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ANNUAL STATEMENT

For the Year Ended December 31, 2018

of the Condition and Affairs of the

Priority Health

NAIC Group Code..... 3383, 3383 (Current Period) (Prior Period) NAIC Company Code..... 95561 Employer's ID Number..... 38-2715520

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..... March 7, 1986 Commenced Business..... October 15, 1986

Statutory Home Office	1231 East Beltline NE .. Grand Rapids .. MI .. UNI .. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	1231 East Beltline NE .. Grand Rapids .. MI .. UNI .. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	616-942-0954 *(Area Code) (Telephone Number)*
Mail Address	1231 East Beltline NE .. Grand Rapids .. MI .. UNI .. 49525-4501 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	1231 East Beltline NE .. Grand Rapids .. MI .. UNI .. 49525-4501 *(Street and Number) (City or Town, State, Country and Zip Code)*	616-464-8837 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.priorityhealth.com	
Statutory Statement Contact	Rachel Hendricks *(Name)*	616-464-8205 *(Area Code) (Telephone Number) (Extension)*
	rachel.hendricks@priorityhealth.com *(E-Mail Address)*	616-942-7916 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Joan Antaya Budden	President / Chief Executive Officer	2. Mary Anne Jones	Treasurer / Chief Financial Officer
3. Kimberly Lynn Thomas	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Joan Antaya Budden	Christina Michelle Freese Decker	Ann Mutzabaugh Harten #	Birgit Maria Klohs #
Rajesh Ujamlal Kothari	Rodrick Tremain Miller	Edwin Anders Ness	Paul Gerald Saginaw
Hilary Fred Snell	James Joseph Stephanak	Michael Frederic Sytsma	Gary Wade Timmer
Bruce Allen Ullery	Michael Clifton Vredenburg	Wendy Hansen Walker	Samuel Lynn Wanner
Elaine Coston Wood			

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

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

(Signature)	(Signature)	(Signature)
Joan Antaya Budden	Mary Anne Jones	Kimberly Lynn Thomas
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President / Chief Executive Officer	Treasurer / Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2019

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

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
A&H Premiums Due and Unpaid						
0199999. Total individuals	2,314,083	579,309	65	8,603,648	8,603,648	2,893,457
Michigan Public School Employees Retirement System	6,782,553	625,097				7,407,650
0299997. Group subscribers subtotal	6,782,553	625,097	0	0	0	7,407,650
0299998. Premiums due and unpaid not individually listed	47,928,311	1,327,780	50	225,632	225,632	49,256,141
0299999. Total group	54,710,865	1,952,877	50	225,632	225,632	56,663,791
0599999. Accident and health premiums due and unpaid (Page 2, Line 15)	57,024,948	2,532,186	115	8,829,281	8,829,281	59,557,248

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Pharmaceutical Rebate Receivables						
Express Scripts	12,722,631	12,396,682	13,069,555	39,416,896	39,416,896	38,188,868
0199998. Pharmaceutical Rebate Receivables Not Listed Individually	181,176	181,176	181,176	543,528	543,528	543,528
0199999. Total Pharmaceutical Rebate Receivables	12,903,807	12,577,858	13,250,731	39,960,424	39,960,424	38,732,396
Claim Overpayment Receivables						
0299998. Claim Overpayment Receivables Not Listed Individually	932,322	626,493	404,674			1,963,489
0299999. Total Claim Overpayment Receivables	932,322	626,493	404,674	0	0	1,963,489
Other Receivables						
0699998. Other Receivables Not Listed Individually	1,461,784	1,373,834	1,373,834	20,725	20,725	4,209,452
0699999. Total Other Receivables	1,461,784	1,373,834	1,373,834	20,725	20,725	4,209,452
0799999. Gross Health Care Receivables	15,297,913	14,578,185	15,029,239	39,981,149	39,981,149	44,905,337

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

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Heath Care Receivables Accrued as of December 31 of Current Year		5	6
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year	Health Care Receivables in Prior Years (Columns 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
1. Pharmaceutical rebate receivables	56,490,419	68,785,977		78,692,820	56,490,419	57,811,645
2. Claim overpayment receivables	1,696,299			1,963,488	1,696,299	1,696,299
3. Loans and advances to providers					0	
4. Capitation arrangement receivables					0	
5. Risk sharing receivables					0	
6. Other health care receivables	3,675,789	12,664,083		4,230,178	3,675,789	3,552,606
7. Totals (Lines 1 through 6)	61,862,507	81,450,060	0	84,886,486	61,862,507	63,060,550

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

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0299999. Aggregate accounts not individually listed - uncovered	8,269,104					8,269,104
0399999. Aggregate accounts not individually listed - covered	74,760,064					74,760,064
0499999. Subtotals	83,029,168	0	0	0	0	83,029,168
0599999. Unreported claim and other claim reserves						200,630,272
0699999. Total amounts withheld						36,470
0799999. Total claims unpaid						283,695,910
0899999. Accrued medical incentive pool and bonus amounts						41,707,839

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Priority Health Insurance Company	8,972,438					8,972,438	
0199999. Individually listed receivables	8,972,438	0	0	0	0	8,972,438	0
0299999. Receivables not individually listed	521,382			6,203	6,203	521,382	
0399999. Total gross amounts receivable	9,493,820	0	0	6,203	6,203	9,493,820	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Amounts Due To Parent, Subsidiaries and Affiliates				
Priority Health Insurance Company	Premium	28,132,742	28,132,742	
0199999. Individually listed payables		28,132,742	28,132,742	0
0299999. Payables not individually listed		4,127,385	4,127,385	
0399999. Total gross payables		32,260,127	32,260,127	0

EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payment	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	47,313	0.0		0.0	47,313	
2. Intermediaries	0	0.0				
3. All other providers	2,613,503	0.1		0.0	2,613,503	
4. Total capitation payments	2,660,816	0.1	0	0.0	2,660,816	0
Other Payments:						
5. Fee-for-service	143,977,982	5.3	XXX	XXX		143,977,982
6. Contractual fee payments	1,719,644,093	63.4	XXX	XXX	1,719,644,093	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	847,888,287	31.2	XXX	XXX	847,888,287	
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	2,711,510,362	99.9	XXX	XXX	2,567,532,380	143,977,982
13. Total (Line 4 plus Line 12)	2,714,171,178	100.0	XXX	XXX	2,570,193,196	143,977,982

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

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

NONE

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

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

NONE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION.....Priority Health 2. Michigan

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

NAIC Group Code.....3383

NAIC Company Code.....95561

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	521,877	90,058	282,146	15,161			3,650	130,862		
2. First quarter	512,902	62,395	292,292	15,175			3,003	140,037		
3. Second quarter	513,632	59,016	294,596	15,385			2,906	141,729		
4. Third quarter	511,503	56,784	292,240	15,565			2,946	143,968		
5. Current year	514,158	54,603	295,326	15,664			2,952	145,613		
6. Current year member months	6,139,044	697,004	3,515,474	184,177			35,102	1,707,287		
Total Member Ambulatory Encounters for Year:										
7. Physician	6,647,978	530,342	2,657,368	330,847			44,224	3,085,197		
8. Non-physician	747,215	59,609	298,681	37,186			4,971	346,768		
9. Totals	7,395,193	589,951	2,956,049	368,033	0	0	49,195	3,431,965	0	0
10. Hospital patient days incurred	322,282	12,918	60,011	16,621			999	231,733		
11. Number of inpatient admissions	56,360	3,054	14,233	2,736			211	36,126		
12. Health premiums written (b)	3,183,461,568	273,752,116	1,414,469,221	33,842,565			19,513,138	1,441,884,528		
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	3,180,521,079	273,752,116	1,414,469,221	33,842,565			19,513,138	1,438,944,039		
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	2,714,171,178	200,342,782	1,188,391,585	24,380,412			20,957,980	1,280,098,419		
18. Amount incurred for provision of health care services	2,708,099,958	198,919,448	1,190,420,609	24,894,214			19,811,006	1,274,054,681		

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....1,441,884,528

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

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

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

NAIC Group Code.....3383

NAIC Company Code.....95561

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior year	521,877	90,058	282,146	15,161			3,650	130,862		
2. First quarter	512,902	62,395	292,292	15,175			3,003	140,037		
3. Second quarter	513,632	59,016	294,596	15,385			2,906	141,729		
4. Third quarter	511,503	56,784	292,240	15,565			2,946	143,968		
5. Current year	514,158	54,603	295,326	15,664			2,952	145,613		
6. Current year member months	6,139,044	697,004	3,515,474	184,177			35,102	1,707,287		
Total Member Ambulatory Encounters for Year:										
7. Physician	6,647,978	530,342	2,657,368	330,847			44,224	3,085,197		
8. Non-physician	747,215	59,609	298,681	37,186			4,971	346,768		
9. Totals	7,395,193	589,951	2,956,049	368,033	0	0	49,195	3,431,965	0	0
10. Hospital patient days incurred	322,282	12,918	60,011	16,621			999	231,733		
11. Number of inpatient admissions	56,360	3,054	14,233	2,736			211	36,126		
12. Health premiums written (b)	3,183,461,568	273,752,116	1,414,469,221	33,842,565			19,513,138	1,441,884,528		
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	3,180,521,079	273,752,116	1,414,469,221	33,842,565			19,513,138	1,438,944,039		
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	0									
18. Amount incurred for provision of health care services	2,708,099,958	198,919,448	1,190,420,609	24,894,214			19,811,006	1,274,054,681		

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

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....1,441,884,528

SCHEDULE S - PART 1 - SECTION 2

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Type of Business Assumed	8 Premiums	9 Unearned Premiums	10 Reserve Liability Other Than for Unearned Premiums	11 Reinsurance Payable on Paid and Unpaid Losses	12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance

NONE

SCHEDULE S - PART 2

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
Accident and Health - Non-Affiliates - U.S. Non-Affiliates						
10227	13-4924125	09/01/2016	Munich Reinsurance America, Inc.	NJ	(12,186)	
10227	13-4924125	09/01/2017	Munich Reinsurance America, Inc.	NJ	811,363	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates				799,177	0
2199999.	Total - Accident and Health Non-Affiliates				799,177	0
2299999.	Total - Accident and Health				799,177	0
2399999.	Total U.S.				799,177	0
9999999.	Total				799,177	0

SCHEDULE S - PART 3 - SECTION 2

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

1	2	3	4	5	6	7	8	9	10	Outstanding Surplus Relief		13	14
										11	12		
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Type of Business Ceded	Premiums	Unearned Premiums (Estimated)	Reserve Credit Taken Other Than for Unearned Premiums	Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
10227	13-4924125	09/01/2017	Munich Reinsurance America, Inc.	NJ	SSL/I	CMM	1,249,291						
82627	06-0839705	09/01/2018	Swiss Reinsurance Life & Health America, Inc.	MO	SSL/I	CMM	952,442						
0899999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						2,201,733	0	0	0	0	0	0
1099999.	Total - General Account - Authorized - Non-Affiliates						2,201,733	0	0	0	0	0	0
1199999.	Total - General Account - Authorized						2,201,733	0	0	0	0	0	0
3499999.	Total - General Account - Authorized, Unauthorized and Certified						2,201,733	0	0	0	0	0	0
6999999.	Total - U.S.						2,201,733	0	0	0	0	0	0
9999999.	Total						2,201,733	0	0	0	0	0	0

Sch. S - Pt. 4
NONE

Sch. S - Pt. 5
NONE

SCHEDULE S - PART 6

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

	1 2018	2 2017	3 2016	4 2015	5 2014
A. OPERATIONS ITEMS					
1. Premiums	2,006	1,514	2,667	2,096	988
2. Title XVIII - Medicare	195	56	41	33	32
3. Title XIX - Medicaid					
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses	765	1,709	15,785	15,515	4,978
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses	799	3,140	15,461	14,266	3,859
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances due					
11. Unauthorized reinsurance offset					
12. Offset for reinsurance with certified reinsurers					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F)					
14. Letters of credit (L)					
15. Trust agreements (T)					
16. Other (O)					
D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Multiple beneficiary trust					
18. Funds deposited by and withheld from (F)					
19. Letters of credit (L)					
20. Trust agreements (T)					
21. Other (O)					

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

		1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 12)	1,131,276,135	2,201,733	1,133,477,868
2.	Accident and health premiums due and unpaid (Line 15)	59,557,248		59,557,248
3.	Amounts recoverable from reinsurers (Line 16.1)	799,177		799,177
4.	Net credit for ceded reinsurance	XXX	(2,201,733)	(2,201,733)
5.	All other admitted assets (balance)	62,147,137		62,147,137
6.	Totals assets (Line 28)	1,253,779,697	0	1,253,779,697
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	283,695,910		283,695,910
8.	Accrued medical incentive pool and bonus payments (Line 2)	41,707,839		41,707,839
9.	Premiums received in advance (Line 8)	21,545,368		21,545,368
10.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount)			0
11.	Reinsurance in unauthorized companies (Line 20 minus inset amount)			0
12.	Reinsurance with certified reinsurers (Line 20 inset amount)			0
13.	Funds held under reinsurance treaties with certified reinsurers (Line 19 third inset amount)			0
14.	All other liabilities (balance)	147,014,350		147,014,350
15.	Total liabilities (Line 24)	493,963,467	0	493,963,467
16.	Total capital and surplus (Line 33)	759,816,230	XXX	759,816,230
17.	Total liabilities, capital and surplus (Line 34)	1,253,779,697	0	1,253,779,697
	NET CREDIT FOR CEDED REINSURANCE			
18.	Claims unpaid	0		
19.	Accrued medical incentive pool	0		
20.	Premiums received in advance	0		
21.	Reinsurance recoverable on paid losses	0		
22.	Other ceded reinsurance recoverables	(2,201,733)		
23.	Total ceded reinsurance recoverables	(2,201,733)		
24.	Premiums receivable	0		
25.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
26.	Unauthorized reinsurance	0		
27.	Reinsurance with certified reinsurers	0		
28.	Funds held under reinsurance treaties with certified reinsurers	0		
29.	Other ceded reinsurance payables/offsets	0		
30.	Total ceded reinsurance payables/offsets	0		
31.	Total net credit for ceded reinsurance	(2,201,733)		

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

Allocated by States and Territories

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

NONE

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
Members															
1	Priority Health	95561	38-2715520				Priority Health	MI	UDP	Spectrum Health System	Ownership	93.900	Spectrum Health System	N	1
										Munson HealthCare	Ownership	5.500		N	1
										McLaren Northern Michigan	Ownership	0.600		N	1
3383	Priority Health	11520	32-0016523				Priority Health Choice, Inc.	MI	IA	Priority Health	Ownership	100.000	Spectrum Health System	N	
3383	Priority Health	12208	20-1529553				Priority Health Insurance Company	MI		Priority Health	Ownership	100.000	Spectrum Health System	N	
3383	Priority Health		38-2715520				PHMB Properties, LLC	MI	NIA	Priority Health	Ownership	100.000	Spectrum Health System	N	
3383	Priority Health		38-2663747				Trinity Health Plans	MI	NIA	Priority Health	Ownership	100.000	Spectrum Health System	N	
3383	Priority Health		38-3085182				Priority Health Managed Benefits, Inc.	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
3383	Priority Health		82-2211831				Priority Advantage, LLC	MI	NIA	Priority Health Managed Benefits, Inc.	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Grand Rapids	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Big Rapids Hospital	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Reed City Hospital	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Gerber Memorial	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Ludington Hospital	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Pennock	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health United Hospital	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Kelsey Hospital	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Zeeland Community Hospital.	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Continuing Care	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Medical Group	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	
							Spectrum Health Lakeland	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	N	

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

SCHEDULE Y

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

1 NAIC Company Code	2 ID Number	3 Names of Insurers and Parent, Subsidiaries or Affiliates	4 Shareholder Dividends	5 Capital Contributions	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	7 Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	8 Management Agreements and Service Contracts	9 Income/ (Disbursements) Incurred under Reinsurance Agreements	10 *	11 Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	12 Totals	13 Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
12208	20-1529553	Priority Health Insurance Company					(18,787,720)				(18,787,720)	
	38-3085182	Priority Health Managed Benefits					275,863,101				275,863,101	
95561	38-2715520	Priority Health					(224,109,488)				(224,109,488)	
11520	32-0016523	Priority Health Choice, Inc.					(26,460,808)				(26,460,808)	
	82-2211831	Priority Advantage, LLC					(6,126,214)				(6,126,214)	
	38-2715520	PHMB Properties, LLC					(378,871)				(378,871)	
9999999.	Control Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

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

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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

EXPLANATIONS:

BAR CODE:

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12. The data for this supplement is not required to be filed.

13. The data for this supplement is not required to be filed.

14. The data for this supplement is not required to be filed.

15. The data for this supplement is not required to be filed.

16. The data for this supplement is not required to be filed.

17. The data for this supplement is not required to be filed.

18. The data for this supplement is not required to be filed.

19. The data for this supplement is not required to be filed.

20. The data for this supplement is not required to be filed.

21. The data for this supplement is not required to be filed.

22.

23.

24. The data for this supplement is not required to be filed.

25. The data for this supplement is not required to be filed.

26.

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9556120184200000000
9556120183710000000
9556120183700000000
9556120183650000000
9556120182240000000
9556120182250000000
9556120182260000000
9556120183060000000
9556120182110000000
9556120182900000000
9556120183000000000

Overflow Page for Write-Ins

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

	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
2504. Other Corporate Management Fee	234,207	263,441	635,431		1,133,079
2597. Summary of remaining write-ins for Line 25	234,207	263,441	635,431	0	1,133,079

Overflow Page for Write-Ins

NONE

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2018
(To Be Filed by March 1)
FOR THE STATE OF.....Michigan

NAIC Group Code.....3383
Address (City, State and Zip Code).....Grand Rapids, MI 49525
Person Completing This Exhibit.....Rachel Hendricks

NAIC Company Code.....95561

Title.....Lead Financial Analyst.....Telephone Number.....(616)464-8205

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2015				Policies Issued in 2016, 2017 & 2018			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives
Individual Policies																	
Yes	1955	A	NO	234	12/02/2009			05/31/2010	Priority Health Medigap Plan A			0.0				0.0	
Yes	1956	C	NO	234	12/02/2009			05/31/2010	Priority Health Medigap Plan C			0.0				0.0	
Yes	1957	F	NO	234	12/02/2009			05/31/2010	Priority Health Medigap Plan F			0.0				0.0	
Yes	4996-12	A	NO	234	10/06/2011		12/05/2016		Priority Health Medigap Plan A			0.0		316,752	80,263	25.3	70
Yes	4997-12	D	NO	234	10/06/2011				Priority Health Medigap Plan D			0.0		161,467	89,941	55.7	66
Yes	4998-12	F	NO	234	10/06/2011				Priority Health Medigap Plan F			0.0		23,743,220	17,748,110	74.8	10,001
Yes	4999-12	N	NO	234	10/06/2011				Priority Health Medigap Plan N			0.0		2,395,987	1,600,910	66.8	1,599
Yes	5000-15	G	NO	234	09/18/2014				Priority Health Medigap Plan G			0.0		7,082,510	5,247,905	74.1	3,884
Yes	2017-0000	C	NO	234	09/19/2016				Priority Health Medigap Plan C			0.0		142,629	127,085	89.1	44
0199999.	Total Policy Experience on Individual Policies									0	0	0.0	0	33,842,565	24,894,214	73.6	15,664

GENERAL INTERROGATORIES

1. If response in Column 1 is no, give full and complete details.....

2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
   2.1 Address.....
   2.2 Contact person and phone number.....
3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
   3.1 Address.....
   3.2 Contact person and phone number.....
4. Explain any policies identified as policy type "O".

2018 ALPHABETICAL INDEX
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