HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE

Humana Medical Plan of Michigan, Inc.

NAIC Group Code 0119 (Current) 0119 (Prior) NAIC Company Code 14224 Employer's ID Number 27-3991410

Organized under the Laws of Mlchigan, 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 11/16/2010 Commenced Business 02/29/2012

Statutory Home Office 250 Monroe NW, Ste. 400 (Street and Number), Grand Rapids, MI, US 49503 (City or Town, State, Country and Zip Code)

Main Administrative Office 500 W. Main St. (Street and Number)
Louisville, KY, US 40202 (City or Town, State, Country and Zip Code), 502-580-1000 (Area Code) (Telephone Number)

Mail Address P.O. Box 740036 (Street and Number or P.O. Box), Louisville, KY, US 40201-7436 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 500 W. Main St. (Street and Number)
Louisville, KY, US 40202 (City or Town, State, Country and Zip Code), 502-580-1000 (Area Code) (Telephone Number)

Internet Website Address www.humana.com

Statutory Statement Contact Adam Moss (Name), 502-580-3026 (Area Code) (Telephone Number)
DOIINQUIRIES@humana.com (E-mail Address), 502-580-2099 (FAX Number)

OFFICERS

President & CEO	Bruce Dale Broussard	Chief Financial Officer	Brian Andrew Kane
SVP, Assoc Gen Counsel & Corp Sec	Joseph Christopher Ventura	SVP, Chief Actuary	Vanessa Marie Olson

OTHER

Alan James Bailey, VP & Treasurer	Charles Wilbur Dow Jr., Regional President	Christopher Howal Hunter #, Segment President, Group Business
Brian Phillip LeClaire, Ph.D., Chief Information Officer	Susan Lynn Mateja, Appointed Actuary	Steven Edward McCulley, SVP, Medicare
Sean Joseph O'Reilly #, VP, Chief Compliance Officer	William Mark Preston, VP, Investments	Richard Donald Remmers, SVP, Employer Group Sales
George Renaudin II, SVP, Medicare East & Provider	Donald Hank Robinson, SVP, Tax	Richard Andrew Vollmer Jr. #, SVP, Medicare Divisional Leader
Timothy Alan Wheatley, Segment President, Retail	Ralph Martin Wilson, Vice President	Cynthia Hillebrand Zipperle, SVP, Chief Accounting Officer & Controller

DIRECTORS OR TRUSTEES

Robert Michael Bochy (Enrollee Director)	Bruce Dale Broussard	Brian Andrew Kane

State of Kentucky
County of Jefferson 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.

Bruce Dale Broussard President & CEO	Joseph Christopher Ventura SVP, Assoc Gen Counsel & Corp Sec	Alan James Bailey VP & Treasurer

Subscribed and sworn to before me this
22nd day of February, 2019

Julia Wentworth
Notary Public
January 10, 2021

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.....

ASSETS

		Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	20,474,014	0	20,474,014	21,056,590
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	0	0	0	0
	2.2 Common stocks	0	0	0	0
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	0	0	0	0
	3.2 Other than first liens	0	0	0	0
4.	Real estate (Schedule A):				
	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 ($ (542,595) , Schedule E - Part 1), cash equivalents ($ 15,976,379 , Schedule E - Part 2) and short-term investments ($ 0 , Schedule DA)	15,433,784	0	15,433,784	12,150,573
6.	Contract loans, (including $ 0 premium notes)	0	0	0	0
7.	Derivatives (Schedule DB)	0	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0	0
9.	Receivables for securities	0	0	0	0
10.	Securities lending reinvested collateral assets (Schedule DL)	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)	35,907,798	0	35,907,798	33,207,163
13.	Title plants less $ 0 charged off (for Title insurers only)	0	0	0	0
14.	Investment income due and accrued	233,616	0	233,616	235,966
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	443,231	184,596	258,635	440,951
	15.2 Deferred premiums and 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 ($ 1,536,816)	1,536,816	0	1,536,816	864,624
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	0	0	0	534,613
	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	41,693	0	41,693	61,328
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2	Net deferred tax asset	1,645,180	170,560	1,474,620	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	135,296	0	135,296	3,153,650
24.	Health care ($ 1,342,422) and other amounts receivable	3,397,176	1,721,348	1,675,828	1,331,337
25.	Aggregate write-ins for other than invested assets	5,903,935	5,903,935	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	49,244,742	7,980,439	41,264,303	39,829,632
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	49,244,742	7,980,439	41,264,303	39,829,632
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	Provider Contracts	5,519,494	5,519,494	0	0
2502.	Prepaid Commissions	369,909	369,909	0	0
2503.	Deposits	14,532	14,532	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	5,903,935	5,903,935	0	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
1.	Claims unpaid (less $ 0 reinsurance ceded)	8,240,303	688,083	8,928,386	7,600,178
2.	Accrued medical incentive pool and bonus amounts	1,605,945	0	1,605,945	471,545
3.	Unpaid claims adjustment expenses	57,987	0	57,987	59,608
4.	Aggregate health policy reserves, including the liability of $ 0 for medical loss ratio rebate per the Public Health Service Act	449,052	0	449,052	3,094,565
5.	Aggregate life policy reserves	0	0	0	0
6.	Property/casualty unearned premium reserves	0	0	0	0
7.	Aggregate health claim reserves	0	0	0	0
8.	Premiums received in advance	32,374	0	32,374	1,346,421
9.	General expenses due or accrued	88,096	0	88,096	143,699
10.1	Current federal and foreign income tax payable and interest thereon (including $ 1,161 on realized capital gains (losses))	57,446	0	57,446	740,603
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	0
13.	Remittances and items not allocated	62,698	0	62,698	693,745
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	0	0	0	0
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	487,280	0	487,280	1,307,075
23.	Aggregate write-ins for other liabilities (including $ 19,975 current)	193,378	0	193,378	39,210
24.	Total liabilities (Lines 1 to 23)	11,274,559	688,083	11,962,642	15,496,649
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	1,219,435
26.	Common capital stock	XXX	XXX	1,000	1,000
27.	Preferred capital stock	XXX	XXX	0	0
28.	Gross paid in and contributed surplus	XXX	XXX	44,999,000	44,999,000
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	(15,698,339)	(21,886,452)
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	29,301,661	24,332,983
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	41,264,303	39,829,632
	DETAILS OF WRITE-INS				
2301.	Premium Payable	167,506	0	167,506	0
2302.	Unclaimed Property	25,872	0	25,872	39,210
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	193,378	0	193,378	39,210
2501.	Special Surplus - Projected HCRL Assessment for the Upcoming Year	XXX	XXX	0	1,219,435
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 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	1,219,435
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 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1.	Member Months	XXX	117,831	136,216
2.	Net premium income (including $ 0 non-health premium income)	XXX	88,678,096	77,258,310
3.	Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4.	Fee-for-service (net of $ 0 medical expenses)	XXX	0	0
5.	Risk revenue	XXX	0	0
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	88,678,096	77,258,310
	Hospital and Medical:			
9.	Hospital/medical benefits	5,045,281	64,506,495	54,830,156
10.	Other professional services	0	1,548,819	1,483,146
11.	Outside referrals	0	0	0
12.	Emergency room and out-of-area	696,188	3,774,012	2,950,554
13.	Prescription drugs	0	3,963,226	6,600,962
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts	0	2,227,124	1,574,605
16.	Subtotal (Lines 9 to 15)	5,741,469	76,019,676	67,439,423
	Less:			
17.	Net reinsurance recoveries	0	702	811,274
18.	Total hospital and medical (Lines 16 minus 17)	5,741,469	76,018,974	66,628,149
19.	Non-health claims (net)	0	0	0
20.	Claims adjustment expenses, including $ 1,978,642 cost containment expenses	0	2,440,156	3,445,531
21.	General administrative expenses	0	9,431,766	7,331,456
22.	Increase in reserves for life and accident and health contracts (including $ 0 increase in reserves for life only)	0	(2,675,000)	2,675,000
23.	Total underwriting deductions (Lines 18 through 22)	5,741,469	85,215,896	80,080,136
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,462,200	(2,821,826)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	793,445	720,481
26.	Net realized capital gains (losses) less capital gains tax of $ (5,684)	0	(21,381)	(154,488)
27.	Net investment gains (losses) (Lines 25 plus 26)	0	772,064	565,993
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $ 0) (amount charged off $ 0)]	0	0	0
29.	Aggregate write-ins for other income or expenses	0	7	5
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	4,234,271	(2,255,828)
31.	Federal and foreign income taxes incurred	XXX	490,793	(210,441)
32.	Net income (loss) (Lines 30 minus 31)	XXX	3,743,478	(2,045,387)
	DETAILS OF WRITE-INS			
0601.		XXX		
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901.	Miscellaneous Income	0	7	5
2902.				
2903				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	7	5

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	24,332,983	31,143,777
34.	Net income or (loss) from Line 32	3,743,478	(2,045,387)
35.	Change in valuation basis of aggregate policy and claim reserves	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ 0	(51,414)	1,567
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0
38.	Change in net deferred income tax	(634,408)	182,021
39.	Change in nonadmitted assets	1,911,022	(4,754,756)
40	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles	0	0
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0
	44.3 Transferred to surplus	0	0
45.	Surplus adjustments:		
	45.1 Paid in	0	0
	45.2 Transferred to capital (Stock Dividend)	0	0
	45.3 Transferred from capital	0	0
46.	Dividends to stockholders	0	0
47.	Aggregate write-ins for gains or (losses) in surplus	0	(194,239)
48.	Net change in capital and surplus (Lines 34 to 47)	4,968,678	(6,810,794)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	29,301,661	24,332,983
	DETAILS OF WRITE-INS		
4701.	Prior Period Impact of Claims Dispute	0	(194,239)
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	(194,239)

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	87,065,815	61,017,674
2.	Net investment income	1,174,745	1,106,088
3.	Miscellaneous income	0	0
4.	Total (Lines 1 through 3)	88,240,560	62,123,762
5.	Benefit and loss related payments	75,010,986	68,932,542
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	12,729,303	14,143,853
8.	Dividends paid to policyholders	0	0
9.	Federal and foreign income taxes paid (recovered) net of $ (78,051) tax on capital gains (losses)	1,168,266	(4,825,876)
10.	Total (Lines 5 through 9)	88,908,556	78,250,519
11.	Net cash from operations (Line 4 minus Line 10)	(667,996)	(16,126,757)
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	5,548,438	14,333,299
	12.2 Stocks	0	0
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	0	0
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
	12.7 Miscellaneous proceeds	0	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	5,548,438	14,333,299
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	5,423,291	10,561,045
	13.2 Stocks	0	0
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	0	0
	13.6 Miscellaneous applications	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	5,423,291	10,561,045
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	125,147	3,772,254
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	0
	16.6 Other cash provided (applied)	3,826,060	(9,104,753)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,826,060	(9,104,753)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	3,283,211	(21,459,256)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	12,150,573	33,609,829
	19.2 End of year (Line 18 plus Line 19.1)	15,433,784	12,150,573

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	88,678,096	1,763,054	0	0	0	0	86,915,042	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0	0	0	0	0	0	0	0	0	0
3. Fee-for-service (net of $ 0 medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	88,678,096	1,763,054	0	0	0	0	86,915,042	0	0	0
8. Hospital/medical benefits	64,506,495	(904,249)	0	0	0	0	65,410,744	0	0	XXX
9. Other professional services	1,548,819	(164)	0	0	0	0	1,548,983	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	3,774,012	31,172	0	0	0	0	3,742,840	0	0	XXX
12. Prescription drugs	3,963,226	(98,175)	0	0	0	0	4,061,401	0	0	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	2,227,124	0	0	0	0	0	2,227,124	0	0	XXX
15. Subtotal (Lines 8 to 14)	76,019,676	(971,416)	0	0	0	0	76,991,092	0	0	XXX
16. Net reinsurance recoveries	702	702	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	76,018,974	(972,118)	0	0	0	0	76,991,092	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including $ 1,978,642 cost containment expenses	2,440,156	(13,733)	0	0	0	0	2,453,889	0	0	0
20. General administrative expenses	9,431,766	119,267	0	0	0	0	9,312,499	0	0	0
21. Increase in reserves for accident and health contracts	(2,675,000)	0	0	0	0	0	(2,675,000)	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	85,215,896	(866,584)	0	0	0	0	86,082,480	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	3,462,200	2,629,638	0	0	0	0	832,562	0	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical)	1,763,054	0	0	1,763,054
2.	Medicare Supplement	0	0	0	0
3.	Dental only	0	0	0	0
4.	Vision only	0	0	0	0
5.	Federal Employees Health Benefits Plan	0	0	0	0
6.	Title XVIII - Medicare	86,915,140	0	98	86,915,042
7.	Title XIX - Medicaid	0	0	0	0
8.	Other health	0	0	0	0
9.	Health subtotal (Lines 1 through 8)	88,678,194	0	98	88,678,096
10.	Life	0	0	0	0
11.	Property/casualty	0	0	0	0
12.	Totals (Lines 9 to 11)	88,678,194	0	98	88,678,096

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	74,453,934	639,792	0	0	0	0	73,814,142	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	535,315	535,315	0	0	0	0	0	0	0	0
1.4 Net	73,918,619	104,477	0	0	0	0	73,814,142	0	0	0
2. Paid medical incentive pools and bonuses	1,092,724	0	0	0	0	0	1,092,724	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	8,928,386	80,430	0	0	0	0	8,847,956	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	8,928,386	80,430	0	0	0	0	8,847,956	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	1,605,945	0	0	0	0	0	1,605,945	0	0	0
6. Net healthcare receivables (a)	1,989,590	(233,187)	0	0	0	0	2,222,777	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	7,600,178	1,924,825	0	0	0	0	5,675,353	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	7,600,178	1,924,825	0	0	0	0	5,675,353	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	471,545	0	0	0	0	0	471,545	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	534,613	534,613	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	73,792,552	(971,416)	0	0	0	0	74,763,968	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	702	702	0	0	0	0	0	0	0	0
12.4 Net	73,791,850	(972,118)	0	0	0	0	74,763,968	0	0	0
13. Incurred medical incentive pools and bonuses	2,227,124	0	0	0	0	0	2,227,124	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	2,188,841	6,104	0	0	0	0	2,182,737	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	2,188,841	6,104	0	0	0	0	2,182,737	0	0	0
2. Incurred but Unreported:										
2.1 Direct	6,534,189	36,879	0	0	0	0	6,497,310	0	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	6,534,189	36,879	0	0	0	0	6,497,310	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	205,356	37,447	0	0	0	0	167,909	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	205,356	37,447	0	0	0	0	167,909	0	0	0
4. TOTALS:										
4.1 Direct	8,928,386	80,430	0	0	0	0	8,847,956	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	8,928,386	80,430	0	0	0	0	8,847,956	0	0	0

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)	639,089	0	80,430	0	719,519	1,924,825
2. Medicare Supplement	0	0	0	0	0	0
3. Dental Only	0	0	0	0	0	0
4. Vision Only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	0	0	0	0	0	0
6. Title XVIII - Medicare	4,260,547	69,553,596	26,627	8,821,329	4,287,174	5,675,353
7 Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	4,899,636	69,553,596	107,057	8,821,329	5,006,693	7,600,178
10. Healthcare receivables (a)	0	3,063,770	0	0	0	1,074,180
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	1,092,724	0	164,537	1,441,408	1,257,261	471,545
13. Totals (Lines 9 - 10 + 11 + 12)	5,992,360	66,489,826	271,594	10,262,737	6,263,954	6,997,543

(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)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	0	0	0	0	0
2. 2014	31,046	37,950	37,232	37,175	37,151
3. 2015	XXX	33,411	37,366	37,524	37,528
4. 2016	XXX	XXX	56,963	63,430	63,252
5. 2017	XXX	XXX	XXX	13,737	14,575
6. 2018	XXX	XXX	XXX	XXX	0

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	0	0	0	0	0
2. 2014	38,853	38,209	37,239	37,175	37,151
3. 2015	XXX	39,877	37,403	37,579	37,528
4. 2016	XXX	XXX	65,419	63,564	63,267
5. 2017	XXX	XXX	XXX	15,472	14,640
6. 2018	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense 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. 2014	47,759	37,151	353	1.0	37,504	78.5	0	0	37,504	78.5
2. 2015	39,105	37,528	357	1.0	37,885	96.9	0	0	37,885	96.9
3. 2016	81,449	63,252	602	1.0	63,854	78.4	15	0	63,869	78.4
4. 2017	18,636	14,575	139	1.0	14,714	79.0	66	0	14,780	79.3
5. 2018	1,763	0	0	0.0	0	0.0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	2	2	2	2	2
2. 2014	10	11	11	11	11
3. 2015	XXX	0	0	0	0
4. 2016	XXX	XXX	0	0	0
5. 2017	XXX	XXX	XXX	0	0
6. 2018	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	2	2	2	2	2
2. 2014	11	11	11	11	11
3. 2015	XXX	0	0	0	0
4. 2016	XXX	XXX	0	0	0
5. 2017	XXX	XXX	XXX	0	0
6. 2018	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense 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. 2014	16	11	0	0.0	11	68.8	0	0	11	68.8
2. 2015	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2016	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2017	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2018	0	0	0	0.0	0	0.0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	168	156	156	156	156
2. 2014	1,914	2,210	2,218	2,216	2,216
3. 2015	XXX	19,799	21,947	21,982	21,959
4. 2016	XXX	XXX	34,067	38,520	38,430
5. 2017	XXX	XXX	XXX	46,129	51,595
6. 2018	XXX	XXX	XXX	XXX	69,554

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	176	160	156	156	156
2. 2014	2,223	2,234	2,218	2,216	2,216
3. 2015	XXX	22,231	21,965	21,988	21,959
4. 2016	XXX	XXX	37,823	38,576	38,433
5. 2017	XXX	XXX	XXX	52,214	51,783
6. 2018	XXX	XXX	XXX	XXX	79,816

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	2,713	2,216	21	0.9	2,237	82.5	0	0	2,237	82.5
2. 2015	27,480	21,959	209	1.0	22,168	80.7	0	0	22,168	80.7
3. 2016	47,233	38,430	365	0.9	38,795	82.1	3	0	38,798	82.1
4. 2017	58,622	51,595	491	1.0	52,086	88.9	188	1	52,275	89.2
5. 2018	86,915	69,554	661	1.0	70,215	80.8	10,263	57	80,535	92.7

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	170	158	158	158	158
2. 2014	32,970	40,171	39,461	39,402	39,378
3. 2015	XXX	53,210	59,313	59,506	59,487
4. 2016	XXX	XXX	91,030	101,950	101,682
5. 2017	XXX	XXX	XXX	59,866	66,170
6. 2018	XXX	XXX	XXX	XXX	69,554

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	178	162	158	158	158
2. 2014	41,087	40,454	39,468	39,402	39,378
3. 2015	XXX	62,108	59,368	59,567	59,487
4. 2016	XXX	XXX	103,242	102,140	101,700
5. 2017	XXX	XXX	XXX	67,686	66,423
6. 2018	XXX	XXX	XXX	XXX	79,816

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	50,488	39,378	374	0.9	39,752	78.7	0	0	39,752	78.7
2. 2015	66,585	59,487	566	1.0	60,053	90.2	0	0	60,053	90.2
3. 2016	128,682	101,682	967	1.0	102,649	79.8	18	0	102,667	79.8
4. 2017	77,258	66,170	630	1.0	66,800	86.5	254	1	67,055	86.8
5. 2018	88,678	69,554	661	1.0	70,215	79.2	10,263	57	80,535	90.8

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0	0	0	0	0	0	0	0	0
2. Additional policy reserves (a)	0	0	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including $ 0) for investment income	267,954	0	0	0	0	0	267,954	0	0
5. Aggregate write-ins for other policy reserves	181,098	0	0	0	0	0	181,098	0	0
6. Totals (gross)	449,052	0	0	0	0	0	449,052	0	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4)	449,052	0	0	0	0	0	449,052	0	0
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. Risk Adjustment Premium Payable	181,098	0	0	0	0	0	181,098	0	0
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	181,098	0	0	0	0	0	181,098	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ 0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($ 0 for occupancy of own building)	19,341	6,274	74,286	168	100,069
2. Salary, wages and other benefits	883,698	237,358	3,174,364	6,700	4,302,120
3. Commissions (less $ 0 ceded plus $ 0 assumed)	0	0	1,684,826	161	1,684,987
4. Legal fees and expenses	12,798	4,153	50,922	111	67,984
5. Certifications and accreditation fees	239	197	2,329	5	2,770
6. Auditing, actuarial and other consulting services	20,787	5,973	67,131	148	94,039
7. Traveling expenses	21,147	6,227	70,856	158	98,388
8. Marketing and advertising	88,785	28,458	335,603	757	453,603
9. Postage, express and telephone	69,160	21,325	247,853	543	338,881
10. Printing and office supplies	19,107	5,316	59,515	132	84,070
11. Occupancy, depreciation and amortization	9,931	3,222	38,242	(8)	51,387
12. Equipment	13,673	4,436	52,522	119	70,750
13. Cost or depreciation of EDP equipment and software	48,531	15,411	182,328	0	246,270
14. Outsourced services including EDP, claims, and other services	655,825	97,328	1,108,574	2,452	1,864,179
15. Boards, bureaus and association fees	4,985	1,008	9,098	18	15,109
16. Insurance, except on real estate	6,869	2,152	25,120	56	34,197
17. Collection and bank service charges	15,152	4,716	54,905	123	74,896
18. Group service and administration fees	52,380	6,205	22,985	8	81,578
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	20,908	6,782	80,305	181	108,176
22. Real estate taxes	0	0	0	0	0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	51,929	0	51,929
23.2 State premium taxes	0	0	(71,026)	0	(71,026)
23.3 Regulatory authority licenses and fees	0	0	45,636	90	45,726
23.4 Payroll taxes	0	0	181,525	402	181,927
23.5 Other (excluding federal income and real estate taxes)	0	0	1,717,817	7	1,717,824
24. Investment expenses not included elsewhere	(3,651)	(1,184)	(14,011)	(45)	(18,891)
25. Aggregate write-ins for expenses	18,977	6,157	178,132	140	203,406
26. Total expenses incurred (Lines 1 to 25)	1,978,642	461,514	9,431,766	12,426	(a) 11,884,348
27. Less expenses unpaid December 31, current year	0	57,987	88,096	0	146,083
28. Add expenses unpaid December 31, prior year	0	59,608	143,699	0	203,307
29. Amounts receivable relating to uninsured plans, prior year	0	0	61,328	0	61,328
30. Amounts receivable relating to uninsured plans, current year	0	0	41,693	0	41,693
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	1,978,642	463,135	9,467,734	12,426	11,921,937
DETAILS OF WRITE-INS					
2501. Miscellaneous Administrative Expenses	18,977	6,157	178,132	140	203,406
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	18,977	6,157	178,132	140	203,406

(a) Includes management fees of $ 7,819,384 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) 12,449	19,191
1.1	Bonds exempt from U.S. tax	(a) 0	0
1.2	Other bonds (unaffiliated)	(a) 429,134	423,253
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5	Contract Loans	0	0
6	Cash, cash equivalents and short-term investments	(e) 365,723	362,511
7	Derivative instruments	(f) 0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	916	916
10.	Total gross investment income	808,222	805,871
11.	Investment expenses		(g) 11,927
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 499
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		12,426
17.	Net investment income (Line 10 minus Line 16)		793,445
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Investment Income	916	916
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	916	916
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

(a) Includes $ 5,077 accrual of discount less $ 384,027 amortization of premium and less $ 36,005 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 $ 0 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.

(e) Includes $ 203,783 accrual of discount less $ 6,277 amortization of premium and less $ 9,983 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 $ 0 depreciation on real estate and $ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(103)	0	(103)	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	(26,962)	0	(26,962)	(51,414)	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	(27,065)	0	(27,065)	(51,414)	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)	0	0	0
2.	Stocks (Schedule D):			
	2.1 Preferred stocks	0	0	0
	2.2 Common stocks	0	0	0
3.	Mortgage loans on real estate (Schedule B):			
	3.1 First liens	0	0	0
	3.2 Other than first liens	0	0	0
4.	Real estate (Schedule A):			
	4.1 Properties occupied by the company	0	0	0
	4.2 Properties held for the production of income	0	0	0
	4.3 Properties held for sale	0	0	0
5.	Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6.	Contract loans	0	0	0
7.	Derivatives (Schedule DB)	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0
9.	Receivables for securities	0	0	0
10.	Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11.	Aggregate write-ins for invested assets	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13.	Title plants (for Title insurers only)	0	0	0
14.	Investment income due and accrued	0	0	0
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	184,596	179,245	(5,351)
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
	15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers	0	0	0
	16.2 Funds held by or deposited with reinsured companies	0	0	0
	16.3 Other amounts receivable under reinsurance contracts	0	0	0
17.	Amounts receivable relating to uninsured plans	0	0	0
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2	Net deferred tax asset	170,560	2,279,588	2,109,028
19.	Guaranty funds receivable or on deposit	0	0	0
20.	Electronic data processing equipment and software	0	0	0
21.	Furniture and equipment, including health care delivery assets	0	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23.	Receivable from parent, subsidiaries and affiliates	0	0	0
24.	Health care and other amounts receivable	1,721,348	1,959	(1,719,389)
25.	Aggregate write-ins for other than invested assets	5,903,935	7,430,669	1,526,734
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	7,980,439	9,891,461	1,911,022
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28.	Total (Lines 26 and 27)	7,980,439	9,891,461	1,911,022
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.	Provider Contracts	5,519,494	7,194,494	1,675,000
2502.	Prepaid Commissions	369,909	233,607	(136,302)
2503.	Deposits	14,532	2,568	(11,964)
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	5,903,935	7,430,669	1,526,734

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	9,968	8,338	8,651	8,967	9,306	106,778
2. Provider Service Organizations	0	0	0	0	0	0
3. Preferred Provider Organizations	642	913	904	932	970	11,053
4. Point of Service	0	0	0	0	0	0
5. Indemnity Only	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	10,610	9,251	9,555	9,899	10,276	117,831
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance.

The Michigan Department of Insurance (the Department) 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, for determining its solvency under the Michigan Insurance Law. 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. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. No deviations from the Codification currently exist.

A reconciliation of the Company'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 #	2018	2017
Net Income/(Loss)					
1. Humana Medical Plan of Michigan, Inc. Michigan basis	xxx	xxx	xxx	$ 3,743,478	$ (2,045,387)
2. State Prescribed Practices that is an increase/(decrease) NAIC SAP				-	-
3. State Permitted Practices that is an increase/(decrease) NAIC SAP				-	-
4. NAIC SAP	xxx	xxx	xxx	$ 3,743,478	$ (2,045,387)
Surplus					
5. Humana Medical Plan of Michigan, Inc. Michigan basis	xxx	xxx	xxx	$ 29,301,661	$ 24,332,983
6. State Prescribed Practices that is an increase/(decrease) NAIC SAP				-	-
7. State Permitted Practices that is an increase/(decrease) NAIC SAP				-	-
8. NAIC SAP	xxx	xxx	xxx	$ 29,301,661	$ 24,332,983

On February 16, 2017, under the terms of the Agreement and Plan of Merger, or Merger Agreement, with Aetna Inc., and certain wholly owned subsidiaries of Aetna Inc., which Humana collectively refers to as Aetna, Humana received a breakup fee of $1 billion from Aetna.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results could differ from those estimates.

C. Accounting Policy

Premiums are reported as earned in the period in which members are entitled to receive services, and are net of retroactive membership adjustments. Retroactive membership adjustments result from enrollment changes not yet processed, or not yet reported by an employer group or the government. Premiums received prior to such period are recorded as advance premiums.

Benefits incurred and loss adjustment expenses include claim payments, capitation payments, pharmacy costs net of rebates, allocations of certain centralized expenses, legal and administrative costs to settle claims, and various other costs incurred to provide health insurance coverage to members, as well as estimates of future payments to hospitals and others for medical care provided prior to the date of the statements of admitted assets, liabilities and surplus. Capitation payments represent monthly contractual fees disbursed to participating primary care physicians, and other providers who are responsible for providing medical care to members. Pharmacy costs represent payments for members' prescription drug benefits, net of rebates from drug manufacturers.

In addition, the Company uses the following accounting policies:

(1) Short-term investments include investments mainly in U.S. Government obligations with a maturity of twelve months or less from the date of purchase. Short-term investments are recorded at amortized cost. The carrying value of short-term investments approximates fair value due to the short-term maturities of the investments.

(2-4) Investments are valued and classified in accordance with methods prescribed by the NAIC. Bonds with an NAIC rating of 1 or 2 are carried at amortized cost, with all other bonds being recorded at the lower of amortized cost or fair value; redeemable preferred stocks are carried at amortized cost; and non-redeemable preferred stocks are carried at fair value. Common stocks are carried at fair value.

The Company regularly evaluates investment securities for impairment. For all securities other than loan-backed and structured securities, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value, the near term prospects for recovery to carrying value, and the Company's intent and ability to hold the investment until maturity or market recovery is realized. If and when a determination is made that a decline in fair value below the cost

NOTES TO THE FINANCIAL STATEMENTS

basis is other-than-temporary, the related investment is written down to its estimated fair value through earnings.

Amortization of bond premium or discount is computed using the scientific interest method.

Income from investments is recorded on an accrual basis. For the purpose of determining realized gains and losses, the cost of securities sold is based upon specific identification. Investment income due and accrued over 90 days past due is nonadmitted.

(5) Not Applicable.

(6) For loan backed and structured securities where the securities fair value is less than the amortized cost, the Company considers several factors to determine if the security's impairment is other-than-temporary. If the Company has the intent to sell the security or if the Company does not have the intent and ability to retain the security until recovery of its fair value, the related investment is written down to its estimated fair value through earnings. If, however, the Company has the intent and ability to retain the security until recovery of its fair value, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value and the near term prospects for recovery to carrying value. If the determination is made, based on these factors, that the Company does expect to recover the entire amortized cost of the security, then an other-than-temporary impairment has not occurred. If, however, the determination is made that the Company does not expect to recover the entire amortized cost of the security based on the factors noted above, the Company recognizes a realized loss in earnings for the non-interest related decline. No loss is recognized for the interest impairment.

(7) Not Applicable.

(8) Not Applicable.

(9) Not Applicable.

(10-11) The estimates of future medical benefit payments are developed using actuarial methods and assumptions based upon claim payment patterns, medical cost inflation, historical development such as claim inventory levels and claim receipt patterns, and other relevant factors. Corresponding administrative costs to process outstanding claims are estimated and accrued. Estimates of future payments relating to services incurred in the current and prior periods are continually reviewed by management and adjusted as necessary.

The Company assesses the profitability of its contracts for providing health insurance coverage to its members when current operating results or forecasts indicate probable future losses. The Company records a premium deficiency liability in current operations to the extent that the sum of expected future medical costs, claim adjustment expenses and maintenance costs exceed related future premiums. Investment income is not contemplated in the calculation of the premium deficiency liability.

Management believes the Company's benefits payable and loss adjustment expense are adequate to cover future claims and loss adjustment expense payments required, however, such estimates are based on knowledge of current events and anticipated future events and, therefore, the actual liability could differ from the amounts provided.

(12) The Company has not modified its capitalization policy from the prior period.

Equipment is stated at cost less accumulated depreciation. Depreciation expense is computed using the straight-line method over estimated useful lives generally ranging from three to five years. Improvements to leased facilities are depreciated over the shorter of the remaining lease term or the anticipated life of the improvement.

The Company recognizes an asset or liability for the deferred tax consequences of temporary differences between the tax bases of assets or liabilities and their reported amounts in the financial statements. The temporary differences will result in taxable or deductible amounts in future years when the reported amounts of the assets or liabilities are recovered or settled.

(13) The Company estimates anticipated Pharmacy Rebate Receivables using the analysis of historical recovery patterns.

(14) Not Applicable.

(15) Not Applicable.

D. Going Concern

Effective December 31, 2016, the Company adopted revisions to SSAP No. 1, *Accounting Policies, Risks & Uncertainties, and Other Disclosures* (SSAP No. 1). The revisions require management of the Company to evaluate whether there is substantial doubt about the Company's ability to continue as a going concern and provide certain disclosures if substantial doubt exists. Management of the Company has completed its evaluation of the Company and determined that there is no substantial doubt about its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

In April of 2017, the Company determined that two ongoing provider disputes related to plan year 2016 would result in additional claims of $290,101. This resulted in the 2016 unpaid claims in liability, capital and surplus line 1 to be understated by $290,101. The income statement, within hospital/medical benefits in the statement of revenue and expenses line 6, was also understated by the claims net of the tax impact of $95,862. Consistent with SSAP No. 3, *Accounting Changes and Corrections of Errors* (SSAP No. 3), the net impact of the claims dispute for 2016 after the tax impact was recorded as an adjustment to surplus on line 47 of the statement of revenue and expenses capital and surplus account

NOTES TO THE FINANCIAL STATEMENTS

rollforward.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not Applicable.

B. Statutory Merger

Not Applicable.

C. Assumption Reinsurance

Not Applicable.

D. Impairment Loss

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

Not Applicable.

B. Debt Restructuring

Not Applicable.

C. Reverse Mortgages

Not Applicable.

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from industry market sources.

(2) Not Applicable.

(3) Not Applicable.

(4) The Company does not have any investments in an other-than-temporary impairment position at December 31, 2018.

Gross unrealized losses and related fair value of temporarily impaired securities that have been in a continuous unrealized loss position were as follows at December 31, 2018:

(a) The aggregate amount of unrealized losses:

1.	Less than Twelve Months	$	(18,915)
2.	Twelve Months or Longer	$	(5,514)

(b) The aggregate related fair value of securities with unrealized losses:

1.	Less than Twelve Months	$	1,734,500
2.	Twelve Months or Longer	$	76,361

(5) Unrealized losses are primarily due to increases in market interest rates and tighter liquidity conditions in the current markets than when the securities were purchased. All issuers of securities trading at an unrealized loss remain current on all contractual payments and the Company believes it is probable that all amounts due according to the contractual terms of the debt securities are collectible. After taking into account these and other factors, including the severity of the decline and the Company's ability and intent to hold these securities until recovery or maturity, the Company determined the unrealized losses on these investment securities were temporary and, as such, no impairment was required.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company has no repurchase agreements or securities lending transactions.

(2) The Company has not pledged any of its assets as collateral.

(3-7) Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

J. Real Estate

Not Applicable.

K. Low-Income Housing Tax Credits (LIHTC)

Not Applicable.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6	7
Restricted Asset Category	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmited Restricted	Total Current Year Admitted Restricted (1 minus 4)	Percentage Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Percentage Admitted Restricted to Total Admitted Assets (b)
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 to sale – excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-	-
j. On deposit with states	1,012,257	1,003,043	9,214	-	1,012,257	2.06%	2.45%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-
l. Pledged 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	$ 1,012,257	$ 1,003,043	$ 9,214	-	$ 1,012,257	2.06%	2.45%

(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 Categories (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.

NOTES TO THE FINANCIAL STATEMENTS

M. Working Capital Finance Investments

Not Applicable.

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

O. Structured Notes

Not Applicable.

P. 5GI* Securities

Not Applicable.

Q. Short Sales

Not Applicable.

R. Prepayment Penalty and Acceleration Fees

		General Account
(1)	Number of CUSIPS	3
(2)	Aggregate Amount of Investment Income	$ -

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10.0 percent of its admitted assets.

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

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.

8. Derivative Instruments

Not Applicable.

9. Income Taxes

A. Deferred Tax Assets/(Liabilities)

(1) The components of the net admitted deferred tax asset/(liability) by tax character were as follows:

		December 31, 2018		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ 1,656,814	$ 11,709	$ 1,668,523
b.	Statutory valuation allowance adjustments	-	(11,709)	(11,709)
c.	Adjusted gross deferred tax assets	1,656,814	-	1,656,814
d.	Deferred tax assets nonadmitted	(170,560)	-	(170,560)
e.	Net admitted deferred tax assets	1,486,254	-	1,486,254
f.	Deferred tax liabilities	(11,634)	-	(11,634)
g.	Net admitted deferred tax asset/(liability)	$ 1,474,620	$ -	$ 1,474,620

		December 31, 2017		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ 2,281,295	$ 912	$ 2,282,207
b.	Statutory valuation allowance adjustments	-	(912)	(912)
c.	Adjusted gross deferred tax assets	2,281,295	-	2,281,295
d.	Deferred tax assets nonadmitted	(2,279,588)	-	(2,279,588)
e.	Net admitted deferred tax assets	1,707	-	1,707
f.	Deferred tax liabilities	(1,707)	-	(1,707)
g.	Net admitted deferred tax asset/(liability)	$ -	$ -	$ -

		Change		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ (624,481)	$ 10,797	$ (613,684)
b.	Statutory valuation allowance adjustments	-	(10,797)	(10,797)
c.	Adjusted gross deferred tax assets	(624,481)	-	(624,481)
d.	Deferred tax assets nonadmitted	2,109,028	-	2,109,028
e.	Net admitted deferred tax assets	1,484,547	-	1,484,547
f.	Deferred tax liabilities	(9,927)	-	(9,927)
g.	Net admitted deferred tax asset/(liability)	$ 1,474,620	$ -	$ 1,474,620

NOTES TO THE FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under SSAP No. 101 were as follows:

	December 31, 2018		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ 593,051	$ -	$ 593,051
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	881,569	-	881,569
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	881,569
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	4,174,056
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	11,634	-	11,634
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ 1,486,254	$ -	$ 1,486,254

	December 31, 2017		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	3,649,947
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	1,707	-	1,707
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ 1,707	$ -	$ 1,707

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ 593,051	$ -	$ 593,051
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	881,569	-	881,569
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	881,569
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	524,109
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	9,927	-	9,927
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ 1,484,547	$ -	$ 1,484,547

(3) The ratio percentage used to determine recovery period and threshold limitation amount was as follows:

	December 31, 2018	December 31, 2017
a. Ratio percentage used to determine recovery period and threshold limitation amount	885%	842%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2 b.2 above	27,827,040	24,332,983

(4) The impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs was as follows:

	December 31, 2018	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ 1,656,814	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ 1,486,254	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

NOTES TO THE FINANCIAL STATEMENTS

	December 31, 2017	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ 2,281,295	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ 1,707	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

	Change	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ (624,481)	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ 1,484,547	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

b. Does the Company's tax planning strategies include the use of reinsurance? Yes [ ] No [X]

B. There are no temporary differences for which a DTL has not been established.

C. Current and deferred income taxes

(1) Current income taxes incurred consist of the following major components:

	December 31, 2018	December 31, 2017	Change
a. Federal	$ 593,051	$ (212,862)	$ 805,913
b. Foreign	-	-	-
c. Subtotal	593,051	(212,862)	805,913
d. Federal income tax on net capital gains	(5,684)	(83,186)	77,502
e. Utilization of capital loss carryforwards	-	-	-
f. Other	(102,258)	2,421	(104,679)
g. Federal and foreign income taxes incurred	$ 485,109	$ (293,627)	$ 778,736

NOTES TO THE FINANCIAL STATEMENTS

(2–3) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

DTAs resulting from Book/Tax Differences in:

		December 31, 2018	December 31, 2017	Change
a.	Ordinary			
	1. Discounting of unpaid losses	$ 129,376	$ 711,736	$ (582,360)
	2. Unearned premium reserve	1,360	56,550	(55,190)
	3. Policyholder reserves	-	-	-
	4. Investments and other	-	-	-
	5. Deferred acquisition costs	-	-	-
	6. Policyholder dividends accrual	-	-	-
	7. Fixed assets	-	-	-
	8. Compensation and benefit accruals	-	-	-
	9. Pension accruals	-	-	-
	10. Receivables – nonadmitted	-	-	-
	11. Net operating loss carry-forward	-	-	-
	12. Tax credit carry-forward	-	-	-
	13. Other	-	-	-
	14. Bad debts	359,548	1,076	358,472
	15. Accrued litigation	-	-	-
	16. CMS Rx reserve	3,279	550	2,729
	17. CMS risk corridor -ACA	-	-	-
	18. Medicare risk adjustment data	-	-	-
	19. Miscellaneous reserves	3,052	539	2,513
	20. Accrued lease	-	-	-
	21. Section 197 intangible	-	-	-
	22. Premium acquisition expense	1,105	-	1,105
	23. Provider contracts	1,159,094	1,510,844	(351,750)
	99. Subtotal	1,656,814	2,281,295	(624,481)
b.	Statutory valuation allowance adjustment	-	-	-
c.	Nonadmitted	(170,560)	(2,279,588)	2,109,028
d.	Admitted Ordinary DTAs	1,486,254	1,707	1,484,547
e.	Capital			
	1. Investments	11,709	912	10,797
	2. Net capital loss carry-forward	-	-	-
	3. Real estate	-	-	-
	4. Other	-	-	-
	99. Subtotal	11,709	912	10,797
f.	Statutory valuation allowance adjustment	(11,709)	(912)	(10,797)
g.	Nonadmitted	-	-	-
h.	Admitted capital DTAs	-	-	-
i.	Admitted DTAs	$ 1,486,254	$ 1,707	$ 1,484,547

DTLs resulting from Book/Tax Differences in:

		December 31, 2018	December 31, 2017	Change
a.	Ordinary			
	1. Investments	$ -	$ -	$ -
	2. Fixed assets	-	-	-
	3. Deferred and uncollected premium	-	-	-
	4. Policyholder reserves/salvage & subrogation	-	-	-
	5. Other	-	-	-
	6. Premium acquisition reserve	-	(1,707)	1,707
	7. CMS Rx Reserve	-	-	-
	8. Reserve Transition Adjustment	(11,634)	-	(11,634)
	99. Subtotal	(11,634)	(1,707)	(9,927)
b.	Capital			
	1. Investments	-	-	-
	2. Real estate	-	-	-
	3. Other	-	-	-
	99. Subtotal	-	-	-
c.	DTLs	$ (11,634)	$ (1,707)	$ (9,927)

(4)	Net deferred tax asset/(liability)	$ 1,474,620	$ -	$ 1,474,620

NOTES TO THE FINANCIAL STATEMENTS

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference as of December 31, 2018 are as follows:

	Amount	Tax Effect	Effective Tax Rate
Income before taxes	$ 4,228,587	$ 888,003	21.00%
Tax-exempt interest	(229,319)	(48,157)	(1.14%)
Dividends received deduction	-	-	0.00%
Proration	57,330	12,039	0.28%
Meals & entertainment, lobbying expenses, etc.	-	-	0.00%
Statutory valuation allowance adjustment	-	-	0.00%
ACA fee	1,704,664	357,979	8.47%
Rate difference on Section 847	(37,448)	(7,864)	(0.19%)
Change to nonadmitted assets & deferred tax true-up	(392,781)	(82,484)	(1.94%)
Other, including prior year true-up	5	1	0.00%
Total	$ 5,331,038	$ 1,119,517	26.48%

Federal income taxes incurred [expense/(benefit)]	$ 490,793	11.61%
Tax on capital gains/(losses)	(5,684)	(0.13%)
Change in net deferred income tax [charge/(benefit)]	634,408	15.00%
Correction of prior period error	-	0.00%
Total statutory income taxes	$ 1,119,517	26.48%

E. Operating loss and tax credit carry-forwards and protective tax deposits

At December 31, 2018, the Company had no net operating loss carry-forwards.

At December 31, 2018, the Company had no capital loss carry-forwards.

At December 31, 2018, the Company had no AMT credit carry-forwards.

(2) The following table demonstrates the income tax expense for 2016, 2017 and 2018 that is available for the recoupment in the event of future net losses:

	Ordinary	Capital	Total
2016	$ -	$ -	$ -
2017	-	-	-
2018	593,051	(5,684)	587,367
Total	$ 593,051	$ (5,684)	$ 587,367

(3) There are no deposits admitted under IRC § 6603.

F. The Company is included in a consolidated federal income tax return with its parent Company, Humana Inc. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to be paid for any future net losses it may incur. The Company has no contingent income tax liabilities. The Company has not adjusted gross deferred tax assets due to changes in judgment about the realizability of the related deferred tax asset. The Company has no deposits under Section 6603 of the Internal Revenue Code.

NOTES TO THE FINANCIAL STATEMENTS

HUMANA INC. AND SUBSIDIARIES INCLUDED IN 2018 CONSOLIDATED FEDERAL INCOME TAX RETURN

CALENDAR YEAR ENDED DECEMBER 31, 2018
AFFILIATIONS SCHEDULE

CORPORATE NAME AND EMPLOYER IDENTIFICATION NUMBER
THE ADDRESS OF EACH COMPANY IS: P. O. BOX 740026, LOUISVILLE, KY 40201

CORP. NO.	CORPORATION NAME	EMPLOYER IDENTIFICATION NUMBER
1	HUMANA INC.	61-0647538
2	154TH STREET MEDICAL PLAZA, INC.	65-0851053
3	516-526 WEST MAIN STREET CONDOMINIUM COUNCIL OF CO-OWNERS, INC.	20-5309363
4	54TH STREET MEDICAL PLAZA, INC.	65-0293220
5	AMERICAN ELDERCARE, INC.	65-0380198
6	ARCADIAN HEALTH PLAN, INC.	20-1001348
7	CAC MEDICAL CENTER HOLDINGS, INC.	30-0117876
8	CAC-FLORIDA MEDICAL CENTERS, LLC	26-0010657
9	CARENETWORK, INC.	39-1514846
10	CAREPLUS HEALTH PLANS, INC.	59-2598550
11	CARITEN HEALTH PLAN INC.	62-1579044
12	CHA HMO, INC.	61-1279717
13	CHA SERVICE COMPANY, INC.	61-1279716
14	COMPBENEFITS COMPANY	59-2531815
15	COMPBENEFITS CORPORATION	04-3185995
16	COMPBENEFITS DENTAL, INC.	36-3686002
17	COMPBENEFITS DIRECT, INC.	58-2228851
18	COMPBENEFITS INSURANCE COMPANY	74-2552026
19	COMPLEX CLINICAL MANAGEMENT, INC.	45-3713941
20	CONTINUCARE CORPORATION	59-2716023
21	CONTINUCARE MEDICAL MANAGEMENT, INC.	65-0791417
22	CONTINUCARE MSO, INC.	65-0780986
23	DEFENSEWEB TECHNOLOGIES, INC.	33-0916248
24	DENTAL CARE PLUS MANAGEMENT, CORP.	36-3512545
25	DENTICARE, INC.	76-0039628
26	EMPHESYS INSURANCE COMPANY	31-0935772
27	EMPHESYS, INC.	61-1237697
28	FAMILY PHYSICIANS OF WINTER PARK, INC.	59-3164234
29	FPG ACQUISITION CORP.	81-3802918
30	FPG ACQUISITION HOLDINGS CORP.	81-3819187
31	FPG HOLDING COMPANY, LLC	32-0505460
32	HARRIS, ROTHENBERG INTERNATIONAL, INC.	27-1649291
33	HEALTH VALUE MANAGEMENT, INC.	61-1223418
34	HUMANA ACTIVE OUTLOOK, INC.	20-4835394
35	HUMANA AT HOME (DALLAS), INC.	75-2739333
36	HUMANA AT HOME (HOUSTON), INC.	76-0537878
37	HUMANA AT HOME (MA), INC.	04-3580066
38	HUMANA AT HOME (SAN ANTONIO), INC.	01-0766084
39	HUMANA AT HOME (TLC), INC.	75-2600512
40	HUMANA AT HOME 1, INC.	65-0274594
41	HUMANA AT HOME, INC.	13-4036798
42	HUMANA BEHAVIORAL HEALTH, INC.	75-2043865
43	HUMANA BENEFIT PLAN OF ILLINOIS, INC.	37-1326199
44	HUMANA DENTAL COMPANY	59-1843760
45	HUMANA EAP AND WORK-LIFE SERVICES OF CALIFORNIA, INC.	46-4912173
46	HUMANA EMPLOYERS HEALTH PLAN OF GEORGIA, INC.	58-2209549
47	HUMANA GOVERNMENT BUSINESS, INC.	61-1241225
48	HUMANA HEALTH BENEFIT PLAN OF LOUISIANA, INC.	72-1279235
49	HUMANA HEALTH COMPANY OF NEW YORK, INC.	26-2800286
50	HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC.	61-1041514
51	HUMANA HEALTH PLAN OF CALIFORNIA, INC.	26-3473328
52	HUMANA HEALTH PLAN OF OHIO, INC.	31-1154200
53	HUMANA HEALTH PLAN OF TEXAS, INC.	61-0994632

NOTES TO THE FINANCIAL STATEMENTS

54	HUMANA HEALTH PLAN, INC.	61-1013183
55	HUMANA HEALTHCARE RESEARCH, INC. (f/k/a COMPREHENSIVE HEALTH INSIGHTS, INC.)	42-1575099
56	HUMANA HOME ADVANTAGE (TX), P.A.	81-0789608
57	HUMANA INNOVATION ENTERPRISES, INC.	61-1343791
58	HUMANA INSURANCE COMPANY	39-1263473
59	HUMANA INSURANCE COMPANY OF KENTUCKY	61-1311685
60	HUMANA INSURANCE COMPANY OF NEW YORK	20-2888723
61	HUMANA MARKETPOINT, INC.	61-1343508
62	HUMANA MEDICAL PLAN OF MICHIGAN, INC.	27-3991410
63	HUMANA MEDICAL PLAN OF PENNSYLVANIA, INC.	27-4460531
64	HUMANA MEDICAL PLAN OF UTAH, INC.	20-8411422
65	HUMANA MEDICAL PLAN, INC.	61-1103898
66	HUMANA PHARMACY SOLUTIONS, INC.	45-2254346
67	HUMANA PHARMACY, INC.	61-1316926
68	HUMANA REGIONAL HEALTH PLAN, INC.	20-2036444
69	HUMANA VETERANS HEALTHCARE SERVICES, INC.	20-8418853
70	HUMANA WISCONSIN HEALTH ORGANIZATION INSURANCE CORPORATION	39-1525003
71	HUMANADENTAL INSURANCE COMPANY	39-0714280
72	HUMANADENTAL, INC.	61-1364005
73	HUMCO, INC.	61-1239538
74	HUM-e-FL, INC.	61-1383567
75	KANAWHA INSURANCE COMPANY	57-0380426
76	KMG AMERICA CORPORATION	20-1377270
77	MANAGED CARE INDEMNITY, INC.	61-1232669
78	MEDICAL CARE CONSORTIUM INCORPORATED OF TEXAS	27-4379634
79	METCARE OF FLORIDA, INC.	65-0879131
80	METROPOLITAN HEALTH NETWORKS, INC.	65-0635748
81	PARTNERS IN INTEGRATED CARE, INC.	47-2905609
82	PARTNERS IN PRIMARY CARE (GA), P.C.	83-2624178
83	PARTNERS IN PRIMARY CARE (KS), P.A.	82-2000699
84	PARTNERS IN PRIMARY CARE (NC), P.C.	82-1926920
85	PARTNERS IN PRIMARY CARE, P.A.	47-1161014
86	PHP COMPANIES, INC.	62-1552091
87	PREFERRED HEALTH PARTNERSHIP, INC.	62-1250945
88	PRESERVATION ON MAIN, INC.	20-1724127
89	PRIMARY CARE HOLDINGS, INC.	46-1225873
90	ROHC, LLC	75-2844854
91	SENIORBRIDGE (NC), INC.	56-2593719
92	SENIORBRIDGE CARE MANAGEMENT, INC.	80-0581269
93	SENIORBRIDGE FAMILY COMPANIES (AZ), INC.	46-0702349
94	SENIORBRIDGE FAMILY COMPANIES (CA), INC.	45-3039782
95	SENIORBRIDGE FAMILY COMPANIES (CT), INC.	27-0452360
96	SENIORBRIDGE FAMILY COMPANIES (FL), INC.	65-1096853
97	SENIORBRIDGE FAMILY COMPANIES (IL), INC.	02-0660212
98	SENIORBRIDGE FAMILY COMPANIES (MD), INC.	81-0557727
99	SENIORBRIDGE FAMILY COMPANIES (MO), INC.	46-0677759
100	SENIORBRIDGE FAMILY COMPANIES (NJ), INC.	36-4484449
101	SENIORBRIDGE FAMILY COMPANIES (NY), INC.	36-4484443
102	SENIORBRIDGE FAMILY COMPANIES (OH), INC.	20-0260501
103	SENIORBRIDGE FAMILY COMPANIES (PA), INC.	38-3643832
104	SENIORBRIDGE FAMILY COMPANIES (VA), INC.	46-0691871
105	TEXAS DENTAL PLANS, INC.	74-2352809
106	THE DENTAL CONCERN, INC.	52-1157181
107	TRANSCEND COMMUNITY PHYSICIAN NETWORK (AR), P.A.	47-2770181
108	TRANSCEND COMMUNITY PHYSICIAN NETWORK (KS), P.A.	47-2111323
109	TRANSCEND COMMUNITY PHYSICIAN NETWORK, P.C.	47-2750105
110	TRANSCEND INSIGHTS, INC.	80-0072760
111	TRANSCEND POPULATION HEALTH MANAGEMENT, LLC	46-5329373

G. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries and Affiliates

A.-F. The Company has several management contracts with Humana Inc. and other related parties whereby the Company is provided with medical and executive management, information systems, claims processing, billing and enrollment, and telemarketing and other services as required by the Company. Management fees charged to operations for the years ended December 31, 2018 and 2017 were $8,362,033 and $8,998,859, respectively. As a part of this agreement, Humana Inc. makes cash disbursements on behalf of the Company which includes, but is not limited to, medical related items, general and administrative expenses, commissions and payroll. The Company continues to be primarily liable for any outstanding payments made on behalf of the Company, should Humana Inc. not be able to fulfill its obligations.

No dividends were paid by the Company as of December 31, 2018.

At December 31, 2018, the Company reported $135,296 due from Humana Inc. Amounts due to or from parent are generally settled within 90 days.

The Company has a parental guarantee with Humana Inc. in accordance with certain regulatory requirements.

G. All outstanding shares of the Company are owned by the Parent Company.

H. Not Applicable.

I. Not Applicable.

J. Not Applicable.

K. Not Applicable.

L. Not Applicable.

M. All SCA Investments

Not Applicable.

N. Investment in Insurance SCA

Not Applicable.

O. SCA Loss Tracking

Not Applicable.

11. Debt

A. Debt Including Capital Notes

The Company has no debentures outstanding.

The Company has no capital notes outstanding.

The Company does not have any reverse repurchase agreements.

B. Federal Home Loan Bank (FHLB) Agreements

The Company does not have any FHLB agreements.

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

A.-D. Defined Benefit Plans

Not Applicable.

E. Defined Contribution Plans

Not Applicable.

F. Multiemployer Plans

Not Applicable.

G. Consolidated/Holding Company Plans

The Company employees are eligible to participate in the Humana Retirement and Savings Plan ("the Plan"), a defined contribution plan, sponsored by Humana Inc. The Plan maintains two accounts, the Savings Account and the Retirement Account.

NOTES TO THE FINANCIAL STATEMENTS

Humana Inc.'s total contributions paid to the Savings and Retirement accounts of the Humana Retirement Savings Plan were $194,704,927 and $216,450,717 for the years ended December 31, 2018 and 2017, respectively. As of December 31, 2018 and 2017, the fair market value of the Humana Retirement Savings Plan's assets was $4,284,204,823 and $4,638,342,913, respectively.

H. Postemployment Benefits and Compensated Absences

Not Applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not Applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company has $1 par value common stock with 1,000 shares authorized and 1,000 shares issued and 1,000 outstanding. All shares are common stock shares.

(2) The Company has no preferred stock outstanding.

(3-5) Dividends and returns of capital to shareholders are noncumulative and are paid as determined by the Board of Directors. In accordance with the Department statutes, the maximum amount which can be paid by the Company to shareholders without prior approval by the Department is the greater of 10% of total surplus or net gain from operations from the prior year. All ordinary dividends are limited to available and accumulated surplus funds. Based on these restrictions, no dividend was available without prior approval.

Within the limitations above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

No dividends were paid by the Company as of December 31, 2018.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(7) Not Applicable.

(8) Not Applicable.

(9) Changes in balances of special surplus funds from the prior year is due to the moratorium of the 2019 Health Insurer Fee.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is $(51,414).

(11) Not Applicable.

(12) Not Applicable.

(13) Not Applicable.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

Not Applicable.

B. Assessments

Not Applicable.

C. Gain Contingencies

Not Applicable.

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

Not Applicable.

E. Joint and Several Liabilities

Not Applicable.

F. All Other Contingencies

During the ordinary course of business, the Company is subject to pending and threatened legal actions. Management of the Company does not believe that any of these actions will have a material adverse effect on the Company's surplus, results of operations or cash flows. However, the likelihood or outcome of current or future legal proceedings cannot be accurately predicted, and they could adversely affect the Company's surplus, results of operations and cash flows.

The Company is not aware of any other material contingent liabilities as of December 31, 2018.

NOTES TO THE FINANCIAL STATEMENTS

15. Leases

Not Applicable.

16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no investment in Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk.

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

A. Transfers of Receivables Reported as Sales

Not Applicable.

B. Transfer and Servicing of Financial Assets

Not Applicable.

C. Wash Sales

Not Applicable.

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

A. ASO Plans

Not Applicable.

B. ASC Plans

Not Applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

(1) The Company records no revenue explicitly attributable to the cost share and reinsurance components of its Medicare or other similarly structured cost based reimbursement contracts.

(2) As of December 31, 2018, the Company has recorded a receivable from CMS of $41,693 related to the cost share and reinsurance components of administered Medicare products. The Company does not have any receivables greater than 10% of the Company's accounts receivable from uninsured accident and health plans or $10,000.

(3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare or other similarly structured cost based reimbursement contracts, the Company has recorded no allowances and reserves for adjustment of recorded revenues and receivables.

(4) The Company has made no adjustment to revenue resulting from audit of receivables related to revenues recorded in the prior period.

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

Not Applicable.

20. Fair Value Measurements

A. (1) The fair value of financial assets at December 31, 2018 were as follows:

	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					$ -
U.S. governments	$ -	$ -	$ -	$ -	
Tax-exempt municipal	-	-	-	-	-
Residential mortgage-backed	-	-	-	-	-
Corporate debt securities	-	1,140,185	-	-	1,140,185
Total bonds	-	1,140,185	-	-	1,140,185
Total assets at fair value	$ -	$ 1,140,185	$ -	$ -	$ 1,140,185
b. Liabilities at fair value	$ -	$ -	$ -	$ -	$ -
Total liabilities at fair value	$ -	$ -	$ -	$ -	$ -

The Company reports transfers between Level 1 and Level 2 of the fair value hierarchy levels at the end of the reporting period. There were no transfers between Level 1 and Level 2 of the fair value hierarchy between December 31, 2017 and December 31, 2018.

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

(3) The Company reports transfers into or out of Level 3 of the fair value hierarchy levels at the end of the reporting period. There were no transfers into or out of Level 3 of the fair value hierarchy levels between December 31, 2017 and December 31, 2018.

(4) Fair value of actively traded debt securities are based on quoted market prices. Fair value of other debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates generally using a market valuation approach, or, less frequently, an income valuation approach and are generally classified as Level 2. The Company generally obtains one quoted price for each security from a third party pricing service. These prices are generally derived from recently reported trades for identical or similar securities, including adjustments through the reporting date based upon observable market information. When quoted prices are not available, the third party pricing service may use quoted market prices of comparable securities or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include benchmark yields, reported trades, credit spreads, broker quotes, default rates and prepayment speeds. The Company is responsible for the determination of fair value and as such, the Company performs analysis on the prices received from the third party pricing service to determine whether the prices are reasonable estimates of fair value. The Company's analysis includes a review of monthly price fluctuations as well as a quarterly comparison of the prices received from the pricing service to prices reported by the Company's third party investment advisor. Based on the Company's internal price verification procedures and review of fair value methodology documentation provided by the third party pricing service, there were no material adjustments to the prices obtained from the third party pricing service during the year ended December 31, 2018.

(5) Derivative Fair Values

Not Applicable.

B. Other Fair Value Disclosures

Not Applicable.

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds and cash equivalents	$ 36,086,478	$ 36,450,393	$ 15,976,379	$ 20,110,099	$ -	$ -	$ -

D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not Applicable.

21. Other Items

A. Extraordinary Items

Not Applicable.

B. Troubled Debt Restructuring: Debtors

Not Applicable.

C. Other Disclosures and Unusual Items

Not Applicable.

D. Business Interruption Insurance Recoveries

Not Applicable.

E. State Transferable and Non-transferable Tax Credits

Not Applicable.

F. Subprime Mortgage Related Risk Exposure

(1) The Company consults with its external investment managers to assess its subprime mortgage related risk exposure. Certain characteristics are utilized to determine if a mortgage-backed security has subprime exposure. The main characteristics reviewed when determining this are the collateral and structure of the security, the loan purpose, loan documentation, occupancy, geographical location, loan size and type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans. Management's practices include reviewing quantitative and qualitative credit models that analyze loan-level collateral composition, historical underwriter performance trends, the impact of macroeconomic factors, and issuer risks; as well as reviewing the estimation of security cash flows and monthly model calibrations.

(2) Direct exposure through investments in sub-prime mortgage loans.

The Company has no direct exposure through investment to sub-prime mortgage loans.

NOTES TO THE FINANCIAL STATEMENTS

(3) Direct exposure through other investments:

a. Residential mortgage backed securities – No substantial exposure noted.
b. Commercial mortgage backed securities – No substantial exposure noted.
c. Collateralized debt obligations – No substantial exposure noted.
d. Structured securities – No substantial exposure noted.
e. Equity investment in SCAs – No substantial exposure noted.
f. Other assets – No substantial exposure noted.
g. Total – No substantial exposure noted.

(4) Underwriting exposure to sub-prime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and Officers liability coverage, or Errors and Omissions liability coverage.

Not Applicable.

Classification of mortgage related securities is primarily based on information from outside data services, including rating agency actions. When considering our exposure, the Company evaluated the percentage of full documentation loans, percent of owner occupied properties, FICO scores, average margin for ARM loans, percent of loans with prepayment penalties, the existence of non-traditional underwriting standards, among other factors.

G. Retained Assets

Not Applicable.

H. Insurance Linked Securities

Not Applicable.

22. Events Subsequent

On January 1, 2019, the Company will not be subject to the annual fee under Section 9010 of the Federal Affordable Care Act (ACA). The Consolidated Appropriations Act enacted on December 18, 2015, included a one-time one year suspension in 2017 of the health insurer fee. The Continuing Resolution bill, H.R. 195, enacted on January 22, 2018, included a one year suspension in 2019 of the health insurer fee, but the fee is scheduled to resume in calendar year 2020. Based on the moratorium no segregation was recorded within special surplus for the annual health insurance industry fee related to the 2018 data year. In 2018, the Company was subject to an annual fee under section 9010 of the ACA. This annual fee was allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that was written during the preceding calendar year. The 2018 fee was included in 2017 special surplus and paid September 30, 2018. The impact of the annual health insurance industry fee on the Company's operations as of December 31, 2018 and 2017 were as follows:

		Current Year	Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	No	
B.	ACA fee assessment payable for the upcoming year	$ -	$ 1,219,435
C.	ACA fee assessment paid	$ 1,704,664	$ -
D.	Premiums written subject to ACA 9010 assessment	$ -	$ 77,446,774
E.	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	$ 29,301,661	$ 24,332,983
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	$ 29,301,661	$ 23,113,548
G.	Authorized Control Level (Five-Year Historical Line 15)	$ 3,143,532	$ 2,889,446
H.	Would reporting the ACA assessment as of December 31, 2018, have triggered an RBC action level (YES/NO)	No	

The Company is not aware of any events or transactions occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition. Subsequent events have been considered through February 26, 2019 for the Statutory Statement issued on February 26, 2019.

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 10.0 percent or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ( ) No (X)

NOTES TO THE FINANCIAL STATEMENTS

(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 10.0 percent or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes ( ) No (X)

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes ( ) No (X)

B. Uncollectible Reinsurance

Not Applicable.

C. Commutation of Ceded Reinsurance

Not Applicable.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. The Company estimates accrued retrospective premium adjustments for its Medicare business through a mathematical approach using an algorithm based upon settlement procedures defined by contracts with CMS.

The Company estimates accrued retrospective premium adjustments for its Commercial business based on experience to date, knowledge of the marketplace, and the terms of the risk corridors program with HHS.

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

C. The amount of net premiums written by the Company at December 31, 2018 that are subject to retrospective rating features was $88,678,096, or 100.00% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.

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

Not Applicable.

E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO) Yes (X) No ( )

NOTES TO THE FINANCIAL STATEMENTS

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities, and Revenue for the Current Year

a. Permanent ACA Risk Adjustment Program

Assets		
1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	$	-
Liabilities		
2. Risk adjustment user fees payable for ACA Risk Adjustment	$	517
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium)	$	-
Operations (Revenue & Expenses)		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	$	(17,107)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	$	-

b. Transitional ACA Reinsurance Program

Assets		
1. Amounts recoverable for claims paid due to ACA Reinsurance	$	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	$	-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	$	-
Liabilities		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	$	-
5. Ceded reinsurance premiums payable due to ACA Reinsurance	$	-
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	$	-
Operations (Revenues & Expenses)		
7. Ceded reinsurance premiums due to ACA Reinsurance	$	-
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	$	702
9. ACA Reinsurance contributions – not reported as ceded premiums	$	-

c. Temporary ACA Risk Corridors Program

Assets		
1. Accrued retrospective premium due to ACA Risk Corridors	$	-
Liabilities		
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	$	-
Operations (Revenues & Expenses)		
3. Effect of ACA Risk Corridors on net premium income	$	70,829
4. Effect of ACA Risk Corridors on change in reserves for rate credits	$	-

NOTES TO THE FINANCIAL STATEMENTS

(3) Roll-forward of Prior Year ACA Risk-sharing Provisions for the Following Asset (Gross of Any Nonadmission) and Liability Balances, Along with the Reasons for Adjustments to Prior Year Balance.

	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	
					Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk pool payments)	87,850		440,295		(352,445)		352,445		A.	-	
2. Premium adjustments (payables) (including high risk pool premium)		-		(369,552)		369,552		(369,552)	B.		-
3. Subtotal ACA Permanent Risk Adjustment Program	87,850	-	440,295	(369,552)	(352,445)	369,552	352,445	(369,552)		-	-
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	534,613		535,315		(702)		702		C.	-	
2. Amounts recoverable for claims unpaid (contra liability)	-		-		-		-			-	
3. Amounts receivable relating to uninsured plans	-		-		-		-			-	
4. Liabilities for contributions payable due to ACA Reinsurance- not reported as ceded premium		-		-		-		-			-
5. Ceded reinsurance premiums payable		-		-		-		-			-
6. Liability for amounts held under uninsured plans		-		-		-		-			-
7. Subtotal ACA Transitional Reinsurance Program	534,613	-	535,315	-	(702)	-	702	-		-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-		70,829		(70,829)		70,829		D.	-	
2. Reserve for rate credits or policy experience rating refunds		-		-		-		-			-
3. Subtotal ACA Risk Corridors Program	-	-	70,829	-	(70,829)	-	70,829	-		-	-
d. Total for ACA Risk Sharing Provisions	622,463	-	1,046,439	(369,552)	(423,976)	369,552	423,976	(369,552)		-	-

Explanations of adjustments

A. Adjustments recorded to the 2017 risk adjustment receivable to align with the CMS payment report.

B. Adjustments recorded to the 2017 risk adjustment payable to align with the CMS payment report.

C. Adjustments recorded to the 2017 reinsurance receivable to align with the CMS payment report.

D. Adjustments recorded for additional risk corridor payments received in 2018 that had been previously written off.

NOTES TO THE FINANCIAL STATEMENTS

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

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 -3)	Prior Year Accrued Less Payments (Col 2 -4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
	1	2	3	4	5	6	7	8		9	10
Risk Corridors Program Year	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	-		70,829		(70,829)		70,829		A.	-	
2. Reserve for rate credits or policy experience rating refunds		-		-		-		-			-
b. 2015											
1. Accrued retrospective premium	-		-		-		-			-	
2. Reserve for rate credits or policy experience rating refunds		-		-		-		-			-
c. 2016											
1. Accrued retrospective premium	-		-		-		-			-	
2. Reserve for rate credits or policy experience rating refunds		-		-		-		-			-
d. Total for Risk Corridors	-	-	70,829	-	(70,829)	-	70,829	-		-	-

Explanations of adjustments

A. Adjustments recorded for additional risk corridor payments received in 2018 that had been previously written off.

(5) ACA Risk Corridors Receivable as of Reporting Date

	1	2	3	4	5	6
Risk Corridors Program Year	Estimated Amount to be Filed or Final Amount Filed with CMS	Non-Accrued Amounts for Impairment or Other Reasons	Amounts received from CMS	Assets Balance (Gross of Non-admissions) (1-2-3)	Non-admitted Amount	Net Admitted Asset (4-5)
a. 2014	$ 8,102,093	$ 6,745,361	$ 1,356,732	$ -	$ -	$ -
b. 2015	-	-	-	-	-	-
c. 2016	7,324,521	7,324,521	-	-	-	-
d. Total (a+b+c)	$ 15,426,614	$ 14,069,882	$ 1,356,732	$ -	$ -	$ -

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2017 were $7,659,785. As of December 31, 2018, $5,964,075 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $107,752 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a $1,587,958 favorable prior-year development since December 31, 2017. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The amounts presented in this footnote exclude any impact related to Pharmacy Rebates and other Healthcare Receivable activity. Impact of such receivables can be seen in Footnote 28. The Company did not experience any material prior year claim development on retrospectively rated policies.

26. Intercompany Pooling Arrangements

Not Applicable.

27. Structured Settlements

The Company has no structured settlements.

NOTES TO THE FINANCIAL STATEMENTS

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimate Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 181 Days after Billing
12/31/2018	$ 1,348,021	$ 1,348,021	$ -	$ -	$ -
9/30/2018	1,457,170	1,457,170	1,451,520	-	-
6/30/2018	1,974,683	1,974,683	1,966,984	7,699	-
3/31/2018	1,370,774	1,370,774	1,370,774	-	-
12/31/2017	1,073,858	1,073,858	1,013,215	58,146	2,497
9/30/2017	1,024,335	1,024,335	1,023,925	-	410
6/30/2017	975,675	975,675	974,094	32	1,549
3/31/2017	966,820	966,820	966,663	-	157
12/31/2016	983,964	983,964	982,416	1,548	-
9/30/2016	783,180	783,180	783,180	-	-
6/30/2016	749,145	749,145	748,529	31	585
3/31/2016	547,968	547,968	547,357	210	401

B. Risk Sharing Receivables

Not Applicable.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

Not Applicable.

31. Anticipated Salvage and Subrogation

Not Applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2

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 [X] No [ ]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0000049071

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. 12/31/2015

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. 12/31/2015

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). 06/06/2017

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 [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]
If yes, complete and file the merger history data file with the NAIC.

5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,
7.21 State the percentage of foreign control; 0.0 %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PricewaterhouseCoopers LLC, 500 West Main Street, Suite 1800, Louisville, Kentucky 40202-4264

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Susan Mateja, Appointed Actuary, 500 West Main Street, Louisville, KY 40202

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

12.2 If, yes provide explanation:

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
Not Applicable.

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

14.11 If the response to 14.1 is No, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Ethics Every Day was amended to update content based on operational and regulatory changes, clarify content where necessary and perform general document maintenance.

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

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

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict 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: $ 135,296

INVESTMENT

24.01 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 24.03) Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto

24.03 For security 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)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $ 0

24.07 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]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09 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]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0
24.103 Total payable for securities lending reported on the liability page. $ 0

25.1 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 24.03). Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $ 0
25.22 Subject to reverse repurchase agreements $ 0
25.23 Subject to dollar repurchase agreements $ 0
25.24 Subject to reverse dollar repurchase agreements $ 0
25.25 Placed under option agreements $ 0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $ 0
25.27 FHLB Capital Stock $ 0
25.28 On deposit with states $ 1,012,257
25.29 On deposit with other regulatory bodies $ 0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $ 0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $ 0
25.32 Other $ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 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.

27.1 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]

27.2 If yes, state the amount thereof at December 31 of the current year. $ 0

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

28.01 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
JP Morgan Chase	4 Metro Tech Center, 16th Floor Mail Code: NY1-C512, Brooklyn, NY 11245, Attn: Barbara J. Walsh

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

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

GENERAL INTERROGATORIES

28.05 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
BLACKROCK FINANCIAL MANAGEMENT, INC	U
W. Mark Preston	I

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [X] No [ ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [X] No [ ]

28.06 For those firms or individuals listed in the table for 28.05 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
107105	BLACKROCK FINANCIAL MANAGEMENT, INC	549300LVXYIVJKE13M84	The SEC	DS

29.1 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]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 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

30. 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 (+)
30.1 Bonds	34,701,486	34,337,571	(363,915)
30.2 Preferred stocks	0	0	0
30.3 Totals	34,701,486	34,337,571	(363,915)

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

Fair value of actively traded debt and equity securities are based on quoted market prices.Fair value of inactively traded debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates using either a market or income valuation.

31.1 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]

31.2 If the answer to 31.1 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 [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
    a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
    b. Issuer or obligor is current on all contracted interest and principal payments.
    c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

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

34. 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]

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... $ 0

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

1 Name	2 Amount Paid

36.1 Amount of payments for legal expenses, if any? ..... $ 1,740

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

1 Name	2 Amount Paid
Miller, Canfield, Paddock and Stone Legal Services PLC	1,740

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

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

1.2 If yes, indicate premium earned on U.S. business only. $ 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	88,678,096	77,258,310
2.2	Premium Denominator	88,678,096	77,258,310
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	10,983,383	11,166,287
2.5	Reserve Denominator	10,983,383	11,166,288
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000

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

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [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 $ 1,000,000

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:

Provider contracts include hold harmless and continuation of benefits provisions. Insurer has an indemnity agreement with the parent company.

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 66,271

8.2 Number of providers at end of reporting year 33,333

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

GENERAL INTERROGATORIES

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 $ 1,605,945
10.22 Amount actually paid for year bonuses $ 1,092,724
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 500.3551
11.4 If yes, show the amount required. $ 8,867,810
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
See RBC calculation or state regulation.

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
MI - Berrien, Cass, Clare, Genesee, Gladwin, Gratiot, Ingham, Kalamazoo, Kent, Livingston, Macomb, Midland, Monroe, Muskegon, Oakland, St. Clair, Washtenaw, Wayne

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 funds administered as of the reporting date. $ 0

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [ ] No [X] N/A [ ]
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
15.3 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 gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [ ] 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 2018	2 2017	3 2016	4 2015	5 2014
	Balance Sheet (Pages 2 and 3)					
1.	Total admitted assets (Page 2, Line 28)	41,264,303	39,829,632	70,013,161	56,555,955	69,365,545
2.	Total liabilities (Page 3, Line 24)	11,962,642	15,496,649	38,869,384	35,536,442	38,397,943
3.	Statutory minimum capital and surplus requirement	8,867,810	7,725,831	11,514,457	6,658,457	5,048,804
4.	Total capital and surplus (Page 3, Line 33)	29,301,661	24,332,983	31,143,777	21,019,513	30,967,602
	Income Statement (Page 4)					
5.	Total revenues (Line 8)	88,678,096	77,258,310	115,144,569	80,122,394	50,488,035
6.	Total medical and hospital expenses (Line 18)	76,018,974	66,628,149	98,855,287	61,180,975	41,102,195
7.	Claims adjustment expenses (Line 20)	2,440,156	3,445,531	5,565,337	3,183,670	2,084,282
8.	Total administrative expenses (Line 21)	9,431,766	7,331,456	22,238,616	12,853,943	12,932,689
9.	Net underwriting gain (loss) (Line 24)	3,462,200	(2,821,826)	(11,514,671)	2,903,806	(5,631,131)
10.	Net investment gain (loss) (Line 27)	772,064	565,993	359,407	31,617	9,608
11.	Total other income (Lines 28 plus 29)	7	5	0	0	49
12.	Net income or (loss) (Line 32)	3,743,478	(2,045,387)	(7,972,429)	1,259,850	(4,258,051)
	Cash Flow (Page 6)					
13.	Net cash from operations (Line 11)	(667,996)	(16,126,757)	5,255,896	(10,548,950)	20,338,668
	Risk-Based Capital Analysis					
14.	Total adjusted capital	29,301,661	24,332,983	31,143,777	21,019,513	30,967,602
15.	Authorized control level risk-based capital	3,143,532	2,889,446	4,358,400	2,969,653	2,165,574
	Enrollment (Exhibit 1)					
16.	Total members at end of period (Column 5, Line 7)	10,276	10,610	30,074	17,011	26,255
17.	Total members months (Column 6, Line 7)	117,831	136,216	403,310	243,566	292,938
	Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18.	Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19.	Total hospital and medical plus other non-health (Lines 18 plus Line 19)	85.7	86.2	85.9	76.4	81.4
20.	Cost containment expenses	2.2	3.3	3.8	2.9	2.5
21.	Other claims adjustment expenses	0.5	1.1	1.0	1.1	1.6
22.	Total underwriting deductions (Line 23)	96.1	103.7	110.0	96.4	111.2
23.	Total underwriting gain (loss) (Line 24)	3.9	(3.7)	(10.0)	3.6	(11.2)
	Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24.	Total claims incurred for prior years (Line 13, Col. 5)	6,263,954	11,306,070	5,455,644	7,475,729	177,295
25.	Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	6,997,543	11,290,582	8,858,037	8,076,069	114,194
	Investments In Parent, Subsidiaries and Affiliates					
26.	Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27.	Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28.	Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29.	Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30.	Affiliated mortgage loans on real estate	0	0	0	0	0
31.	All other affiliated	0	0	0	0	0
32.	Total of above Lines 26 to 31	0	0	0	0	0
33.	Total investment in parent included in Lines 26 to 31 above.	0	0	0	0	0

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

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	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	1,763,054	86,915,140	0	0	0	0	88,678,194	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 alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	1,763,054	86,915,140	0	0	0	0	88,678,194	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Total (Direct Business)	XXX	1,763,054	86,915,140	0	0	0	0	88,678,194	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
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

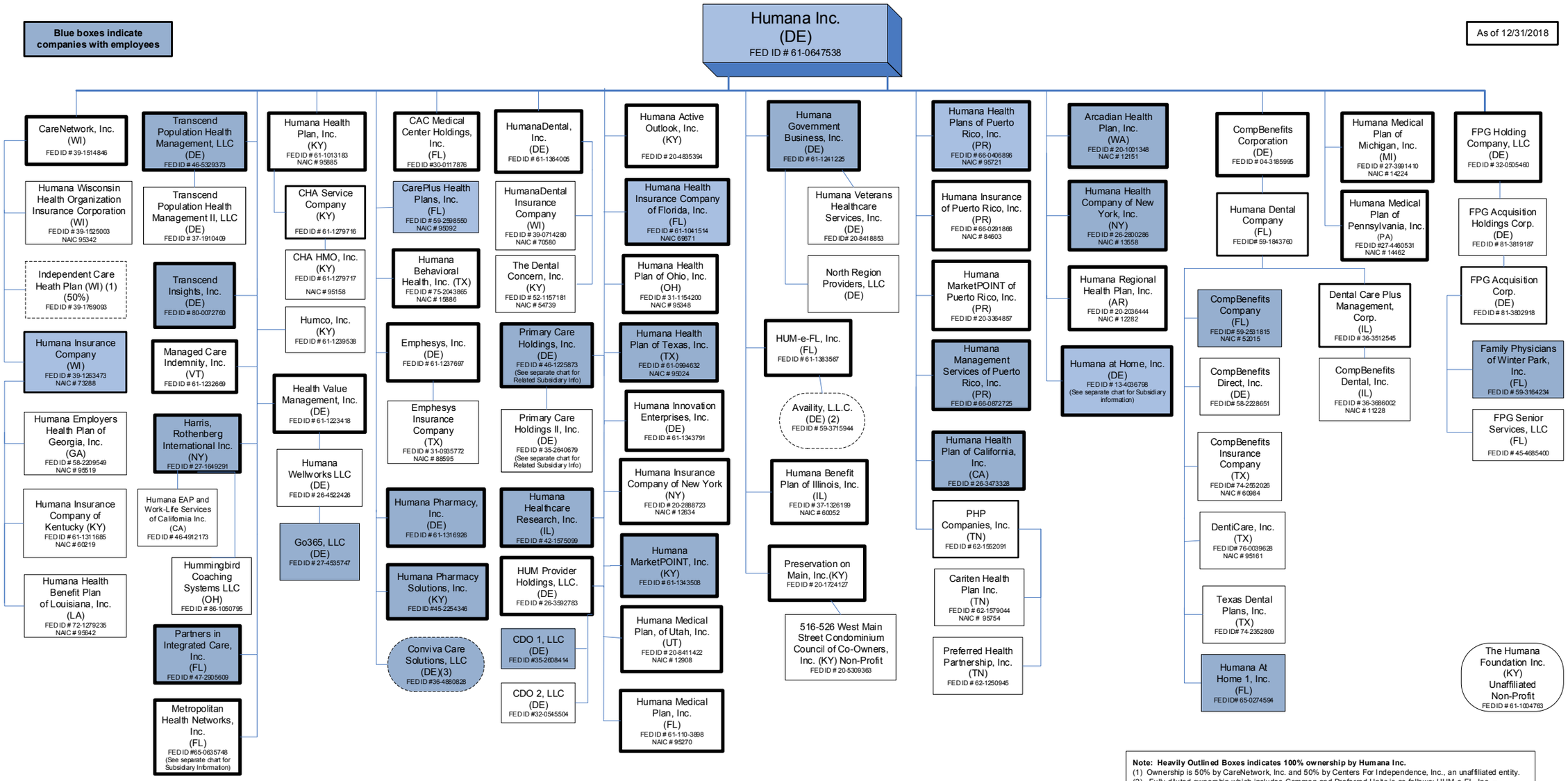
(a) Active Status Counts:

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

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

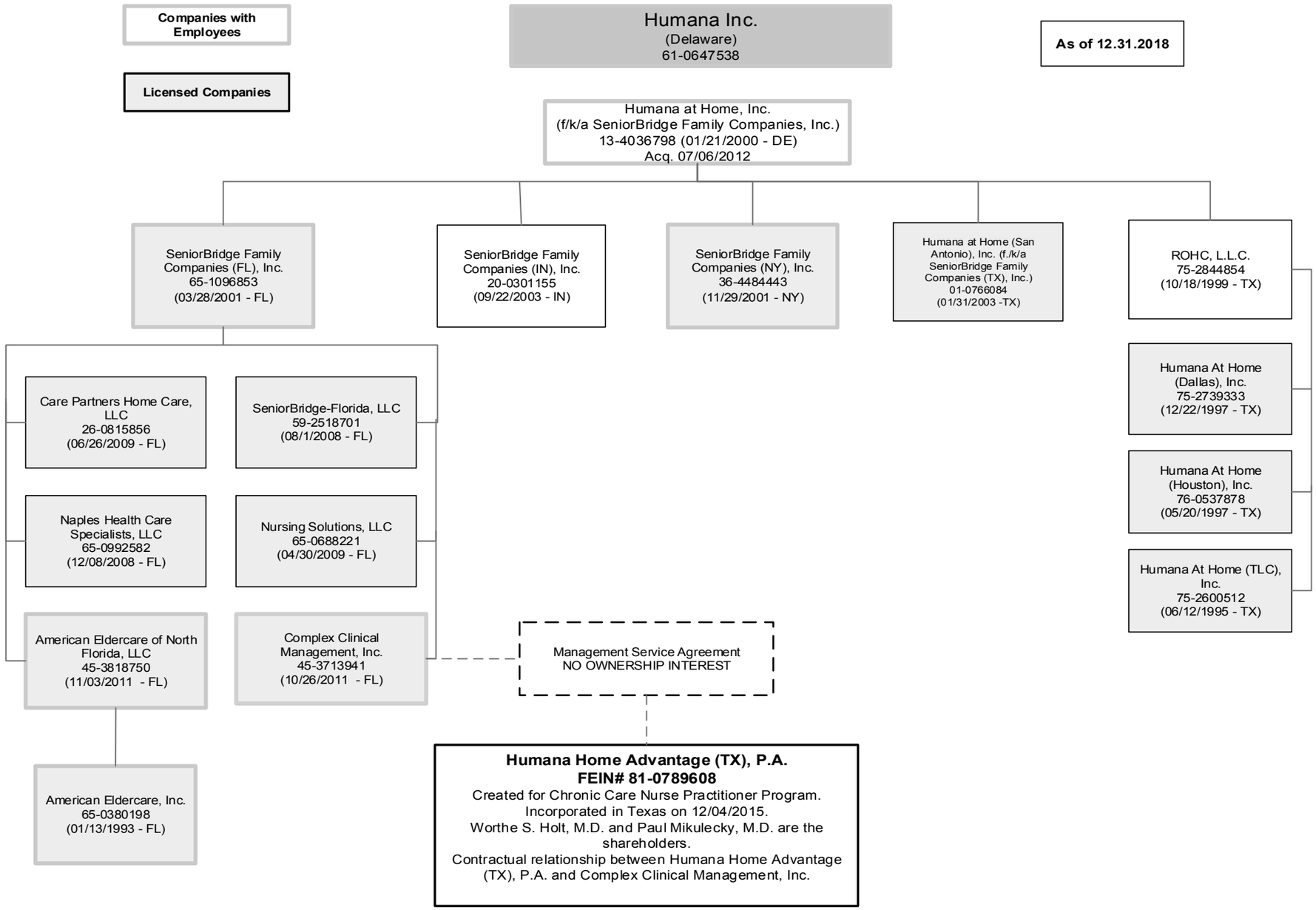
The company allocates group premiums to the situs of the contract and individual premiums based on residence.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Humana Medical Plan of Michigan Inc.

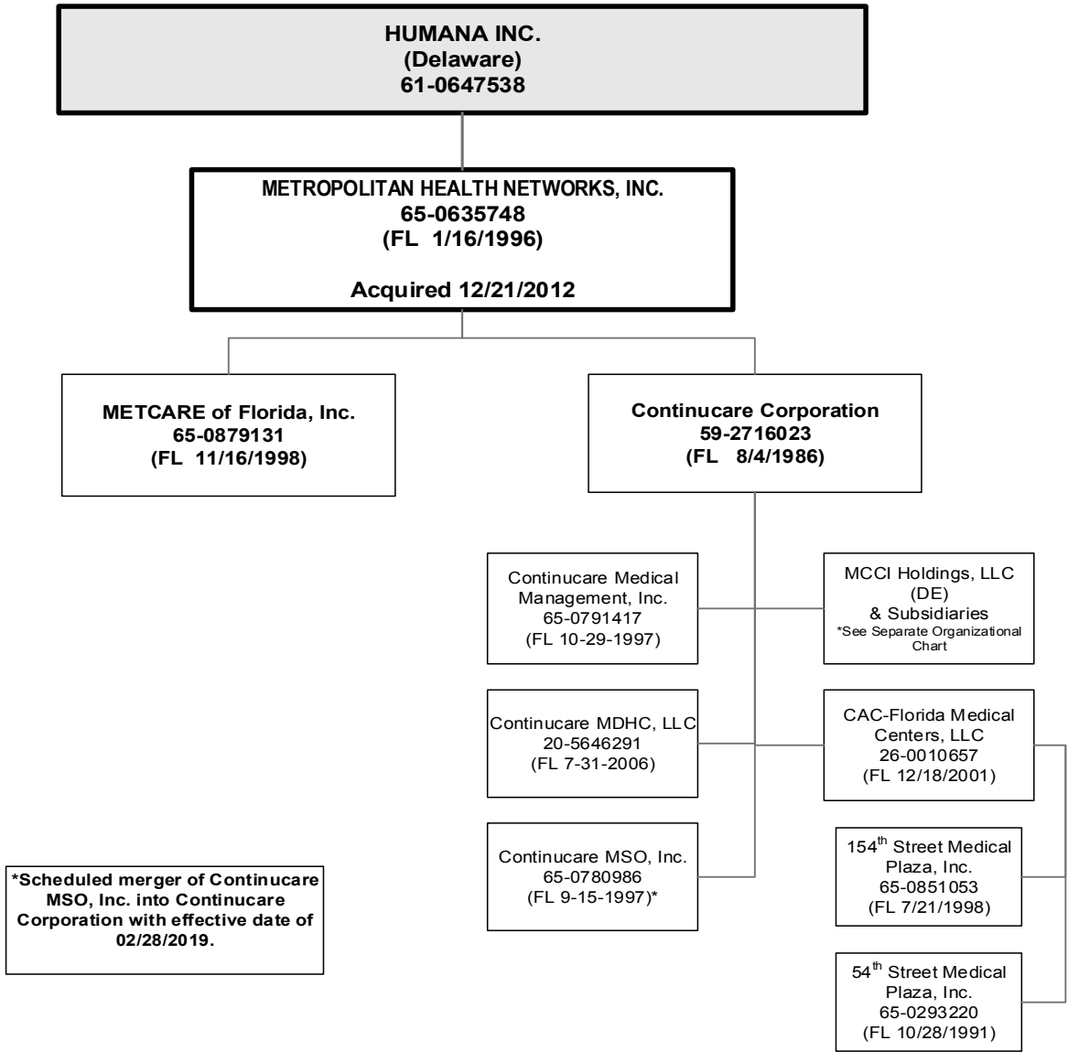


Note: Heavily Outlined Boxes indicates 100% ownership by Humana Inc.
(1) Ownership is 50% by CareNetwork, Inc. and 50% by Centers For Independence, Inc., an unaffiliated entity.
(2) Fully diluted ownership which includes Common and Preferred Units is as follows: HUM-e-FL, Inc. – 16.587%; Navigy, Inc. (an unaffiliated entity)-23.843%; Health Care Service Corporation (an unaffiliated entity)-23.843%; Sellcore, Inc. (an unaffiliated entity)-14.474%; MII Services, Inc. (an unaffiliated entity)-2.239%; and AV Investor, L.L.C. (an unaffiliated entity)-19.013%.
(3) Conviva Care Solutions, LLC's ownership is 45% by Humana Inc., 45% by Outside Investors and 10% by company management/physicians/others.
NOTE: See Joint Venture organizational chart for information on the company's ownership in several joint ventures.

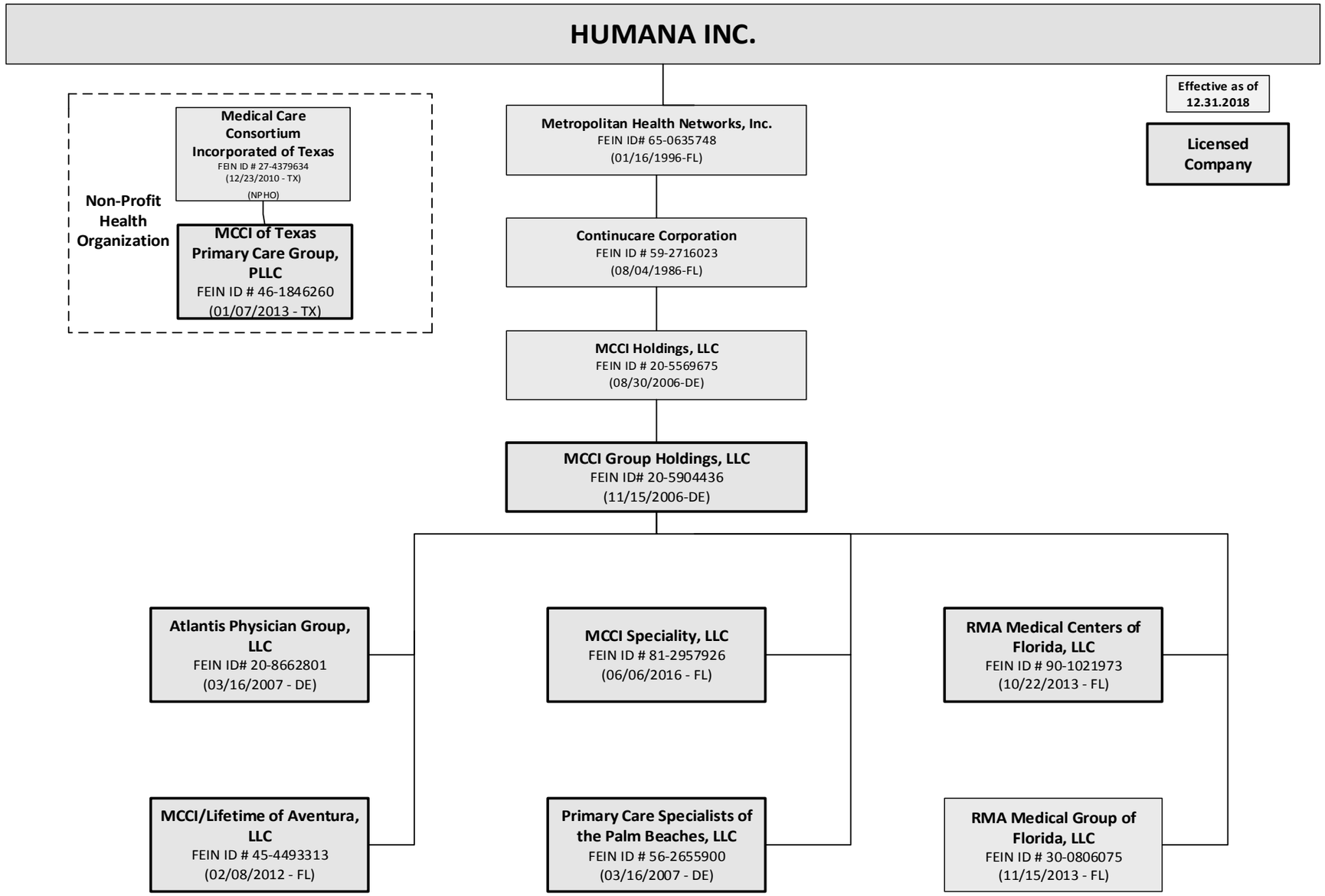
ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Humana Medical Plan of Michigan Inc.



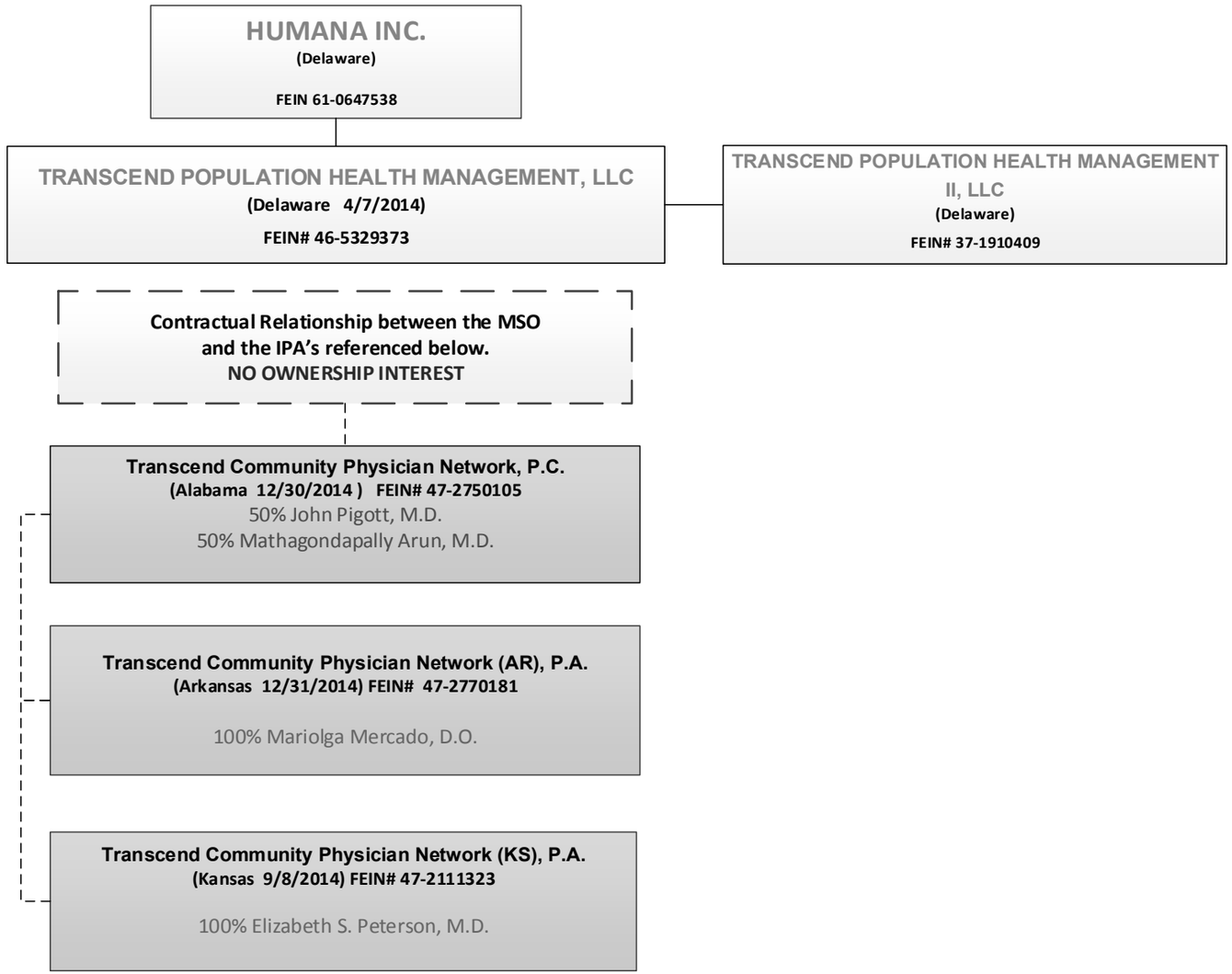
As of 12/31/2018



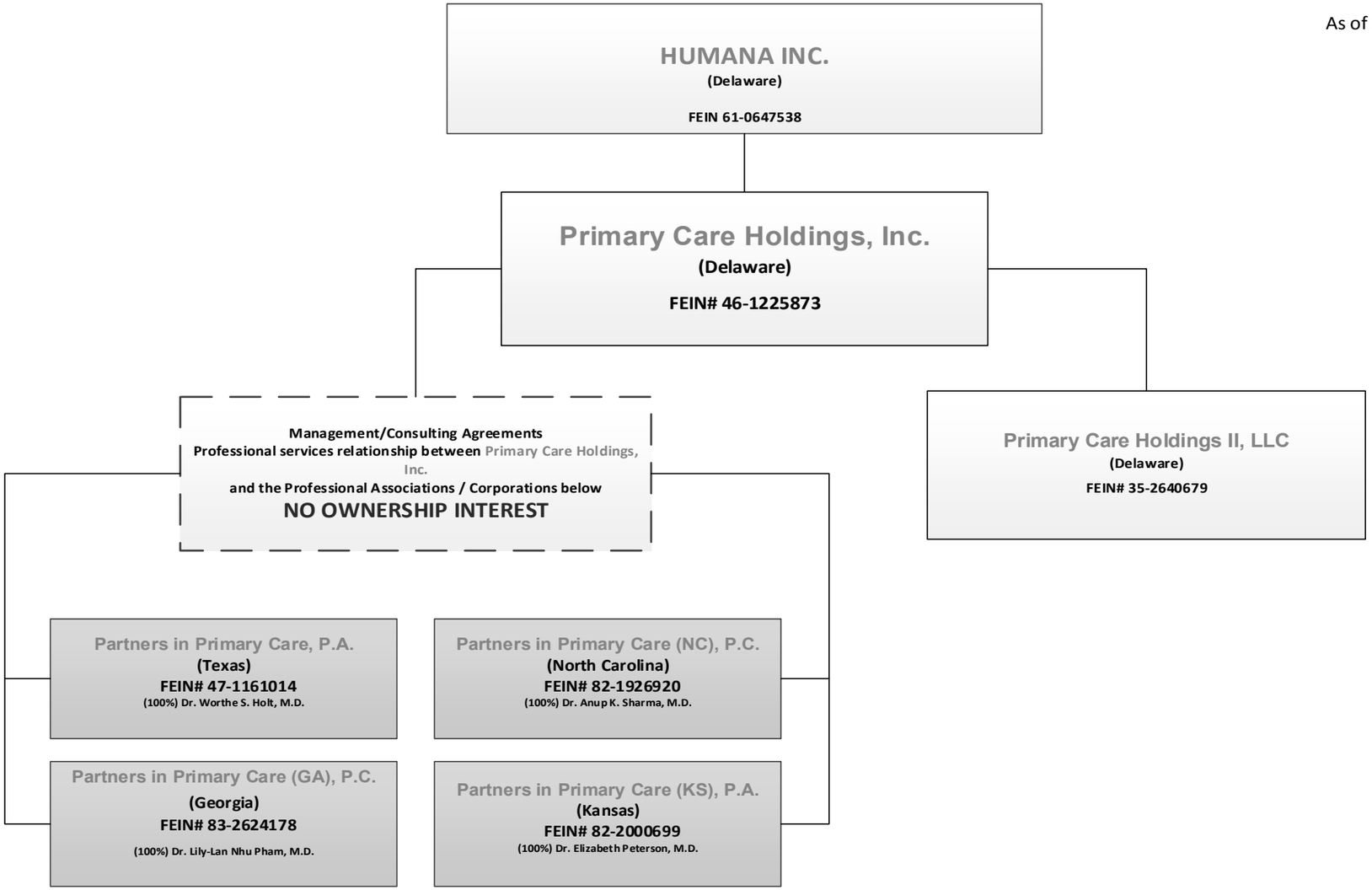
*Scheduled merger of Continucare MSO, Inc. into Continucare Corporation with effective date of 02/28/2019.


HUMANA INC.
Effective as of 12.31.2018
Licensed Company
Non-Profit Health Organization
Medical Care Consortium Incorporated of Texas
FEIN ID # 27-4379634
(12/23/2010 - TX)
(NPHO)
MCCI of Texas Primary Care Group, PLLC
FEIN ID # 46-1846260
(01/07/2013 - TX)
Metropolitan Health Networks, Inc.
FEIN ID# 65-0635748
(01/16/1996-FL)
Continucare Corporation
FEIN ID # 59-2716023
(08/04/1986-FL)
MCCI Holdings, LLC
FEIN ID # 20-5569675
(08/30/2006-DE)
MCCI Group Holdings, LLC
FEIN ID# 20-5904436
(11/15/2006-DE)
Atlantis Physician Group, LLC
FEIN ID# 20-8662801
(03/16/2007 - DE)
MCCI Speciality, LLC
FEIN ID # 81-2957926
(06/06/2016 - FL)
RMA Medical Centers of Florida, LLC
FEIN ID # 90-1021973
(10/22/2013 - FL)
MCCI/Lifetime of Aventura, LLC
FEIN ID # 45-4493313
(02/08/2012 - FL)
Primary Care Specialists of the Palm Beaches, LLC
FEIN ID # 56-2655900
(03/16/2007 - DE)
RMA Medical Group of Florida, LLC
FEIN ID # 30-0806075
(11/15/2013 - FL)

As of 12.31.2018



As of 12 31 2018



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