - Verification - Real Estate

**NONE**

Schedule B - Verification - Mortgage Loans

**NONE**

Schedule BA - Verification - Other Long-Term Invested Assets

**NONE**

Schedule D - Verification - Bonds and Stock

**NONE**

Schedule D - Part 1B - Bonds and Preferred Stock by NAIC Designation

**NONE**

Schedule DA - Part 1 - Short-Term Investments

**NONE**

Schedule DA - Verification - Short-Term Investments

**NONE**

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**NONE**

Schedule DB - Part B - Verification - Futures Contracts

**NONE**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**NONE**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**NONE**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

**NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	13,087,421	29,738,504
2. Cost of cash equivalents acquired .....	111,166,120	124,012,278
3. Accrual of discount .....	0	0
4. Unrealized valuation increase/(decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	104,534,644	140,663,361
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	19,718,897	13,087,421
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	19,718,897	13,087,421

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**N O N E**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**N O N E**

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

**N O N E**

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of

**N O N E**

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**N O N E**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**N O N E**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**N O N E**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**N O N E**

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees

**N O N E**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**N O N E**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**N O N E**



STATEMENT AS OF SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Restricted Asset Code	4 Date Acquired	5 Stated Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Amount Received During Year
0489999999. Total - Issuer Credit Obligations (Unaffiliated)						0	0	0
0499999999. Total - Issuer Credit Obligations (Affiliated)						0	0	0
0509999999. Total - Issuer Credit Obligations						0	0	0
	Fidelity Treasury Portfolio Class I Fund #2644	%SD	09/30/2025	0.000		1,278,411	4,325	39,856
	Black Rock Liquidity Funds - T - Fund		09/30/2025	0.000		18,440,486	63,448	745,824
8109999999. Subtotal - Sweep Accounts						19,718,897	67,773	785,680
8589999999. Total Cash Equivalents (Unaffiliated)						19,718,897	67,773	785,680
8599999999. Total Cash Equivalents (Affiliated)						0	0	0
8609999999 - Total Cash Equivalents						19,718,897	67,773	785,680

E14



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2025 OF THE University of Michigan Health Medicare  
**MEDICARE PART D COVERAGE SUPPLEMENT**

(Net of Reinsurance)

NAIC Group Code 3408

NAIC Company Code 16555

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected .....		XXX		XXX	
2. Earned Premiums .....		XXX		XXX	XXX
3. Claims Paid .....		XXX		XXX	
4. Claims Incurred .....		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a) .....	XXX		XXX		
6. Aggregate Policy Reserves - Change .....		XXX		XXX	XXX
7. Expenses Paid .....		XXX		XXX	
8. Expenses Incurred .....		XXX		XXX	XXX
9. Underwriting Gain or Loss .....		XXX		XXX	XXX
10. Cash Flow Result .....	XXX	XXX	XXX	XXX	

**NONE**

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ ..... due from CMS or \$ ..... due to CMS