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ANNUAL STATEMENT

For the Year Ended December 31, 2019

of the Condition and Affairs of the

Molina Healthcare of Michigan, Inc.

NAIC Group Code..... 1531, 1531 (Current Period) (Prior Period) NAIC Company Code..... 52630 Employer's ID Number..... 38-3341599

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

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

Incorporated/Organized..... February 12, 1997 Commenced Business..... January 1, 1998

Statutory Home Office	880 W. Long Lake Rd., Suite 600 .. Troy .. MI .. US .. 48098-4504 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	880 W. Long Lake Rd., Suite 600 .. Troy .. MI .. US .. 48098-4504 *(Street and Number) (City or Town, State, Country and Zip Code)*	248-925-1700 *(Area Code) (Telephone Number)*
Mail Address	880 W. Long Lake Rd., Suite 600 .. Troy .. MI .. US .. 48098-4504 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	880 W. Long Lake Rd., Suite 600 .. Troy .. MI .. US .. 48098-4504 *(Street and Number) (City or Town, State, Country and Zip Code)*	248-925-1700 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.molinahealthcare.com	
Statutory Statement Contact	Margaret Alderton Crandell *(Name)*	248-925-1701 *(Area Code) (Telephone Number) (Extension)*
	peggy.crandell@molinahealthcare.com *(E-Mail Address)*	855-502-4911 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Christine Margaret Surdock	President	2. Josephine Ida Piraneo #	Chief Financial Officer
3. Jeffrey Don Barlow	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Christine Margaret Surdock	Matthew Carter Schueren	Scott Robert Johnson	Amy Margaret Conn #
Joanne Carol Smith #	Marissa Ann Morgan		

State of........ Michigan
County of..... Oakland

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

(Signature)	(Signature)	(Signature)
Christine Margaret Surdock	Josephine Ida Piraneo	Jeffrey Don Barlow
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ______ day of ______ 2020

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	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	149,707,651		149,707,651	82,447,227
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $..........0 encumbrances)			0	
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....51,534,429, Schedule E-Part 1), cash equivalents ($.....77,882,338, Schedule E-Part 2) and short-term investments ($.....59,528,832, Schedule DA)	188,945,600		188,945,600	264,245,670
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	338,653,251	0	338,653,251	346,692,897
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	1,003,267		1,003,267	1,170,382
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	67,681,832		67,681,832	100,600,360
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($..........0) and contracts subject to redetermination ($.....16,856,098)	16,856,098		16,856,098	9,831,684
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	138,274		138,274	273,661
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans	4,303,709		4,303,709	1,008,286
18.1 Current federal and foreign income tax recoverable and interest thereon	1,437,668		1,437,668	
18.2 Net deferred tax asset	14,982,526	7,194,341	7,788,185	5,606,258
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	26,130	26,130	0	
21. Furniture and equipment, including health care delivery assets ($..........0)	2,857,625	2,857,625	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	
24. Health care ($.....14,206,654) and other amounts receivable	38,728,811	24,522,157	14,206,654	12,306,879
25. Aggregate write-ins for other-than-invested assets	36,440,521	18,034,670	18,405,851	21,052,810
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	523,109,712	52,634,923	470,474,789	498,543,217
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTAL (Lines 26 and 27)	523,109,712	52,634,923	470,474,789	498,543,217

DETAILS OF WRITE-INS

	1	2	3	4
1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid expenses/deposits	87,916	87,916	0	
2502. Goodwill and intangible assets	36,352,605	17,946,754	18,405,851	21,052,810
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	36,440,521	18,034,670	18,405,851	21,052,810

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $..........0 reinsurance ceded)	151,260,192	201,160	151,461,352	172,065,043
2. Accrued medical incentive pool and bonus amounts	9,811,616		9,811,616	8,831,025
3. Unpaid claims adjustment expenses	2,334,617	3,507	2,338,124	2,324,862
4. Aggregate health policy reserves, including the liability of $.....948,117 for medical loss ratio rebate per the Public Health Service Act	2,959,483		2,959,483	26,532,057
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserves			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance	993,164		993,164	1,138,023
9. General expenses due or accrued	44,327,035		44,327,035	36,689,619
10.1 Current federal and foreign income tax payable and interest thereon (including $..........0 on realized capital gains (losses))			0	1,403,799
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable			0	
12. Amounts withheld or retained for the account of others	526		526	
13. Remittances and items not allocated			0	
14. Borrowed money (including $..........0 current) and interest thereon $..........0 (including $..........0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates	6,430,368		6,430,368	4,076,390
16. Derivatives			0	
17. Payable for securities			0	
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties with ($..........0 authorized reinsurers, $..........0 unauthorized reinsurers and $..........0 certified reinsurers)			0	
20. Reinsurance in unauthorized and certified ($..........0) companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans	24,600,853		24,600,853	
23. Aggregate write-ins for other liabilities (including $.....17,299,725 current)	17,299,725	0	17,299,725	8,295,228
24. Total liabilities (Lines 1 to 23)	260,017,579	204,667	260,222,246	261,356,046
25. Aggregate write-ins for special surplus funds	XXX	XXX	32,500,000	0
26. Common capital stock	XXX	XXX	159,000	159,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	82,404,971	82,404,971
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	95,188,572	154,623,200
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 $..........0)	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 $..........0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	210,252,543	237,187,171
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	470,474,789	498,543,217

DETAILS OF WRITE-INS

	1 Covered	2 Uncovered	3 Total	4 Total
2301. Premium/use taxes due			0	541,945
2302. Amounts due to government agencies	17,299,725		17,299,725	7,753,283
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	17,299,725	0	17,299,725	8,295,228
2501. 2020 health insurer fee accrual estimate	XXX	XXX	32,500,000	
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	32,500,000	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1. Member months	XXX	4,382,652	4,705,837
2. Net premium income (including $..........0 non-health premium income)	XXX	1,693,115,421	1,791,104,788
3. Change in unearned premium reserves and reserve for rate credits	XXX	(571,619)	(1,361,984)
4. Fee-for-service (net of $..........0 medical expenses)	XXX		
5. Risk revenue	XXX		
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	1,692,543,802	1,789,742,804
Hospital and Medical:			
9. Hospital/medical benefits		815,792,374	914,970,132
10. Other professional services		33,709,762	26,123,440
11. Outside referrals	1,878,408	55,176,245	69,575,306
12. Emergency room and out-of-area		162,347,424	154,590,867
13. Prescription drugs		194,588,869	213,363,565
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		17,353,265	11,866,195
16. Subtotal (Lines 9 to 15)	1,878,408	1,278,967,939	1,390,489,505
Less:			
17. Net reinsurance recoveries		(134,490)	190,859
18. Total hospital and medical (Lines 16 minus 17)	1,878,408	1,279,102,429	1,390,298,646
19. Non-health claims (net)			
20. Claims adjustment expenses, including $.....49,537,259 cost containment expenses		57,446,759	53,342,663
21. General administrative expenses		216,556,917	219,013,930
22. Increase in reserves for life and accident and health contracts including $..........0 increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)	1,878,408	1,553,106,105	1,662,655,239
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	139,437,697	127,087,565
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		9,395,053	7,141,128
26. Net realized capital gains or (losses) less capital gains tax of $.....328,302		1,231,040	(12,973)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	10,626,093	7,128,155
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $..........0) (amount charged off $..........0)]			
29. Aggregate write-ins for other income or expenses	0	19,600	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	150,083,390	134,215,720
31. Federal and foreign income taxes incurred	XXX	32,477,231	36,721,018
32. Net income (loss) (Lines 30 minus 31)	XXX	117,606,159	97,494,702

DETAILS OF WRITE-INS

0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Fines and penalties		19,600	
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	19,600	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	237,187,171	160,299,190
34. Net income or (loss) from Line 32	117,606,159	97,494,702
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.........0		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	521,585	(1,911,994)
39. Change in nonadmitted assets	4,937,628	14,305,273
40. Change in unauthorized and certified reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders	(150,000,000)	(33,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	(26,934,628)	76,887,981
49. Capital and surplus end of reporting period (Line 33 plus 48)	210,252,543	237,187,171

DETAILS OF WRITE-INS

4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	1,706,314,162	1,705,382,874
2.	Net investment income	9,553,819	7,678,937
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	1,715,867,981	1,713,061,811
5.	Benefit and loss related payments	1,304,849,147	1,417,663,869
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	236,854,583	238,173,988
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $.....328,302 tax on capital gains (losses)	35,647,000	29,871,986
10.	Total (Lines 5 through 9)	1,577,350,730	1,685,709,843
11.	Net cash from operations (Line 4 minus Line 10)	138,517,251	27,351,968
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	166,798,119	115,541,957
	12.2 Stocks		
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets		
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	56,943	6,216
	12.7 Miscellaneous proceeds		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	166,855,062	115,548,172
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	232,547,794	63,711,916
	13.2 Stocks		
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		
	13.6 Miscellaneous applications		
	13.7 Total investments acquired (Lines 13.1 to 13.6)	232,547,794	63,711,916
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(65,692,732)	51,836,257
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders	150,000,000	33,000,000
	16.6 Other cash provided (applied)	1,875,411	(1,547,743)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(148,124,589)	(34,547,743)
	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)	(75,300,070)	44,640,482
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	264,245,670	219,605,188
	19.2 End of year (Line 18 plus Line 19.1)	188,945,600	264,245,670

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

20.0001			

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	1,693,115,421	36,824,622					451,718,467	1,204,572,332		
2. Change in unearned premium reserves and reserve for rate credit	(571,619)	(948,117)					376,498			
3. Fee-for-service (net of $..........0 medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	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)	1,692,543,802	35,876,505	0	0	0	0	452,094,965	1,204,572,332	0	0
8. Hospital/medical benefits	815,792,374	11,211,479					204,192,238	600,388,657		XXX
9. Other professional services	33,709,762	12,979					11,667,524	22,029,259		XXX
10. Outside referrals	55,176,245	1,843,510					18,177,842	35,154,893		XXX
11. Emergency room and out-of-area	162,347,424	1,356,645					87,212,120	73,778,659		XXX
12. Prescription drugs	194,588,869	4,139,078					27,594,639	162,855,152		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	17,353,265	110,893					1,189,230	16,053,142		XXX
15. Subtotal (Lines 8 to 14)	1,278,967,939	18,674,584	0	0	0	0	350,033,593	910,259,762	0	XXX
16. Net reinsurance recoveries	(134,490)	(38,851)					138,274	(233,913)		XXX
17. Total hospital and medical (Lines 15 minus 16)	1,279,102,429	18,713,435	0	0	0	0	349,895,319	910,493,675	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $.....49,537,259 cost containment expenses	57,446,759	1,368,841					22,957,677	33,120,241		
20. General administrative expenses	216,556,917	5,877,766					35,785,738	174,893,413		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	1,553,106,105	25,960,042	0	0	0	0	408,638,734	1,118,507,329	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	139,437,697	9,916,463	0	0	0	0	43,456,231	86,065,003	0	0

DETAILS OF WRITE-INS

	1	2	3	4	5	6	7	8	9	10
0501.	0									XXX
0502.	0									XXX
0503.	0									XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	0	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. Total (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0									XXX
1302.	0									XXX
1303.	0									XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 through 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)	36,900,504		75,882	36,824,622
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan				0
6. Title XVIII - Medicare	452,089,269		370,802	451,718,467
7. Title XIX - Medicaid	1,205,957,651		1,385,319	1,204,572,332
8. Other health				0
9. Health subtotal (Lines 1 through 8)	1,694,947,424	0	1,832,003	1,693,115,421
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	1,694,947,424	0	1,832,003	1,693,115,421

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and 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	1,288,071,756	20,161,354					353,543,684	914,366,718		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	897	897								
1.4 Net	1,288,070,859	20,160,457	0	0	0	0	353,543,684	914,366,718	0	0
2. Paid medical incentive pools and bonuses	16,372,674	121,856					1,189,926	15,060,892		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	151,461,352	1,694,078					49,350,211	100,417,063		
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	151,461,352	1,694,078	0	0	0	0	49,350,211	100,417,063	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	9,811,616	61,627					828,716	8,921,273		
6. Net healthcare receivables (a)	5,853,391	(396,094)					5,521,090	728,395		
7. Amounts recoverable from reinsurers December 31, current year	138,274						138,274			
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	172,065,043	3,687,835					48,528,442	119,848,766		
8.2 Reinsurance assumed	0									
8.3 Reinsurance ceded	0									
8.4 Net	172,065,043	3,687,835	0	0	0	0	48,528,442	119,848,766	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	8,831,025	72,590					829,412	7,929,023		
11. Amounts recoverable from reinsurers December 31, prior year	273,661	39,748						233,913		
12. Incurred benefits:										
12.1 Direct	1,261,614,674	18,563,691	0	0	0	0	348,844,363	894,206,620	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	(134,490)	(38,851)	0	0	0	0	138,274	(233,913)	0	0
12.4 Net	1,261,749,164	18,602,542	0	0	0	0	348,706,089	894,440,533	0	0
13. Incurred medical incentive pools and bonuses	17,353,265	110,893	0	0	0	0	1,189,230	16,053,142	0	0

(a) Excludes $.....405,614 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	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	17,354,426	248,419					8,493,227	8,612,780		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	17,354,426	248,419	0	0	0	0	8,493,227	8,612,780	0	0
2. Incurred but unreported:										
2.1 Direct	134,106,926	1,445,659					40,856,984	91,804,283		
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	134,106,926	1,445,659	0	0	0	0	40,856,984	91,804,283	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	151,461,352	1,694,078	0	0	0	0	49,350,211	100,417,063	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	151,461,352	1,694,078	0	0	0	0	49,350,211	100,417,063	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
Line of Business	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)	2,403,072	17,797,133	11,256	1,682,822	2,414,328	3,687,835
2. Medicare Supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan					0	
6. Title XVIII - Medicare	39,110,843	255,796,484	9,470	49,098,354	39,120,313	48,067,230
7. Title XIX - Medicaid	124,061,493	849,037,221	2,769,033	97,890,417	126,830,526	120,309,978
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	165,575,409	1,122,630,837	2,789,759	148,671,593	168,365,168	172,065,043
10. Healthcare receivables (a)	1,159,513	35,113,855		2,049,829	1,159,513	32,469,806
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	10,072,485	6,300,189	950,776	8,860,840	11,023,261	8,831,025
13. Totals (Lines 9 - 10 + 11 + 12)	174,488,381	1,093,817,171	3,740,535	155,482,604	178,228,916	148,426,262

(a) Excludes $.....405,614 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	102,554	102,554	102,554	102,554	102,554
2. 2015	972,074	1,129,036	1,129,036	1,129,036	1,129,036
3. 2016	XXX	1,520,102	1,721,966	1,721,966	1,721,966
4. 2017	XXX	XXX	1,521,381	1,660,676	1,660,676
5. 2018	XXX	XXX	XXX	1,265,827	1,431,402
6. 2019	XXX	XXX	XXX	XXX	1,122,630

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	102,554	102,554	102,554	102,554	102,554
2. 2015	1,166,557	1,142,364	1,142,364	1,142,364	1,142,364
3. 2016	XXX	1,759,423	1,731,592	1,731,592	1,731,592
4. 2017	XXX	XXX	1,711,937	1,676,903	1,676,903
5. 2018	XXX	XXX	XXX	1,430,497	1,435,143
6. 2019	XXX	XXX	XXX	XXX	1,280,162

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2015	1,468,184	1,129,036	36,101	3.2	1,165,137	79.4			1,165,137	79.4
2. 2016	2,105,396	1,721,966	52,515	3.0	1,774,481	84.3			1,774,481	84.3
3. 2017	1,949,946	1,660,676	53,409	3.2	1,714,085	87.9			1,714,085	87.9
4. 2018	1,790,316	1,431,402	53,342	3.7	1,484,744	82.9	3,741	77	1,488,562	83.1
5. 2019	1,694,721	1,122,630	57,227	5.1	1,179,857	69.6	157,532	2,261	1,339,650	79.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

($000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	377	377	377	377	377
2. 2015	6,713	7,341	7,341	7,341	7,341
3. 2016	XXX	5,447	6,445	6,445	6,445
4. 2017	XXX	XXX	33,653	37,681	37,681
5. 2018	XXX	XXX	XXX	25,208	27,611
6. 2019	XXX	XXX	XXX	XXX	17,797

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	377	377	377	377	377
2. 2015	7,495	7,331	7,331	7,331	7,331
3. 2016	XXX	6,580	6,465	6,465	6,465
4. 2017	XXX	XXX	38,025	37,865	37,865
5. 2018	XXX	XXX	XXX	28,784	27,654
6. 2019	XXX	XXX	XXX	XXX	19,510

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2015	14,700	7,341	487	6.6	7,828	53.3			7,828	53.3
2. 2016	9,996	6,445	267	4.1	6,712	67.1			6,712	67.1
3. 2017	50,928	37,681	1,241	3.3	38,922	76.4			38,922	76.4
4. 2018	51,563	27,611	1,660	6.0	29,271	56.8	43		29,314	56.9
5. 2019	35,952	17,797	1,369	7.7	19,166	53.3	1,713	27	20,906	58.1

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

($000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	18,938	18,938	18,938	18,938	18,938
2. 2015	165,572	186,451	186,451	186,451	186,451
3. 2016	XXX	213,497	240,283	240,283	240,283
4. 2017	XXX	XXX	282,853	310,214	310,214
5. 2018	XXX	XXX	XXX	245,986	285,097
6. 2019	XXX	XXX	XXX	XXX	255,796

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	18,938	18,938	18,938	18,938	18,938
2. 2015	198,462	186,644	186,644	186,644	186,644
3. 2016	XXX	255,766	240,679	240,679	240,679
4. 2017	XXX	XXX	339,718	310,609	310,609
5. 2018	XXX	XXX	XXX	294,343	285,281
6. 2019	XXX	XXX	XXX	XXX	296,851

12.XV

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2015	222,434	186,451	4,672	2.5	191,123	85.9			191,123	85.9
2. 2016	285,102	240,283	12,390	5.2	252,673	88.6			252,673	88.6
3. 2017	371,594	310,214	24,299	7.8	334,513	90.0			334,513	90.0
4. 2018	362,413	285,097	24,093	8.5	309,190	85.3	184	(4)	309,370	85.4
5. 2019	396,732	255,796	12,738	5.0	268,534	67.7	41,055	611	310,200	78.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

($000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	83,239	83,239	83,239	83,239	83,239
2. 2015	799,789	935,244	935,244	935,244	935,244
3. 2016	XXX	1,301,158	1,475,238	1,475,238	1,475,238
4. 2017	XXX	XXX	1,204,875	1,312,781	1,312,781
5. 2018	XXX	XXX	XXX	994,633	1,118,694
6. 2019	XXX	XXX	XXX	XXX	849,037

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	83,239	83,239	83,239	83,239	83,239
2. 2015	960,600	948,389	948,389	948,389	948,389
3. 2016	XXX	1,497,077	1,484,448	1,484,448	1,484,448
4. 2017	XXX	XXX	1,334,194	1,328,429	1,328,429
5. 2018	XXX	XXX	XXX	1,107,370	1,122,208
6. 2019	XXX	XXX	XXX	XXX	963,801

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2015	1,231,050	935,244	30,942	3.3	966,186	78.5			966,186	78.5
2. 2016	1,810,298	1,475,238	39,858	2.7	1,515,096	83.7			1,515,096	83.7
3. 2017	1,527,424	1,312,781	27,869	2.1	1,340,650	87.8			1,340,650	87.8
4. 2018	1,376,340	1,118,694	27,589	2.5	1,146,283	83.3	3,514	81	1,149,878	83.5
5. 2019	1,262,037	849,037	43,120	5.1	892,157	70.7	114,764	1,623	1,008,544	79.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

($000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior					
2. 2015					
3. 2016	XXX				
4. 2017	XXX	XXX			
5. 2018	XXX	XXX	XXX		
6. 2019	XXX	XXX	XXX	XXX	

SECTION B - INCURRED HEALTH CLAIMS - OTHER

NONE

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior					
2. 2015					
3. 2016	XXX				
4. 2017	XXX	XXX			
5. 2018	XXX	XXX	XXX		
6. 2019	XXX	XXX	XXX	XXX	

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

NONE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2015		0		0.0	0	0.0			0	0.0
2. 2016		0		0.0	0	0.0			0	0.0
3. 2017		0		0.0	0	0.0			0	0.0
4. 2018		0		0.0	0	0.0			0	0.0
5. 2019		0		0.0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital and 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								
2. Additional policy reserves (a)	0								
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $..........0 for investment income)	2,399,710	948,117					1,451,593		
5. Aggregate write-ins for other policy reserves	559,773	559,773	0	0	0	0	0	0	0
6. Totals (gross)	2,959,483	1,507,890	0	0	0	0	1,451,593	0	0
7. Reinsurance ceded	0								
8. Totals (net) (Page 3, Line 4)	2,959,483	1,507,890	0	0	0	0	1,451,593	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

	1	2	3	4	5	6	7	8	9
0501. Risk adjustment liabilities	559,773	559,773							
0502.	0								
0503.	0								
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 through 0503 plus 0598) (Line 5 above)	559,773	559,773	0	0	0	0	0	0	0
1101.	0								
1102.	0								
1103.	0								
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 through 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)	5,121		6,280,116		6,285,237
2. Salaries, wages and other benefits	36,165,655	1,300,978	53,576,109		91,042,742
3. Commissions (less $..........0 ceded plus $..........0 assumed)			1,693,318		1,693,318
4. Legal fees and expenses			2,922,819		2,922,819
5. Certifications and accreditation fees	69,383				69,383
6. Auditing, actuarial and other consulting services	489,575	31,308	4,851,256		5,372,139
7. Traveling expenses	457,132	1,179	895,383		1,353,694
8. Marketing and advertising	301,407		3,448,083		3,749,490
9. Postage, express and telephone	163,246	173	2,694,845		2,858,264
10. Printing and office supplies	98,150	3,418	2,645,091		2,746,659
11. Occupancy, depreciation and amortization			16,263,849		16,263,849
12. Equipment	1,441		285,806		287,247
13. Cost or depreciation of EDP equipment and software	266,543	9,345	10,168,511		10,444,399
14. Outsourced services including EDP, claims, and other services	8,967,042	6,463,379	18,900,875		34,331,296
15. Boards, bureaus and association fees	5,086		270,491		275,577
16. Insurance, except on real estate	107,074		495,856		602,930
17. Collection and bank service charges	437		173,964	14,944	189,345
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes			525,180		525,180
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			6,197,451		6,197,451
23.2 State premium taxes			68,560,950		68,560,950
23.3 Regulatory authority licenses and fees	19,255		1,857,550		1,876,805
23.4 Payroll taxes	2,418,167	99,720	3,387,070		5,904,957
23.5 Other (excluding federal income and real estate taxes)			17,954		17,954
24. Investment expenses not included elsewhere				60,011	60,011
25. Aggregate write-ins for expenses	2,545	0	10,444,389	0	10,446,934
26. Total expenses incurred (Lines 1 to 25)	49,537,259	7,909,500	216,556,917	74,955	(a)......274,078,631
27. Less expenses unpaid December 31, current year	1,847,118	491,006	44,327,035		46,665,159
28. Add expenses unpaid December 31, prior year		2,324,862	36,689,619		39,014,481
29. Amounts receivable relating to uninsured plans, prior year			1,008,286		1,008,286
30. Amounts receivable relating to uninsured plans, current year			4,303,709		4,303,709
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	47,690,141	9,743,356	212,214,924	74,955	269,723,376

DETAILS OF WRITE-INS

2501. Borrowing costs			9,638,619		9,638,619
2502. Other adminstrative expenses	2,545		805,770		808,315
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,545	0	10,444,389	0	10,446,934

(a) Includes management fees of $.....118,866,859 to affiliates and $..........0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 2,365,075	2,644,279
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 7,242,941	6,825,729
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	9,608,015	9,470,008
11. Investment expenses		(g) 74,955
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		74,955
17. Net investment income (Line 10 minus Line 16)		9,395,053
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....278,726 accrual of discount less $.....270,406 amortization of premium and less $.....497,996 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 $.....2,318,359 accrual of discount less $.....306,793 amortization of premium and less $.....1,073,036 paid for accrued interest on purchases.
(f) Includes $..... accrual of discount less $..........0 amortization of premium.
(g) Includes $.....74,955 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			0		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	1,502,400		1,502,400		
1.3 Bonds of affiliates			0		
2.1 Preferred stocks (unaffiliated)			0		
2.11 Preferred stocks of affiliates			0		
2.2 Common stocks (unaffiliated)			0		
2.21 Common stocks of affiliates			0		
3. Mortgage loans			0		
4. Real estate			0		
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments	56,943		56,943		
7. Derivative instruments			0		
8. Other invested assets			0		
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	1,559,343	0	1,559,343	0	0
DETAILS OF WRITE-INS					
0901.			0		
0902.			0		
0903.			0		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED 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
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			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
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	7,194,341	8,854,684	1,660,343
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software	26,130	161,109	134,979
21. Furniture and equipment, including health care delivery assets	2,857,625	3,033,966	176,341
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	24,522,157	20,162,927	(4,359,230)
25. Aggregate write-ins for other-than-invested assets	18,034,670	25,359,865	7,325,195
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	52,634,923	57,572,551	4,937,628
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	52,634,923	57,572,551	4,937,628

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid expenses/deposits	87,916	83,555	(4,361)
2502. Goodwill and intangible assets	17,946,754	25,276,310	7,329,556
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	18,034,670	25,359,865	7,325,195

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of 1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	6 Current Year Member Months
1. Health maintenance organizations	383,277	368,551	360,389	360,547	362,421	4,382,652
2. Provider service organizations						
3. Preferred provider organizations						
4. Point of service						
5. Indemnity only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	383,277	368,551	360,389	360,547	362,421	4,382,652

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

Molina Healthcare of Michigan, Inc. (the Plan) was incorporated under the laws of the state of Michigan on February 12, 1997. The Plan is a wholly owned subsidiary of Molina Healthcare, Inc. (Molina), a multi-state managed care organization that arranges for the delivery of health care services to persons eligible for Medicaid, Medicare, the Health Insurance Marketplace (Marketplace), and other government-sponsored health care programs for low-income families and individuals.

The Plan is a health maintenance organization (HMO), licensed in the state of Michigan, that provides comprehensive health care services to Medicaid enrollees under contracts with the Michigan Department of Community Health (MDCH) and Medicare enrollees under its contract with the Centers for Medicare and Medicaid Services (CMS) in exchange for monthly interim payments. The Plan or MDCH may terminate the Medicaid contract with 60-day written notice. The Plan participates in the Medicare-Medicaid Plans (MMP), CMS's demonstration programs to integrate Medicare and Medicaid services for dual-eligible individuals. The Plan also serves individuals through the state's Marketplace. In some instances, the Marketplace allows individuals to purchase health insurance that is federally subsidized. Such contracts represent the majority of the Plan's source of premium income for the years ended December 31, 2019 and 2018.

The Plan contracts with independent physician associations, hospitals and other providers to provide medical services to its members. As an HMO, the Plan is at risk for all covered outpatient and inpatient claims incurred by its beneficiaries.

The financial statements of the Plan are presented on the basis of accounting practices prescribed or permitted by the State of Michigan, Department of Insurance and Financial Services (the Department).

The Department recognizes only statutory accounting practices prescribed or permitted by the "Department" 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' *Accounting Practices and Procedures Manual* (NAIC SAP or the Manual) has been adopted as a component of prescribed or permitted practices by the Department.

Such prescribed accounting practices have no significant effect on the Plan's statutory basis financial statements for the periods presented.

	SSAP #	F/S Page	F/S Line #	2019	2018
NET INCOME					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	$ 117,606,159	$ 97,494,702
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	$ 117,606,159	$ 97,494,702
SURPLUS					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	$ 210,252,543	$ 237,187,171
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	$ 210,252,543	$ 237,187,171

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

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 reporting period. Actual results could differ from those estimates.

C. Accounting Policy

The Plan applies the following accounting policies:

(1) Basis for Short-Term Investments: Short-term investments consist primarily of U.S. treasury notes and investments in corporate debt securities with maturity dates of greater than three months but less than one year at the time of acquisition. The basis of short-term investments is the same as for bonds as stated in Note C(2) below.

(2) Basis for Bonds and Amortization Schedule: Bonds include U.S. government and other debt securities with maturity dates of greater than one year at the time of purchase. Bonds not backed by other loans are principally stated at amortized cost using the scientific method. Bonds with NAIC designations of one or two are stated at amortized cost. Bonds with NAIC designations of three or higher are stated at the lower of amortized cost or fair value. Amortization of bond premium or accretion of discount is computed using the scientific (constant-yield) interest method. Realized capital gains and losses are determined using the specific-identification method and were not significant for the years ended December 31, 2019 and 2018. There were no significant unrealized gains or losses on investments, and the Plan recognized no losses from other-than-temporary impairments for the years ended December 31, 2019 and 2018.

(3) Basis for Common Stocks: None.

(4) Basis for Preferred Stocks: None.

(5) Basis for Mortgage Loans: None.

(6) Basis for Loan-Backed Securities and Adjustment Methodology: None.

(7) Investments in Subsidiaries, Controlled or Affiliated Entities (SCA): None.

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

(9) Investments in Derivatives: None.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation: The Plan assesses the profitability of its medical care policies to identify groups of contracts where current operating results or forecasts include probable future losses. The Plan anticipates investment income as a factor in the premium deficiency calculation, in accordance with Statement of Statutory Accounting Principles (SSAP) No. 54, *Individual and Group Accident and Health Contracts*. If anticipated future variable costs exceed anticipated future premiums and investment income, a premium deficiency reserve is recognized. Refer to Note 30 Premium Deficiency Reserves for further information.

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for Accident & Health Contracts: Claims unpaid and unpaid claims adjustment expenses represent management's best estimate of the ultimate net cost of all reported and unreported claims incurred through December 31. Claims unpaid are based on actual historical experience and estimates of medical expenses incurred but not paid (IBNP). The Plan employs its own actuaries to estimate IBNP monthly based on a number of factors, including prior claims experience, health care service utilization trends, cost trends, product mix, seasonality, prior authorization of medical services, and other factors. The Plan also considers uncertainties related to fluctuations in provider billing patterns, claims payment patterns, membership, and medical cost trends. The Plan continually reviews and updates the estimation methods and the resulting reserves. Any adjustments to reserves are reflected in current operations. Many of the Plan's medical contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of various services. Such differing interpretations may not come to light until a substantial period of time has passed following the contract implementation, leading to potential adjustment of some costs in the period in which they are first recorded. The Plan believes that its process for estimating IBNP is adequate, but all estimates are subject to uncertainties. Any deficiency in the Plan's estimates of IBNP would negatively affect its results of operations. Refer to Note 25, "Change in Incurred Claims and Claim Adjustment Expenses," for further information.

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period: The Plan has not modified its capitalization policy from the prior period.

Electronic data processing (EDP) equipment and software, which is non-admitted, is depreciated using the straight-line method over the lesser of its useful life or three years. Depreciation expense related to EDP equipment and operating system software totaled $165,323 and $242,797 for the years ended December 31, 2019 and 2018, respectively.

Furniture and equipment and leasehold improvements, which are non-admitted, are generally depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense related to furniture and equipment and leasehold improvements totaled $620,730 and $618,936 for the years ended December 2019 and 2018, respectively.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables: Amounts receivable for pharmaceutical rebates are estimated based upon historical and current utilization of prescription drugs and contract terms. Income from pharmaceutical rebates is reported as a reduction of hospital and medical expenses in the statutory basis statements of revenues and expenses. The Plan admits estimated pharmaceutical rebate receivables relating to the three months immediately preceding the reporting date in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*. Refer to Note 28, "Health Care Receivables" for further information.

The Plan has also deemed the following to be significant accounting policies and/or differences between statutory practices and accounting principles generally accepted in the United States of America (GAAP):

Cash and Invested Assets

Cash and cash equivalents are defined as cash and short-term highly liquid investments that are both readily convertible into known amounts of cash and so near maturity that they represent insignificant risk of changes in value because of changes in interest rates. Cash overdraft balances are recorded as a reduction to cash, whereas under GAAP cash overdraft balances would be classified as liabilities. Only investments with original maturities of three months or less when purchased qualify under this definition with the exception of money market mutual funds registered under the Investment Company Act of 1940 (the Act) and regulated under rule 2a-7 of the Act as described in SSAP 2R, *Cash, Cash Equivalents, Drafts and Short-Term Investments*. Under GAAP, the corresponding caption of cash, cash equivalents, and short-term investments include cash balances and investments that will mature in one year or less from the balance sheet date.

Investments in bonds are reported at amortized cost or fair value based on their NAIC designation. Under GAAP, investments in bonds are grouped into three separate categories for accounting and reporting purposes: available-for-sale securities, held-to-maturity securities, and trading securities. Available-for-sale securities are recorded at fair value and unrealized gains and losses, if any, are recorded in stockholders' equity as other comprehensive income, net of applicable income taxes. Held-to-maturity securities are recorded at amortized cost, which approximates fair value, and unrealized holding gains or losses are not generally recognized. Realized gains and losses and unrealized losses judged to be other than temporary with respect to available-for-sale and held-to-maturity securities are included in the determination of net income. Trading securities are recorded at fair value, and holding gains and losses are recognized in net income.

Premiums Due and Unpaid

Premiums due and unpaid at December 31, 2019 and 2018, consist primarily of amounts due from MDCH and CMS. Receivables are stated at net realizable value based on management's judgment of the ultimate collectibility of the accounts. Collection trends are monitored and any adjustments required are reflected in current earnings. All premiums receivable balances outstanding greater than 90 days due, with the exception of premiums due from governmental agencies, are non-admitted in accordance with NAIC SAP.

Net Deferred Tax Assets or Liabilities

The Plan follows the guidance of SSAP No. 101, *Income Taxes*, for deferred income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their amounts reported on the financial statements, using statutory rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as a change in surplus in the period that includes the enactment date. SSAP No. 101 includes a valuation allowance criterion whereby only gross deferred tax assets that are more likely than not (defined as a likelihood of more than 50%) to be realized are potentially admissible, subject to certain limitations and admissibility tests. Under GAAP, a deferred tax asset is recorded for the amount of gross deferred tax assets expected to be realized in future years, and a valuation allowance is established for deferred tax assets not realizable.

Goodwill and Intangible Assets

The Plan records admitted goodwill in accordance with SSAP No. 68, *Business Combinations and Goodwill*. Under SSAP No. 68, goodwill is admitted subject to an aggregate limitation of 10% of adjusted surplus, and excess goodwill is non-admitted. Goodwill is amortized using the straight-line method over a period not to exceed 10 years. Under U.S. GAAP, goodwill is not amortized but is assessed for impairment on an annual basis, or more frequently if circumstances indicate that a possible impairment has occurred. Amortization expense related to admitted and non-admitted goodwill is included in general administrative expenses and amounted to $4,236,245 and $3,918,655 in 2019 and 2018, respectively. Intangible assets are not admitted. Amortization expense related to

NOTES TO FINANCIAL STATEMENTS

non-admitted intangible assets is included in general administrative expenses and amounted to $5,740,270 and $6,057,860 for years ended December 31, 2019 and 2018, respectively. Refer to Note 3, "Business Combinations and Goodwill for further information".

Receivables from or Amounts Due to Parents, Subsidiaries and Affiliates

The Plan has various transactions with related parties. The Plan reports any unsettled amounts due as receivables from parent, subsidiaries and affiliates and unsettled amounts owed as amounts due to parent, subsidiaries and affiliates. Refer to Note 10, "Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties" for further information.

Amounts Receivable Relating to Uninsured Plans and Liability for Amounts Held Under Uninsured Plans

Amounts receivable relating to uninsured plans are amounts due from, and liability for amounts held under uninsured plans are amounts due to CMS. Such amounts relate to reinsurance subsidies for Medicare members with high drug costs, and/or premium or cost-sharing subsidies for qualifying low-income Medicare members' prescription drug benefits.The Plan is fully reimbursed by CMS and there is no risk to the Plan.

Medicaid Pass-through Payments

The Plan receives certain payments from the Medicaid program, which are fully passed through to designated providers. The Plan therefore serves as a fiscal intermediary between the state and providers and does not assume insurance risk in such arrangements. The Plan received pass-through payments amounting to $470.4 million and $410.4 million 2019 and 2018, respectively. As of first quarter of 2018, $110.8 million of the pass through received in 2018 were recognized as net premium income, with an aggregate corresponding charge recognized in hospital and medical and general administrative expenses. Starting quarter 2 of 2018, remaining Medicaid pass through amount of $299.6 million was reported as ASO business in 2018.

Accrued Retrospective Premiums and Contracts Subject to Redetermination and Aggregate Health Policy Reserves

Accrued retrospective premiums and contracts subject to redetermination, and aggregate health policy reserves relate to amounts recorded under various programs and contractual provisions discussed in Note 24, "Retrospectively Rated Contracts and Contracts Subject to Redetermination".

Net Premium Income and Change in Reserve for Rate Credits

The Plan recognizes premiums from members as income in the period for which health plan coverage relates. Premiums collected in advance of a coverage period are recorded as premiums received in advance. Premium revenue is fixed in advance of the periods covered and, except as described below and in Retrospectively Rated Contracts and Contracts Subject to Redetermination, is not generally subject to significant accounting estimates.

Medical cost floors (medical loss ratio) and corridors: For certain Medicaid premiums, amounts may be returned to MDCH if certain minimum amounts are not spent on defined medical care costs, or the Plan may receive additional premiums if amounts spent on medical care costs exceed a defined maximum threshold. Additionally, sanctions may be levied by MDCH if the amounts spent on medical care costs as a percentage of premiums are not within a specified range. These sanctions include the requirements to file a corrective action plan as well as an auto assignment freeze.The Plan may be required to return a portion of Medicare and Marketplace premiums if certain minimum amounts are not spent on defined medical care costs in accordance with the requirements established by the federal government.

Quality incentive premiums: Under the Plan's contract with the MDCH, 1% of Medicaid premiums and 3% of Dual Eligible premiums are withheld and paid to the Plan subject to certain performance bonus measures being met.

Medicare Revenue Risk Adjustment: The Plan's Medicare revenue is subject to retroactive increase or decrease based on the health status of its Medicare members (as measured by member risk score). The Plan estimates its members' risk scores and the related amount of Medicare revenue that will ultimately be realized for the periods presented based on its knowledge of its members' health status, risk scores and CMS practices.

Risk Sharing Provisions of the Affordable Care Act: Under the risk sharing provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, the Affordable Care Act, or ACA), Marketplace premiums are subject to redetermination through the risk adjustment program in which risk scores are used to determine the final premium amount.

Hospital and Medical Expenses

Medical care costs include primarily fee-for-services expenses. Nearly all hospital services and the majority of the Plan's primary care and physician specialist services are paid on a fee-for-service basis. Under fee-for-service arrangements, the Plan retains the financial responsibility for medical care provided and incurs costs based on actual utilization of services. Such expenses are recorded in the period in which the related services are dispensed. Medical care costs include amounts that have been paid by the Plan through the reporting date, as well as estimated liabilities for medical care costs incurred but not paid by the Plan as of the reporting date. See below for further information.

The Plan has also entered into agreements to pay a fixed capitated amount per member per month with certain providers. These payments are expensed in the period the providers are obligated to provide the service.

The Plan has contracts with medical provider organizations that require incentive payments if certain provisions of the contracts are met, and it records estimates for such incentive payments.

Reinsurance

The Plan has an excess risk reinsurance agreement with a non-affiliated company to limit its risk of catastrophic losses and its exposure to large claims by individuals with chronic or high cost conditions. The Plan maintains medical claims reinsurance with a deductible of $1,400,000 for Medicaid and Marketplace and $700,000 for Medicare. The reinsurance pays 90% of losses in excess of the deductible. The annual limit for Medicaid and Medicare is $2,000,000 per member per year, and is unlimited for Marketplace. Reinsurance expense is reported as a reduction of net premium income, and amounted to $1,832,003 and $573,140 for the years ended December 31, 2019 and 2018, respectively. Due to its participation in the Marketplace, the Plan was also part of the ACA Transitional Reinsurance Program. Refer to Note 24 for further information. Reinsurance recoveries not received as of year-end are recorded as either amounts recoverable from reinsurers or a reduction to claims unpaid in the statutory basis statements of admitted assets, liabilities, capital and surplus.

Reinsurance contracts do not relieve the Plan from its obligations to subscribers. The Plan remains liable to its subscribers for the portion reinsured to the extent that the reinsurance company does not meet the obligations assumed under the reinsurance contract.

Concentrations

NOTES TO FINANCIAL STATEMENTS

The Plan has cash and invested assets deposited in financial institutions in which the balances exceed the Federal Deposit Insurance Corporation insured limit. The Plan has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk. The Plan's investments and a portion of its cash are managed by professional portfolio managers operating under documented investment guidelines.

Concentration of credit risk with respect to receivables is limited because the Plan's primary payors are MDCH and CMS.

Risks and Uncertainties

The Plan's sole Medicaid customer is MDCH. The loss of its contract with MDCH would have a material adverse effect on the Plan's financial position, results of operations and cash flows. The Plan's ability to arrange for the provision of medical services to its members is dependent upon its ability to develop and maintain adequate provider networks. The inability to develop or maintain such networks could, in certain circumstances, have a material adverse effect on the Plan's financial position, results of operations or cash flows.

The Plan's profitability depends in large part on accurately predicting and effectively managing medical care costs. Management continually reviews the Plan's premium and benefit structure as well as its underlying claims experience and revised actuarial data. However, several factors could adversely affect medical care costs. These factors, which include changes in health care practices, inflation, new technologies, major epidemics, natural disasters and malpractice litigation, are beyond the Plan's control and could adversely affect its ability to accurately predict and effectively control medical care costs. Costs in excess of those anticipated could have a material adverse effect on the Plan's financial condition, results of operations or cash flows.

The Plan is subject to thorough and extensive regulations by multiple state and federal agencies. Its failure to comply with various regulations and requirements could limit the Plan's revenue or increase costs. In certain circumstances, a failure to comply with regulations or the cost incurred in complying with regulations could have a material adverse effect on the Plan's financial position, results of operations or cash flows.

Cash Flow

The statutory basis statements of cash flow reconcile cash, cash equivalents, and short-term investments with maturity dates of one year or less at the time of acquisition; whereas under GAAP, the statements of cash flow reconcile the corresponding captions of cash and cash equivalents with maturities of three months or less. In addition, there are classification differences within the presentation of the cash flow categories between GAAP and statutory reporting.

Comprehensive Income

The presentation of the statutory basis statements of admitted assets, liabilities, capital and surplus is not in conformity with U.S. GAAP with respect to the reporting of other comprehensive income.

Minimum Capital and Surplus

Section 500.3551 of the Michigan Insurance Code requires that the Plan to maintain a minimum capital and surplus in an amount that is the greater of $1,500,000, 4% of annual revenue, or 3 months uncovered expenses. At December 31, 2019 and 2018, the Plan was in compliance with the minimum capital and surplus requirement.

The NAIC adopted Risk Based Capital (RBC) standards to measure the minimum amount of capital appropriate for a managed care organization to support its overall business operations. The state of Michigan has passed legislation to adopt RBC. At December 31, 2019 and 2018, the Plan was in compliance with the minimum RBC requirement.

D. Going Concern

The Plan is not aware of any relevant conditions or events that raise substantial doubt about its abilities to continue as a going concern.

Note 2 – Accounting Changes and Correction of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2019.

Until the second quarter of 2018, certain Medicaid pass-through amounts were reported as both revenues and hospital and medical costs in Lines 2 and 18, respectively, of the Statement of Revenue and Expenses. These amounts are now reported as Administrative Services Only (ASO) business, and are reported in Note 18. Additionally, amounts received for reimbursement of premium taxes were also previously reported as premium revenue. Beginning with the second quarter of 2018, these amounts are being treated as fees for ASO business and are being deducted from general administrative expenses in line 21 of the Statement of Revenue and Expenses. This accounting change was at the direction of the Department, and does not affect any previously reported periods. The amount reported as ASO business in 2019 was $470.4 million. Please refer to Note 18A, ASO Plans for further information.

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

On September 1, 2015, the Plan closed on its acquisition of the Medicaid and MIChild contracts, and certain provider agreements, of HealthPlus of Michigan and its subsidiary, HealthPlus Partners, Inc.

On January 1, 2016, the Plan closed on its acquisition of the Medicaid and MIChild membership, and certain Medicaid and MIChild assets, of HAP Midwest Health Plan, Inc. The Plan assumed approximately 81,000 Medicaid and MIChild members in this acquisition.

The transaction was accounted for as a statutory purchased, and reflects the following:

1	2	3	4	5	6	7
Purchased Entity	Acquisition Date	Cost of Acquired Entity	Original Amount of Admitted Goodwill	Admitted Goodwill as of the Reporting Date	Amount of Goodwill Amortized During the Reporting Period	Admitted Goodwill as a % of SCA BACV, Gross of Admitted Goodwill
HealthPlus of Michigan	09/01/2015	$ 47,440,850	$ 5,713,894	$ 9,429,896	$ 2,731,485	%
HAP Midwest Health Plan, Inc.	01/01/2016	$ 30,507,300	$ 5,321,197	$ 8,975,955	$ 2,457,530	%

B. Statutory Merger: None.

C. Assumption Reinsurance: None.

D. Impairment Loss: None.

Note 4 – Discontinued Operations

None.

Note 5 – Investments

The following tables summarizes the Plan's investments including gross unrealized gains and losses as of the dates indicated.

	12/31/2019 Cost or amortized cost	Unrealized gains	Unrealized losses	12/31/2019 Fair value
Open depositories	$ 51,534,429	$ -	$ -	$ 51,534,429
Industrial & miscellaneous	220,542,590	280,848	(320,436)	220,503,003
Special revenue & assessment obligations	22,859,345	47,290	(16,723)	22,889,912
US Government	4,895,229	2,475	-	4,897,704
Other money market mutual fund	38,821,658	-	-	38,821,658
Totals	$ 338,653,251	$ 330,613	$ (337,159)	$ 338,646,706

	12/31/2018 Cost or amortized cost	Unrealized gains	Unrealized losses	12/31/2018 Fair value
Open depositories	$ 34,971,622	$ -	$ -	$ 34,971,622
Industrial & miscellaneous	221,811,149	4,828	(452,459)	221,363,518
Special revenue & assessment obligations	27,828,416	-	(40,102)	27,788,314
US Government	58,040,364	513	(16,023)	58,024,854
Exempt money market mutual fund	486,458	-	-	486,458
Other money market mutual fund	3,554,888	-	-	3,554,888
Totals	$ 346,692,897	$ 5,341	$ (508,584)	$ 346,189,654

The amortized cost and fair value of Plan's investment by contractual maturities, were as follows:

	12/31/2019 Amortized cost	12/31/2019 Fair value
Due in one year or less	$ 114,010,417	$ 114,050,917
Due after one year through five years	91,065,123	89,845,939
Due after five years through ten years	36,036,586	40,631,625
Due after ten years through twenty years	6,984,747	3,561,534
Due after twenty years	200,286	200,599
Totals	$ 248,297,159	$ 248,290,614

A. Mortgage Loans, including Mezzanine Real Estate Loans: None.

B. Debt Restructuring: None.

C. Reverse Mortgages: None.

D. Loan-Backed Securities

(1) Prepayment Assumptions for Mortgage-Backed Securities, collateralized mortgage obligations and other structure securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonally), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, the rate of prepayment is monitored and model is calibrated to reflect actual experience, market factors and view point.

(2), (3) Recognized other-than-temporary (OTTI) securities: None.

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	$	259,773
	2. 12 Months or Longer	$	
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	$	45,429,247
	2. 12 Months or Longer	$	

NOTES TO FINANCIAL STATEMENTS

(5) Because the decline in the market values of the securities was not due to the credit quality of the issuers, and because the Plan does not intend to sell nor does it expect to be required to sell these securities before a recovery in their cost basis, the Plan does not consider the securities to be other-than-temporarily impaired at December 31, 2019

E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.

H. Repurchase Agreements Transactions Accounted for as a Sale: None.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None.

J. Real Estate: None.

K. Low-Income Housing Tax Credits (LIHTC): None.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	$	$	$	$	$	%	%
b. Collateral held under security lending arrangements						%	%
c. Subject to repurchase agreements						%	%
d. Subject to reverse repurchase agreements						%	%
e. Subject to dollar repurchase agreements						%	%
f. Subject to dollar reverse repurchase agreements						%	%
g. Placed under option contracts						%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock						%	%
i. FHLB capital stock						%	%
j. On deposit with states	1,051,115	1,030,360	20,755		1,051,115	0.2%	0.2%
k. On deposit with other regulatory bodies						%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)						%	%
m. Pledged as collateral not captured in other categories						%	%
n. Other restricted assets						%	%
o. Total Restricted Assets	$ 1,051,115	$ 1,030,360	$ 20,755	$	$ 1,051,115	0.2%	0.2%

(a) Column 1 divided by Asset Page, Column 1, Line 28
(b) Column 5 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate): None.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate): None.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements: None.

M. Working Capital Finance Investments: None.

N. Offsetting and Netting of Assets and Liabilities: None.

O. 5GI Securities: None.

P. Short Sales: None.

Q. Prepayment Penalty and Acceleration Fees

(1) Number of CUSIPs	4
(2) Aggregate Amount of Investment Income	$ 4,000

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None.

Note 7 – Investment Income

NOTES TO FINANCIAL STATEMENTS

The Plan had no investment income that was excluded in 2019 or 2018. All of the Plan's investments and the income derived from such investments meet the criteria for admitted receivables.

Note 8 – Derivative Instruments

None.

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	$ 16,790,331	$	$ 16,790,331	$ 14,736,391	$	$ 14,736,391	$ 2,053,940	$	$ 2,053,940
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	$ 16,790,331	$	$ 16,790,331	$ 14,736,391	$	$ 14,736,391	$ 2,053,940	$	$ 2,053,940
d. Deferred tax assets nonadmitted	7,194,341		7,194,341	8,854,684		8,854,684	(1,660,343)		(1,660,343)
e. Subtotal net admitted deferred tax asset (1c-1d)	$ 9,595,990	$	$ 9,595,990	$ 5,881,707	$	$ 5,881,707	$ 3,714,283	$	$ 3,714,283
f. Deferred tax liabilities	1,807,805		1,807,805	275,449		275,449	1,532,356		1,532,356
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	$ 7,788,185	$	$ 7,788,185	$ 5,606,258	$	$ 5,606,258	$ 2,181,927	$	$ 2,181,927

2. Admission Calculation Components SSAP No. 101, *Income Taxes*

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ 7,381,111	$	$ 7,381,111	$ 5,561,151	$	$ 5,561,151	$ 1,819,960	$	$ 1,819,960
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	407,074		407,074	45,108		45,108	361,966		361,966
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	407,074		407,074	45,108		45,108	361,966		361,966
2. Adjusted gross deferred tax assets allowed per limitation threshold			27,608,776			31,579,215			(3,970,439)
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	1,807,805		1,807,805	275,449		275,449	1,532,356		1,532,356
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	$ 9,595,990	$	$ 9,595,990	$ 5,881,708	$	$ 5,881,708	$ 3,714,282	$	$ 3,714,282

3. Other Admissibility Criteria

	2019	2018
a. Ratio percentage used to determine recovery period and threshold limitation amount	400.6%	461.5%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold	$ 202,464,358	$ 231,580,913

NOTES TO FINANCIAL STATEMENTS

limitation in 2(b)2 above		

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	2019		2018		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	$ 16,790,331	$	$ 14,736,391	$	$ 2,053,940	$
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 9,595,990	$	$ 5,881,707	$	$ 3,714,283	$
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized: None.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2019	2 2018	3 (Col 1-2) Change
a. Federal	$ 32,552,913	$ 38,435,744	$ (5,882,831)
b. Foreign	$	$	$
c. Subtotal	$ 32,552,913	$ 38,435,744	$ (5,882,831)
d. Federal income tax on net capital gains	$ 328,302	$ (3,448)	$ 331,750
e. Utilization of capital loss carry-forwards	$	$	$
f. Other	$ (75,682)	$ (1,714,726)	$ 1,639,044
g. Federal and Foreign income taxes incurred	$ 32,805,533	$ 36,717,570	$ (3,912,037)

2. Deferred Tax Assets

	1 2019	2 2018	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	$ 1,204,467	$ 963,156	$ 241,311
2. Unearned premium reserve	41,713	47,797	(6,084)
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets	8,590,039	9,255,029	(664,990)
8. Compensation and benefits accrual	180,315	163,209	17,106
9. Pension accrual			
10. Receivables - nonadmitted	4,965,949	4,064,955	900,994
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (items <=5% and >5% of total ordinary tax assets)	1,807,848	242,245	1,565,603
Other (items listed individually >5%of total ordinary tax assets)			
99. Subtotal	$ 16,790,331	$ 14,736,391	$ 2,053,940
b. Statutory valuation allowance adjustment			
c. Nonadmitted	7,194,341	8,854,684	(1,660,343)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	$ 9,595,990	$ 5,881,707	$ 3,714,283
e. Capital:			
1. Investments	$	$	$
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	$	$	$

NOTES TO FINANCIAL STATEMENTS

f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	$ 9,595,990	$ 5,881,707	$ 3,714,283

3. Deferred Tax Liabilities

	1 2019	2 2018	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	$	$	$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)	1,807,805	275,449	1,532,356
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	$ 1,807,805	$ 275,449	$ 1,532,356
b. Capital:			
1. Investments	$	$	$
2. Real estate			
3. Other (Items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	$	$	$
c. Deferred tax liabilities (3a99+3b99)	$ 1,807,805	$ 275,449	$ 1,532,356
4. Net Deferred Tax Assets/Liabilities (2i – 3c)	$ 7,788,185	$ 5,606,258	$ 2,181,927

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in deferred income taxes in the surplus section of the Annual Statement):

	12/31/2019	12/31/2018	Change
Total deferred tax assets	16,790,331	14,736,391	2,053,940
Total deferred tax liabilities	(1,807,805)	(275,449)	(1,532,356)
Net deferred tax asset (liability)	14,982,526	14,460,942	521,584
Tax effect of unrealized (gains)/losses	-	-	-
Change in net deferred income tax assets - increase (decrease)			521,584

The Plan is subject to taxation in the United States and state of Michigan. The Plan is currently under examination by the Internal Revenue Service for tax years 2015 to 2017. With few exceptions, the Plan is no longer subject to U.S. federal and state or local tax examinations for tax years before 2015.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate
Provision computed at statutory rate	31,586,455	21.00%
Changes in nonadmitted assets	636,679	0.42%
Other	60,815	0.04%
Total	32,283,949	21.46%
Federal and foreign income taxes incurred	32,477,231	21.59%
Realized capital gains (losses) tax	328,302	0.22%
Change in net deferred income taxes	(521,584)	-0.35%
Total statutory income taxes	32,283,949	21.46%

E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

1. The amounts origination dates and expiration dates of operating loss and tax credit carry forward available for tax purposes: None.

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses.

Year	Amount
2019	$ 32,881,215
2018	$ 37,866,947

3. The Plan did not have any aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

The Plan is included in the consolidated federal income tax return with its ultimate parent, Molina. The entities included within the consolidated return are included in NAIC Statutory Statement Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group. Federal income taxes are paid to or refunded by Molina pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses the Plan receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal income tax return of Molina. Federal income tax incurred for 2019 pursuant to the tax sharing agreement was $35.6 million.

NOTES TO FINANCIAL STATEMENTS

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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

H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA: None.

I. Alternative Minimum Tax Credit: None.

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

A. The Plan is a wholly owned subsidiary of Molina. Molina and its subsidiaries provide quality managed care to people receiving government assistance. Molina offers healthcare services for persons served by Medicaid, Medicare, and the Marketplace, and products to assist government agencies in their administration of the Medicaid program. Molina has wholly owned operating subsidiaries in various states as indicated in Schedule Y, Parts 1 and 1A.

B. – C. The Plan paid Molina ordinary dividends in cash amounting to $60.0 million on March 29, 2019. The Plan also paid Molina an ordinary dividend in cash of $37.5 million and extraordinary dividend in cash of $52.5 million on September 19, 2019.

The Plan paid extraordinary dividends amounting to $33.0 million to Molina in the year ended December 31, 2018.

The Plan has an agreement with Molina whereby Molina provides certain management services to the Plan. Expenses incurred relating to this agreement amounted to $118,866,859 and $115,734,592 for the years ended December 31, 2019 and 2018, respectively.

The Plan leases office space from Molina Healthcare of California, a subsidiary of Molina that commenced in 2016. Rental payments for this lease amounted to $2,273,196 and $1,900,000 for both years ended December 31, 2019 and 2018.

D. As of December 31, 2019 and 2018, amounts due to Molina and affiliates totaled $6,430,368 and $4,076,390, respectively. Intercompany receivables and payables are generally settled on a monthly basis.

E. The Plan is not a guarantor and does not participate in any undertakings.

F. The Plan has a services agreement with Molina, as described in Note 10.C. above.

G. As indicated in Note 10.A. above, the Plan is a wholly owned subsidiary of Molina. The entities under common ownership of Molina are indicated in Schedule Y, Parts 1 and 1A.

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned: None

I. Investments in SCA that Exceeds 10% of Admitted Assets: None.

J. Investments in Impaired SCAs: None.

K. Investment in Foreign Insurance Subsidiary: None

L. Investment in Downstream Noninsurance Holding Company: None.

M. All SCA Investments: None.

N. Investment in Insurance SCAs: None.

O. SCA or SSAP 48 Entity Loss Tracking: None.

Note 11 – Debt

A. Debt Including Capital Notes: None.

B. FHLB (Federal Home Loan Bank) Agreements: None.

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

A. – D. Defined Benefit Plan: None.

E. Defined Contribution Plans: See Note 12.G. below.

F. Multiemployer Plans: None.

G. Consolidated/Holding Company Plans: The employees of the Plan are eligible to participate in a defined contribution 401(k) plan sponsored by Molina subject to the participation eligibility set forth in the plan. Eligible employees are allowed to contribute up to the maximum allowed by law. The Plan matches up to the first 4% of compensation contributed by the employees subject to a one-year cliff vesting requirement. The Plan has no legal obligation to provide benefits under the plan. The Plan's expense recognized in connection with the 401(k) plan was $1,128,827 and $994,492 for the years ended December 31, 2019 and 2018, respectively.

H. Postemployment Benefits and Compensated Absences: None.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17): None.

Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

(1) The Plan has 200,000 shares of $0 par value common stock authorized, 30,000 shares of Class B and 129,000 shares of Class A issued and outstanding. All issued and outstanding shares of common stock are held by Molina.

(2) Preferred Stock: None.

(3) Dividend Restrictions: The laws of the state of Michigan limit the payment and declaration of extraordinary and ordinary dividends. As set forth in the Michigan Insurance Code, without prior approval of its insurance commissioner, dividends may only be paid from earned surplus. Extraordinary dividends must be approved by the Department.

(4) The Plan paid Molina ordinary dividends in cash amounting to $60.0 million on March 29, 2019. The Plan also paid Molina an ordinary dividend in cash of $37.5 million and extraordinary dividend in cash of $52.5 million on September 19, 2019.

The Plan paid extraordinary dividends amounting to $33.0 million to Molina in the year ended December 31, 2018.

(5) Subject to the limitations of (3) above, no restrictions have been placed on the portion of the Plan's profits that may be paid as ordinary dividends to Molina.

(6) Restrictions placed on Unassigned funds (Surplus): None.

(7) Advances to Surplus not Repaid: None.

(8) Stock Held for Special Purposes: None.

(9) Changes in the balance of special surplus funds: In accordance with SSAP No. 106, *Affordable Care Act Assessments*, the Plan reclassifies an amount equal to the estimated health insurer fee due in the following calendar year from unassigned surplus to special surplus. The special surplus balance at December 31, 2019 represented the Plan's estimated health insurer fee for 2020. Due to the moratorium on the health insurer fee for the 2019 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2018.

(10) The portion of unassigned surplus or deficit, excluding the apportionment of estimated Section 9010 ACA subsequent fee year assessment, net income, and dividends, represented or reduced by each item below is as follows:

	2019	2018	Change
Net deferred income taxes	$ 14,982,526	$ 14,460,942	$ 521,584
Nonadmitted assets	(52,634,923)	(57,572,551)	4,937,628
Total	$ (37,652,397)	$ (43,111,609)	$ 5,459,212

(11) Surplus Debentures or Similar Obligations: None.

(12) The Impact of Any Restatement due to Prior Quasi-reorganizations: None.

(13) The Effective Dates of All Quasi-reorganizations in the Prior 10 years: None.

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitment: The Plan has no contingent commitment.

B. Assessments: None.

C. Gain Contingencies: None.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities: None.

E. Joint and Several Liabilities: None.

F. All Other Contingencies: From time to time, the Plan may be involved in legal actions in the normal course of business, some of which involve a demand for both compensatory and punitive damages not covered by insurance. Currently, there are no pending or threatened actions which, to the knowledge and in the opinion of management and the Plan's counsel, would have a material adverse effect on the Plan's financial position, results of operations or cash flow.

The Plan routinely evaluates the collectability of all receivable amounts included in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Impairment reserves are established for those amounts where collectability is uncertain. Based on the Plan's past experience, exposure related to uncollectible balances and the potential of loss for those balances not currently reserved for is not material to the Plan's financial position, results of operation or cash flow.

The Plan recognizes the financial statement benefit of a tax position after determining that the relevant tax authority would more likely than not sustain the position following an audit, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Interest and penalties, if incurred, are recognized in the statutory basis statements of revenues and expenses as federal income tax expense. As of December 2019, the Plan had a tax loss contingency liability of $0.6 million. The Plan has not recognized any interest or penalties for the years ended December 31, 2019 and 2018.

There are no assets that the Plan considers to be impaired at December 31, 2019 and 2018.

Note 15 – Leases

A. Lessee Operating Lease

(1) The Plan leases office facilities and equipment under noncancelable long-term operating leases. Some of the leases contain escalation clauses and renewal options. Rental expense relating to these leases totaled $2,169,980 and $2,103,569 for the years ended December 31, 2019 and 2018, respectively.

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At January 1, 2020 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2020	$ 2,076,385
2. 2021	$ 2,091,603
3. 2022	$ 2,144,504
4. 2023	$ 2,024,080
5. 2024	$ 123,497
6. Thereafter	$ 280,162
6. Total	$ 8,740,231

b. Total of Minimum Rentals to be Received in the Future under Noncancelable Subleases: None.

(3) For Sale-Leaseback Transactions: None.

B. Lessor Leases: None.

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales: None.

B. Transfer and Servicing of Financial Assets: None.

C. Wash Sales: None.

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

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2019:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$	$ 565,328	$ 565,328
b. Total net other income or expenses (including interest paid to or received from plans)			
c. Net gain or (loss) from operations		565,328	565,328
d. Total claim payment volume	$	$ 470,351,452	$ 470,351,452

B. ASC Plans: None.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract: The Medicare Part D program is a partially insured plan. The Plan recorded amounts receivable of $4.3 million and $1.0 million relating to uninsured plans at December 31, 2019 and 2018, respectively, for cost reimbursements under the Medicare Part D program.

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

None.

Note 20 – Fair Value Measurements

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

Level 1 – Certain inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Certain inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

NOTES TO FINANCIAL STATEMENTS

Level 3 – Certain inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Bonds and short-term investments are based on quoted market prices, where available.

A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date: The Plan's assets measured and reported at fair value on a recurring basis are listed in the table below. The Plan receives monthly statements from investment brokers that provide market pricing. There were no transfers between Level 1 and Level 2 of the fair value hierarchy.

2019:

Description for Each Type of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
Assets at Fair Value					
Other money market mutual fund	$	$ 38,821,658	$	$	$ 38,821,658
Total	$	$ 38,821,658	$	$	$ 38,821,658
Liabilities at Fair Value					
	$	$	$	$	$
Total	$	$	$	$	$

2018:

Description for Each Type of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
Assets at Fair Value					
Exempt money market mutual fund	$ -	$ 486,458	$ -	$ -	$ 486,458
Other Money Market Mutual Fund	$ -	$ 3,554,888	$ -	$ -	$ 3,554,88
Total	$ -	$ 4,041,346	$ -	$ -	$ 4,041,346
Liabilities at Fair Value					
	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy: None.

(3) Policies when Transfers Between Levels are Recognized: None.

(4) Fair Value Measurement Categorized within Level 2 and Level 3: Level 2 financial instruments include investments that are traded frequently though not necessarily daily. Fair value for these securities is determined using a market approach based on quoted prices for similar securities in active markets or quoted prices for identical securities in inactive markets.

(5) Fair Value Disclosures: None.

B. Fair Value Reporting under SSAP 100, *Fair Value Measurement,* and Other Accounting Pronouncements: In addition to bonds (see below), the Plan's statutory basis balance sheets typically include the following financial instruments: investment income due and accrued, federal income tax recoverable (payable), receivables, and current liabilities. The Plan believes the carrying amounts of these financial instruments approximate the fair value of these financial instruments because of the relatively short period of time between the origination of the instruments and their expected realization or payment.

C. Aggregate Fair Value Hierarchy

The aggregate fair value hierarchy of all financial instruments as of December 31, 2019 and 2018 is presented in the table below:

2019:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Industrial & Miscellaneous	$ 220,503,003	$ 220,542,590	$	$ 220,503,003	$	$	$
Special Revenue & Assessment Obligations	$ 22,889,912	$ 22,859,345	$	$ 22,889,912	$	$	$
Government	$ 4,897,704	$ 4,895,229	$	$ 4,897,704	$	$	$
Open depositories	$ 51,534,429	$ 51,534,429	$ 51,534,429	$	$	$	$
Other Money Market Mutual Fund	$ 38,821,658	$ 38,821,658	$	$ 38,821,658	$	$	$
Total financial instruments	$ 338,646,706	$ 338,653,251	$ 51,534,429	$ 287,112,277	$	$	$

2018:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Exempt money market mutual fund	$ 486,458	$ 486,458	$ -	$ 486,458	$ -	$ -	$ -
Industrial and miscellaneous	$ 221,363,518	$ 221,811,149	$ -	$ 221,363,518	$ -	$ -	$ -
Open Depositories	$ 34,971,622	$ 34,971,622	$ 34,971,622	$ -	$ -	$ -	$ -
Other money market mutual fund	$ 3,554,888	$ 3,554,888	$ -	$ 3,554,888	$ -	$ -	$ -
Special revenue & assessment obligations	$ 27,788,314	$ 27,828,416	$ -	$ 27,788,314	$ -	$ -	$ -
US Government	$ 58,024,854	$ 58,040,364	$ -	$ 58,024,854	$ -	$ -	$ -
Total financial instruments	$ 346,189,654	$ 346,692,897	$ 34,971,622	$ 311,218,032	$ -	$ -	$ -

D. Not Practicable to Estimate Fair Value: None.

E. NAV Practical Expedient Investments: None.

NOTES TO FINANCIAL STATEMENTS

Note 21 – Other Items

A. Unusual or Infrequent Items: None.

B. Troubled Debt Restructuring Debtors: None.

C. Other Disclosures and Unusual Items:

The state of Michigan is participating in CMS's dual eligible demonstration to integrate Medicare and Medicaid services for dual eligible individuals. The Plan refers to the demonstration as its Medicare-Medicaid Plan (MMP) implementation. The Department has instructed the Plan to report all MMP results under the Medicare category.

The Plan's current MMP contract is active through December 31, 2020. The MDCH has submitted a formal letter of intent to extend the MMP program for three years through 2023.

Stock Plans

Under an equity incentive plan adopted by Molina, the Plan's employees may be awarded restricted stock or other equity incentives. Restricted stock awards generally vest in equal annual installments over periods of up to four years from the date of grant.

Molina has an employee stock purchase plan under which the eligible employees of the Plan may purchase common shares at 85% of the lower of the fair market value of Molina's common stock on either the first or last trading day of each six-month offering period. Each participant is limited to a maximum purchase of $25,000 (as measured by the fair value of the stock acquired) per year through payroll deductions.

D. Business Interruption Insurance Recoveries: None.

E. State Transferable and Non-Transferable Tax Credits: None.

F. Subprime Mortgage Related Risk Exposure: None.

G. Retained Assets: None.

H. Insurance-Linked Securities (ILS) Contracts: None.

I. The Amount that Could be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or has Otherwise Obtained Rights to Control the Policy: None.

Note 22 – Events Subsequent

Type I – Recognized Subsequent Events: None.

Type II – Nonrecognized Subsequent Events:

The Plan is subject to an annual health insurer fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee is 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 is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The special surplus balance at December 31, 2019 represented the Plan's estimated health insurer fee for 2020. Due to the moratorium on the health insurer fee for the 2019 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2018.

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)? Yes [X] No [ ]

		2019	2018
B.	ACA fee assessment payable for the upcoming year	$ 32,500,000	$
C	ACA fee assessment paid	$	$ 38,363,046
D.	Premium written subject to ACA 9010 assessment	$ 1,694,947,424	$
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)	$ 210,252,543	
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	$ 177,752,543	
G.	Authorized control level (Five-Year Historical Line 15)	$ 50,545,608	

H. Would reporting the ACA assessment as of December 31, 2019 have triggered an RBC action level (YES/NO)? Yes [ ] No [X]

The Plan evaluated its December 31, 2019 statutory basis financial statements for subsequent events through February 28, 2020, the date the statutory basis financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in these statutory basis financial statements.

Note 23 – Reinsurance

A. Ceded Reinsurance Report

Section1 – General Interrogatories

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [ ] No [X]

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? 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]

NOTES TO FINANCIAL STATEMENTS

(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: None.

C. Commutation of Ceded Reinsurance: None.

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

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. – C. Based on member encounter data that the Plan submits to CMS, Medicare premiums are subject to retroactive increase or decrease based upon member medical conditions for up to two years after the original year of service. The Plan estimates the amount of Medicare revenue that will ultimately be realized for the periods presented based on its knowledge of its members' health care utilization patterns and CMS practices. The Plan had net premiums written of $451,718,467 and $411,131,616 for its Medicare business for the years ended December 31, 2019 and 2018, representing 26.7% and 23.0% of total net premiums written in 2019 and 2018, respectively.

The Plan began serving members through the Marketplace in January 2014. Under the risk sharing provisions of the ACA, Marketplace premiums are subject to redetermination through the risk adjustment program in which the risk scores of enrollees are used to determine the final premium amount. In addition, Marketplace premiums are subject to retrospective rating through the risk corridor program in which the Plan and the Federal government share in loss experience above or below a specified range. The Plan estimates accrued retrospective premium adjustments for its Marketplace business through a mathematical approach with inputs that may include premiums, claims costs, administrative expenses, reinsurance recoveries, and risk adjustment transfer payments. The Plan had net premiums written of $36,824,622 and $51,496,143 for its Marketplace business for the years ended December 31, 2019 and 2018, representing 2.2% and 2.9% of the total net premiums written in 2019 and 2018, respectively.

In 2014, the state of Michigan expanded the Medicaid program to include certain adults not previously eligible for Medicaid. Under the Plan's contract with MDCH, it is required to spend a minimum percentage of premium revenue on allowed medical expenses. If the Plan's expenditures on allowed medical costs exceed a maximum percentage of premium revenue, the Plan may receive additional premiums from MDCH. The Plan estimates accrued retrospective premium adjustments for the Medicaid expansion program in accordance with such contractual requirements. The Plan had net premiums written of approximately $380,583,540 and $407,655,106 for its Medicaid expansion business for the years ended December 31, 2019 and 2018, respectively, representing 22.5% and 22.8% of total net premiums written in 2019 and 2018, respectively.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	$	$	$	$	$
(2) Medical loss ratio rebates paid	$	$	$	$	$
(3) Medical loss ratio rebates unpaid	$	$	$	$	$
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	$
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	$
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	$ 948,117	$	$	$	$ 948,117
(8) Medical loss ratio rebates paid	$	$	$	$	$
(9) Medical loss ratio rebates unpaid	$ 948,117	$	$	$	$ 948,117
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	$
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	$
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$ 948,117

E. Risk-Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes [X] No [ ]

(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	AMOUNT
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	$ 11,028
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)	$ 559,773
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	$ 2,975,016
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	$ (11,065)

NOTES TO FINANCIAL STATEMENTS

b. Transitional ACA Reinsurance Program	AMOUNT
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 (Revenue & Expenses)	
7. Ceded reinsurance premiums due to ACA Reinsurance	$
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	$
9. ACA Reinsurance contributions – not reported as ceded premium	$

c. Temporary ACA Risk Corridors Program	AMOUNT
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 (Revenue & Expenses)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	$
4. Effect of ACA Risk Corridors on change in reserves for rate credits	$

(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 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		Ref	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)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	$	$	$	$	$	$	$	$	A	$	$
2. Premium adjustments (payable) (including high-risk pool premium)		(23,163,147)		(19,628,391)		(3,534,756)		3,534,756	B		
3. Subtotal ACA Permanent Risk Adjustment Program	$	$ (23,163,147)	$	$ (19,628,391)	$	$ (3,534,756)	$	$ 3,534,756		$	$
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	$ 587	$	$ 897	$	$ (310)	$	$ 310	$	C	$	$
2. Amounts recoverable for claims unpaid (contra liability)									D		
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium									F		
5. Ceded reinsurance premiums payable									G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	$ 587	$	$ 897	$	$ (310)	$	$ 310	$		$	$
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	$	$	$	$	$	$	$	$	I	$	$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program	$	$	$	$	$	$	$	$		$	$

NOTES TO FINANCIAL STATEMENTS

	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		Ref	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)		Receivable	(Payable)
d. Total for ACA Risk-Sharing Provisions	$ 587	$ (23,163,147)	$ 897	$ (19,628,391)	$ (310)	$ (3,534,756)	$ 310	$ 3,534,756		$	$

Explanations of Adjustments

B. Adjustments are changes in estimates based on additional information since December 31, 2018.

C. Adjustment reflects final settlement for 2016.

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year: None.

(5) ACA Risk Corridors Receivable as of Reporting Date:The Plan had no ACA risk corridor receivables for periods from 2014 to 2016.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

The change in prior year estimated claims reserves represents favorable development in claims experience as of December 31, 2019 and 2018. Original estimates are increased or decreased as additional information becomes known regarding incurred reported claims. Claims unpaid activity during 2019 and 2018 is summarized below:

	Year ended 12/31/2019	Year ended 12/31/2018
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, beginning of period	$ 183,220,930	$ 202,577,482
Add provision for claims, net of reinsurance:		
Current year	1,280,094,762	1,408,421,769
Prior years	(992,333)	(18,123,123)
Net incurred claims during the current year	1,279,102,429	1,390,298,646
Deduct paid claims, net of reinsurance:		
Current year	1,139,273,738	1,278,583,867
Prior years	165,575,409	139,080,002
Net paid claims during the current year	1,304,849,147	1,417,663,869
Change in claims adjustment expenses	13,262	(70,721)
Change in health care receivables	6,259,005	8,068,626
Change in amounts due from reinsurers	(135,387)	10,766
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, end of period	$ 163,611,092	$ 183,220,930

B. Information about Significant Changes in Methodologies and Assumptions: The Plan did not make any significant changes in methodologies and assumptions used in the calculation of the liability for claims unpaid and unpaid Claim adjustment expenses in 2019 and 2018.

Note 26 – Intercompany Pooling Arrangements

None.

Note 27 – Structured Settlements

None.

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2019	$ 12,298,976	$	$	$	$
09/30/2019	$ 11,806,751	$	$	$	$
06/30/2019	$ 11,308,671	$	$	$ 7,486,135	$
03/31/2019	$ 11,462,466	$	$	$ 7,447,483	$ 4,338,943
12/31/2018	$ 12,305,517	$	$	$ 8,582,999	$ 3,938,724
09/30/2018	$ 11,310,368	$	$	$ 9,225,121	$ 2,432,063
06/30/2018	$ 11,629,593	$	$	$ 8,884,914	$ 2,834,845
03/31/2018	$ 16,563,713	$	$	$ 8,551,759	$ 2,016,850
12/31/2017	$ 9,706,831	$	$	$ 8,342,566	$ 1,699,618
09/30/2017	$ 9,666,548	$	$	$ 7,559,564	$ 1,881,918
06/30/2017	$ 8,913,402	$	$	$ 8,706,821	$ 695,963
03/31/2017	$ 9,021,628	$	$	$ 8,338,466	$ (23,432)

B. Risk-Sharing Receivables: None.

Note 29 – Participating Policies

NOTES TO FINANCIAL STATEMENTS

None.

Note 30 – Premium Deficiency Reserves

		Year ended 12/31/2019		Year ended 12/31/2018
1. Liability carried for premium deficiency reserve	$		$	
2. Date of most recent evaluation of this liability		December 31, 2019		December 31, 2018
3. Was anticipated investment income utilized in the calculation?		Yes		Yes

Note 31 – Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? 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 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. 1179929

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. 12/31/2018

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). 03/15/2017

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 [X] No [ ] N/A [ ]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

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

5.2 If yes, provide the name of 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 %

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

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with 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 the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Grant Thornton LLP, 90 State House Square, 10th Floor, Hartford, CT 06103

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 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:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

10.6 If the response to 10.5 is no or n/a, please explain:
The Plan is a direct wholly owned subsidiary of Molina. Molina is a publicly traded company and is subject to compliance with the Sarbanes-Oxley Act. An Audit Committee is maintained at the Corporate level (Molina).

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?
Ben Lynam, FSA, MAAA, Chief Actuary, 200 Oceangate, Suite 100, Long Beach, CA 90802 , Employee of the reporting entity

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

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation

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

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

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

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

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

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

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

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

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

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

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

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

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

BOARD OF DIRECTORS

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

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

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers $ 0

20.12 To stockholders not officers $ 0

20.13 Trustees, supreme or grand (Fraternal only) $ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers $ 0

20.22 To stockholders not officers 0

20.23 Trustees, supreme or grand (Fraternal only) 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting 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 [X] No [ ]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 19,628,391

22.22 Amount paid as expenses $ 1,198,480

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 [ ] No [X]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

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]

24.10 For the reporting entity's security lending program, state the amount of the following as of 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 current 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 sale – excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 1,051,115
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 [X]
If no, attach a description with this statement.

Lines 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a results of interest rate sensitivity? Yes [ ] No [ ]

26.4 If the response to 26.3 is yes, does the reporting entity utilize:

26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]

26.42 Permitted accounting practice Yes [ ] No [ ]

26.43 Other accounting guidance Yes [ ] No [ ]

26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [ ] No [ ]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guidance Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

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
US Bank	60 Livingston Ave St Paul, MN 55107

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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
DWS Bank	U

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 invested 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 invested 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
104518	DWS Bank	CZ83K4EEEX8QVCT3B128	SEC	NO

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		$

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	$ 248,297,161	$ 248,290,616	$ (6,545)
30.2	Preferred Stocks	$ 0	$ 0	$ 0
30.3	Totals	$ 248,297,161	$ 248,290,616	$ (6,545)

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

Fair value pricing is provided by independent service providers, NEAM our book of record, DWS JP Morgan, U.S. Bank, and Bloomberg. Effective June 1, 2019, NEAM employs a hierarchical pricing approach to determine the market price of a fixed income security. Under this model, each security's price comes from the highest-priority pricing source possible. Secondary pricing sources are used for filling gaps and for price comparisons.

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:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 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 an 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]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
    a. The shares were purchased prior to January 1, 2019.
    b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
    c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
    d. The fund only or predominantly holds bonds in its portfolio.
    e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
    f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

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

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 566,553

36.2 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
Michigan Association of Health Plans	$ 566,553
	$

37.1 Amount of payments for legal expenses, if any? $ 2,922,819

37.2 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
	$

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 360,863

38.2 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
Department of Insurance and Financial Services	$ 360,863

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	$ 1,693,115,421	$ 1,791,104,788
2.2	Premium Denominator	$ 1,693,115,421	$ 1,791,104,788
2.3	Premium Ratio (2.1/2.2)	100.0%	100.0%
2.4	Reserve Numerator	$ 164,232,451	$ 207,428,125
2.5	Reserve Denominator	$ 164,232,451	$ 207,428,125
2.6	Reserve Ratio (2.4/2.5)	100.0%	100.0%

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 $ 1,467,500

5.32 Medical Only $ 0

5.33 Medicare Supplement $ 0

5.34 Dental and 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: The Plan was insured under an annual HMO excess risk reinsurance agreement effective 1/1/19-12/31/19 with Odyssey Reinsurance Company. Subscribers are also protected against the Plan's insolvency through provider agreements, evidence of coverage, and/or member

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

handbooks.

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	35,274
8.2	Number of providers at end of reporting year	37,806

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 with rate guarantees between 15-36 months	$ 0
9.22	Business with rate guarantees over 36 months	$ 0

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No [ ]

10.2 If yes:

10.21	Maximum amount payable bonuses	0
10.22	Amount actually paid for year bonuses	16,372,674
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 [X] No [ ]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No [ ]

11.3 If yes, show the name of the state requiring such minimum capital and surplus.
Michigan

11.4 If yes, show the amount required. $ 67,724,617

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
Per Section 500.3551 of the Michigan Insurance Code, The Plan is required to maintain a minimum net worth equal to the greater of: 1) $1.5 million 2) 4% of total premium for the year = .04*1,693,115,421 = 67,724,617 3) sum of 3 months of uncovered hospital and medical expenses = 1,878,408/4 = 469,602

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

1 Name of Service Area
Alcona, Allegan, Alpena, Antrim, Arenac, Barry,
Bay, Benzie, Berrien, Branch, Calhoun, Cass,
Charlevoix, Cheboygan, Clare, Clinton, Crawford, Eaton,
Emmet, Genesee, Gladwin, Grand Traverse
Gratiot, Hillsdale, Huron, Ingham, Ionia, Iosco,
Isabella, Jackson, Kalamazoo, Kalkaska, Kent,
Lake, Lapeer, Leelanau, Lenawee, Livingston,
Macomb, Manistee, Mason, Mecosta, Midland,
Missaukee, Monroe, Montcalm, Montmorency,
Muskegon, Newaygo, Oakland, Oceana, Ogemaw, Osceola,
Oscoda, Otsego, Ottawa, Presque Isle, Roscommon,
Saginaw, Saint Joseph, Saint Claire, Sanilac
Shiawassee, Tuscola, Van Buren, Washtenaw,
Wayne, Wexford

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

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. $ 0

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

13.4 If yes, please provide the balance of the funds administered as of the reporting date. $ 0

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

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

1	2	3	4	Assets Supporting Reserve Credit		
Company Name	NAIC Company Code	Domiciliary Jurisdiction	Reserve Credit	5 Letters of Credit	6 Trust Agreements	7 Other
	0		$	$	$	$

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

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

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 guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

16. Is the reporting entity licensed or charted, 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 2019	2 2018	3 2017	4 2016	5 2015
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	470,474,789	498,543,217	422,491,747	476,924,474	375,975,829
2. Total liabilities (Page 3, Line 24)	260,222,246	261,356,046	262,192,557	304,622,623	237,251,057
3. Statutory minimum capital and surplus requirement	67,724,617	100,349,576	103,355,776	100,397,672	67,804,626
4. Total capital and surplus (Page 3, Line 33)	210,252,543	237,187,171	160,299,190	172,301,851	138,724,772
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,692,543,802	1,789,742,804	1,949,297,515	2,104,804,278	1,467,933,626
6. Total medical and hospital expenses (Line 18)	1,279,102,429	1,390,298,646	1,684,900,455	1,729,072,558	1,158,607,651
7. Claims adjustment expenses (Line 20)	57,446,759	53,342,663	53,409,469	52,515,212	36,101,448
8. Total administrative expenses (Line 21)	216,556,917	219,013,930	161,865,566	262,203,765	181,299,966
9. Net underwriting gain (loss) (Line 24)	139,437,697	127,087,565	49,122,025	61,012,743	91,924,561
10. Net investment gain (loss) (Line 27)	10,626,093	7,128,155	4,173,693	2,791,484	1,223,494
11. Total other income (Lines 28 plus 29)	19,600		(49,859)		
12. Net income or (loss) (Line 32)	117,606,159	97,494,702	32,957,455	30,924,255	53,764,624
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	138,517,251	27,351,968	(2,496,668)	74,897,388	136,906,614
Risk-Based Capital Analysis					
14. Total adjusted capital	210,252,543	237,187,171	160,299,190	172,301,851	138,724,772
15. Authorized control level risk-based capital	50,545,608	50,174,788	51,677,888	50,198,836	33,902,313
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	362,421	383,277	398,239	391,148	327,904
17. Total member months (Column 6, Line 7)	4,382,652	4,705,837	4,904,292	4,722,341	3,364,827
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 (Line 18 plus Line 19)	75.6	77.7	86.4	82.1	78.9
20. Cost containment expenses	2.9	2.5	2.4	2.2	2.2
21. Other claims adjustment expenses	0.5	0.5	0.4	0.3	0.3
22. Total underwriting deductions (Line 23)	91.8	92.9	97.5	97.1	93.7
23. Total underwriting gain (loss) (Line 24)	8.2	7.1	2.5	2.9	6.3
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	178,228,916	163,417,998	218,083,243	178,147,913	112,747,913
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	148,426,262	175,780,719	230,123,289	187,468,447	109,664,797
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
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					

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
State, Etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	L	36,900,504	452,089,269	1,205,957,651				1,694,947,424	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CAN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	36,900,504	452,089,269	1,205,957,651	0	0	0	1,694,947,424	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	XXX	36,900,504	452,089,269	1,205,957,651	0	0	0	1,694,947,424	0

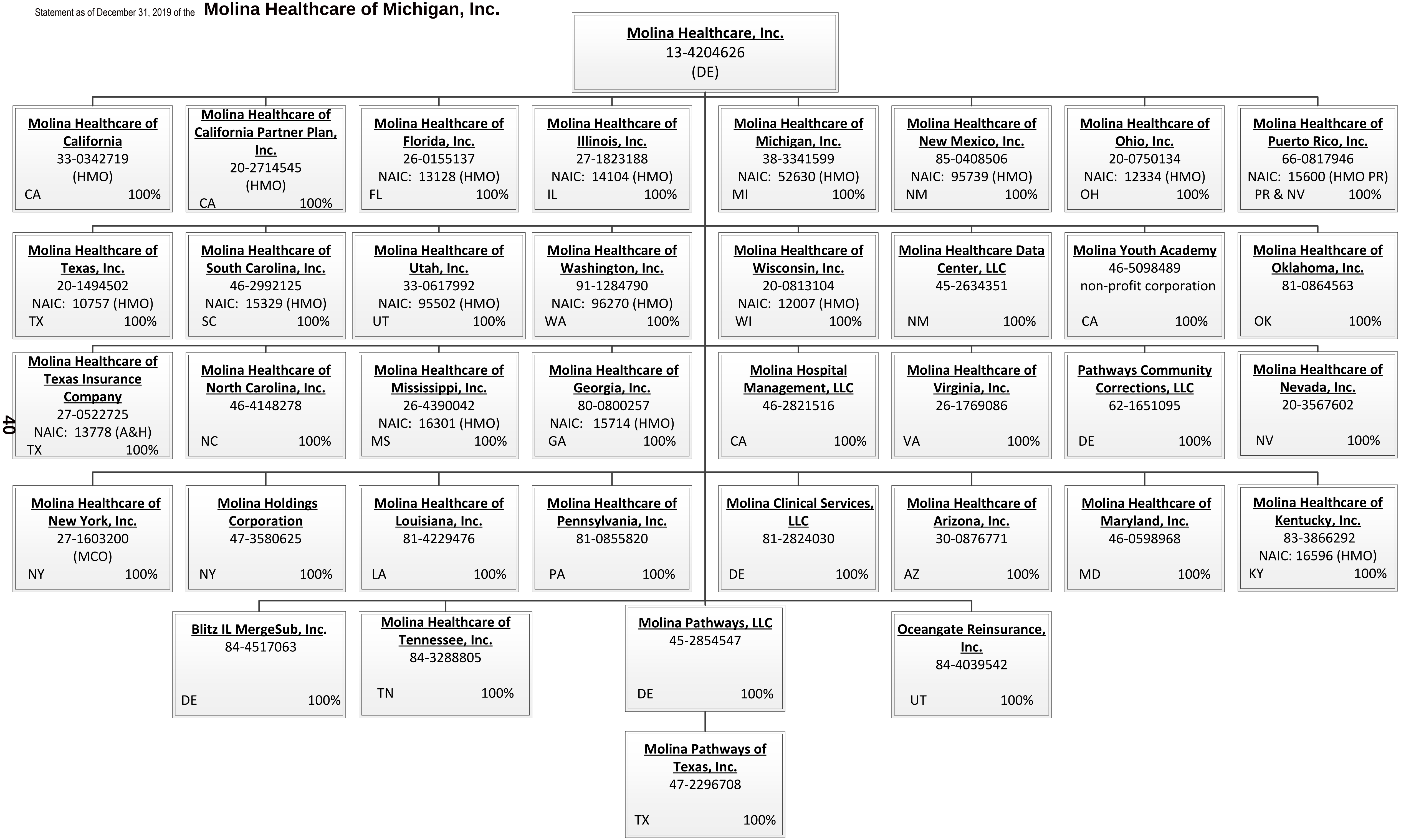
DETAILS OF WRITE-INS

58001.							0	
58002.							0	
58003.							0	
58998. Summary of remaining write-ins for line 58	0	0	0	0	0	0	0	0
58999. Total (Lines 58001 through 58003 + 58998)	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.
All premiums written within the state of Michigan.


Molina Healthcare, Inc. 13-4204626 (DE)
Molina Healthcare of California 33-0342719 (HMO) CA 100%
Molina Healthcare of California Partner Plan, Inc. 20-2714545 (HMO) CA 100%
Molina Healthcare of Florida, Inc. 26-0155137 NAIC: 13128 (HMO) FL 100%
Molina Healthcare of Illinois, Inc. 27-1823188 NAIC: 14104 (HMO) IL 100%
Molina Healthcare of Michigan, Inc. 38-3341599 NAIC: 52630 (HMO) MI 100%
Molina Healthcare of New Mexico, Inc. 85-0408506 NAIC: 95739 (HMO) NM 100%
Molina Healthcare of Ohio, Inc. 20-0750134 NAIC: 12334 (HMO) OH 100%
Molina Healthcare of Puerto Rico, Inc. 66-0817946 NAIC: 15600 (HMO PR) PR & NV 100%
Molina Healthcare of Texas, Inc. 20-1494502 NAIC: 10757 (HMO) TX 100%
Molina Healthcare of South Carolina, Inc. 46-2992125 NAIC: 15329 (HMO) SC 100%
Molina Healthcare of Utah, Inc. 33-0617992 NAIC: 95502 (HMO) UT 100%
Molina Healthcare of Washington, Inc. 91-1284790 NAIC: 96270 (HMO) WA 100%
Molina Healthcare of Wisconsin, Inc. 20-0813104 NAIC: 12007 (HMO) WI 100%
Molina Healthcare Data Center, LLC 45-2634351 NM 100%
Molina Youth Academy 46-5098489 non-profit corporation CA 100%
Molina Healthcare of Oklahoma, Inc. 81-0864563 OK 100%
Molina Healthcare of Texas Insurance Company 27-0522725 NAIC: 13778 (A&H) TX 100%
Molina Healthcare of North Carolina, Inc. 46-4148278 NC 100%
Molina Healthcare of Mississippi, Inc. 26-4390042 NAIC: 16301 (HMO) MS 100%
Molina Healthcare of Georgia, Inc. 80-0800257 NAIC: 15714 (HMO) GA 100%
Molina Hospital Management, LLC 46-2821516 CA 100%
Molina Healthcare of Virginia, Inc. 26-1769086 VA 100%
Pathways Community Corrections, LLC 62-1651095 DE 100%
Molina Healthcare of Nevada, Inc. 20-3567602 NV 100%
Molina Healthcare of New York, Inc. 27-1603200 (MCO) NY 100%
Molina Holdings Corporation 47-3580625 NY 100%
Molina Healthcare of Louisiana, Inc. 81-4229476 LA 100%
Molina Healthcare of Pennsylvania, Inc. 81-0855820 PA 100%
Molina Clinical Services, LLC 81-2824030 DE 100%
Molina Healthcare of Arizona, Inc. 30-0876771 AZ 100%
Molina Healthcare of Maryland, Inc. 46-0598968 MD 100%
Molina Healthcare of Kentucky, Inc. 83-3866292 NAIC: 16596 (HMO) KY 100%
Blitz IL MergeSub, Inc. 84-4517063 DE 100%
Molina Healthcare of Tennessee, Inc. 84-3288805 TN 100%
Molina Pathways, LLC 45-2854547 DE 100%
Oceangate Reinsurance, Inc. 84-4039542 UT 100%
Molina Pathways of Texas, Inc. 47-2296708 TX 100%

2019 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK