



ANNUAL STATEMENT

For the Year Ended December 31, 2019

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 616-942-0954
(Street and Number) (City or Town, State, Country and Zip Code) (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 616-464-8837
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.priorityhealth.com

Statutory Statement Contact Ryan Babiak 616-464-0474
(Name) (Area Code) (Telephone Number) (Extension)
ryan.babiak@spectrumhealth.org 616-942-7916
(E-Mail Address) (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	Matthew Elson Cox #	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	Michael Frederic Sytsma	Gary Wade Timmer
Bruce Allen Ullery	Michael Butler Verhulst #	Michael Clifton Vredenburg	Wendy Hansen Walker
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) Joan Antaya Budden	_____ (Signature) Mary Anne Jones	_____ (Signature) Kimberly Lynn Thomas
1. (Printed Name) President / Chief Executive Officer	2. (Printed Name) Treasurer / Chief Financial Officer	3. (Printed Name) 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 _____

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.....	2,459,131	736,627	546	6,543,539	6,543,539	3,196,304
Michigan Public School Employees Retirement System.....	5,878,667	230,412				6,109,079
Federal Employees Health Benefits.....	927,095	970,750		997,052	997,052	1,897,845
0299997. Group subscribers subtotal.....	6,805,762	1,201,162	0	997,052	997,052	8,006,924
0299998. Premiums due and unpaid not individually listed.....	3,808,035	489,742		340,241	340,241	4,297,777
0299999. Total group.....	10,613,797	1,690,904	0	1,337,293	1,337,293	12,304,701
0599999. Accident and health premiums due and unpaid (Page 2, Line 15).....	13,072,928	2,427,531	546	7,880,832	7,880,832	15,501,005

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.....	15,627,924	15,097,571	16,625,752	20,949,346	20,949,346	47,351,247
0199998. Pharmaceutical Rebate Receivables Not Listed Individually.....	190,000	190,000	190,000	1,123,857	1,123,857	570,000
0199999. Total Pharmaceutical Rebate Receivables.....	15,817,924	15,287,571	16,815,752	22,073,203	22,073,203	47,921,247
Claim Overpayment Receivables						
0299998. Claim Overpayment Receivables Not Listed Individually.....	460,759	542,788	316,957	0	0	1,320,504
0299999. Total Claim Overpayment Receivables.....	460,759	542,788	316,957	0	0	1,320,504
Other Receivables						
0699998. Other Receivables Not Listed Individually.....	2,832,931	1,505,304	1,505,304	1,083	1,083	5,843,539
0699999. Total Other Receivables.....	2,832,931	1,505,304	1,505,304	1,083	1,083	5,843,539
0799999. Gross Health Care Receivables.....	19,111,614	17,335,663	18,638,013	22,074,286	22,074,286	55,085,290

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

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	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		
1. Pharmaceutical rebate receivables.....	77,958,912	121,150,025		69,994,451	77,958,912	78,692,820
2. Claim overpayment receivables.....	1,963,488			1,320,503	1,963,488	1,963,489
3. Loans and advances to providers.....					.0	
4. Capitation arrangement receivables.....					.0	
5. Risk sharing receivables.....					.0	
6. Other health care receivables.....	4,412,027	13,400,023		5,844,622	4,412,027	4,230,177
7. Totals (Lines 1 through 6).....	84,334,427	134,550,048	0	77,159,576	84,334,427	84,886,486

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.....	4,255,250					4,255,250
0399999. Aggregate accounts not individually listed - covered.....	83,855,958					83,855,958
0499999. Subtotals.....	88,111,208	0	0	0	0	88,111,208
0599999. Unreported claim and other claim reserves.....						201,728,178
0699999. Total amounts withheld.....						16,693
0799999. Total claims unpaid.....						289,856,079
0899999. Accrued medical incentive pool and bonus amounts.....						34,293,669

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
Amounts Due From Parent, Subsidiaries and Affiliates							
Priority Health Insurance Company.....	14,224,570					14,224,570	
Priority Health Managed Benefits.....	16,611,445				13,974,889	2,636,556	
Priority Health Choice.....	4,693,560					4,693,560	
Spectrum Health.....	3,671,949					3,671,949	
0199999. Individually listed receivables.....	39,201,524	0	0	0	13,974,889	25,226,635	0
0299999. Receivables not individually listed.....	37,744					37,744	
0399999. Total gross amounts receivable.....	39,239,268	0	0	0	13,974,889	25,264,379	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.....	25,139,781	25,139,781	
Spectrum Health System.....	Premium Risk Share.....	7,111,400	7,111,400	
Priority Health Managed Benefits.....	Premium Risk Share.....	8,383,404	8,383,404	
0199999. Individually listed payables.....		40,634,585	40,634,585	0
0299999. Payables not individually listed.....		379,579	379,579	
0399999. Total gross payables.....		41,014,164	41,014,164	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.....	50,442	0.0	2,061	.04	50,442	
2. Intermediaries.....	.0	0.0				
3. All other providers.....	3,826,529	0.1	255,102	46.9	3,826,529	
4. Total capitation payments.....	3,876,971	0.1	257,163	47.3	3,876,971	0
Other Payments:						
5. Fee-for-service.....	93,329,804	3.3	XXX	XXX		93,329,804
6. Contractual fee payments.....	1,860,868,259	66.0	XXX	XXX	1,860,868,259	
7. Bonus/withhold arrangements - fee-for-service.....	.0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments.....	861,577,080	30.6	XXX	XXX	861,577,080	
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.....	2,815,775,143	99.9	XXX	XXX	2,722,445,339	93,329,804
13. Total (Line 4 plus Line 12).....	2,819,652,114	100.0	XXX	XXX	2,726,322,310	93,329,804

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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
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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 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior year.....	514,158	54,603	295,326	15,664			2,952	145,613		
2. First quarter.....	541,046	78,414	293,110	15,848			1,958	151,716		
3. Second quarter.....	537,525	76,742	289,708	15,966			1,937	153,172		
4. Third quarter.....	540,040	74,333	292,735	16,102			1,925	154,945		
5. Current year.....	544,198	72,163	297,389	16,208			1,917	156,521		
6. Current year member months.....	6,466,813	901,006	3,508,067	191,155			23,719	1,842,866		
Total Member Ambulatory Encounters for Year:										
7. Physician.....	7,001,849	666,385	2,581,602	352,718			30,512	3,370,632		
8. Non-physician.....	887,873	84,501	327,361	44,727			3,869	427,415		
9. Totals.....	7,889,722	750,886	2,908,963	397,445	0	0	34,381	3,798,047	0	0
10. Hospital patient days incurred.....	354,130	19,808	68,209	18,489			806	246,818		
11. Number of inpatient admissions.....	60,960	4,451	16,804	2,582			231	36,892		
12. Health premiums written (b).....	3,407,397,907	374,957,841	1,391,506,306	35,539,515			12,128,793	1,593,265,452		
13. Life premiums direct.....	0									
14. Property/casualty premiums written.....	0									
15. Health premiums earned.....	3,406,595,545	374,957,841	1,391,506,306	35,539,515			12,128,793	1,592,463,090		
16. Property/casualty premiums earned.....	0									
17. Amount paid for provision of health care services.....	2,819,652,114	285,958,330	1,159,832,552	26,604,917			15,344,298	1,331,912,017		
18. Amount incurred for provision of health care services.....	2,968,766,485	296,777,681	1,206,424,232	26,241,728			14,258,537	1,425,064,307		

(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 \$.....1,593,265,452



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 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior year.....	514,158	54,603	295,326	15,664			2,952	145,613		
2. First quarter.....	541,046	78,414	293,110	15,848			1,958	151,716		
3. Second quarter.....	537,525	76,742	289,708	15,966			1,937	153,172		
4. Third quarter.....	540,040	74,333	292,735	16,102			1,925	154,945		
5. Current year.....	544,198	72,163	297,389	16,208			1,917	156,521		
6. Current year member months.....	6,466,813	901,006	3,508,067	191,155			23,719	1,842,866		
Total Member Ambulatory Encounters for Year:										
7. Physician.....	7,001,849	666,385	2,581,602	352,718			30,512	3,370,632		
8. Non-physician.....	887,873	84,501	327,361	44,727			3,869	427,415		
9. Totals.....	7,889,722	750,886	2,908,963	397,445	0	0	34,381	3,798,047	0	0
10. Hospital patient days incurred.....	354,130	19,808	68,209	18,489			806	246,818		
11. Number of inpatient admissions.....	60,960	4,451	16,804	2,582			231	36,892		
12. Health premiums written (b).....	3,407,397,907	374,957,841	1,391,506,306	35,539,515			12,128,793	1,593,265,452		
13. Life premiums direct.....	0									
14. Property/casualty premiums written.....	0									
15. Health premiums earned.....	3,406,595,545	374,957,841	1,391,506,306	35,539,515			12,128,793	1,592,463,090		
16. Property/casualty premiums earned.....	0									
17. Amount paid for provision of health care services.....	2,819,652,114	285,958,330	1,159,832,552	26,604,917			15,344,298	1,331,912,017		
18. Amount incurred for provision of health care services.....	2,968,766,485	296,777,681	1,206,424,232	26,241,728			14,258,537	1,425,064,307		

(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 \$.....1,593,265,452

SCHEDULE S - PART 1 - SECTION 2

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Effective Date	Name of Reinsured	Domiciliary Jurisdiction	Type of Reinsurance Assumed	Type of Business Assumed	Premiums	Unearned Premiums	Reserve Liability Other than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	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	2	3	4	5	6	7
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Paid Losses	Unpaid Losses
Accident and Health - Non-Affiliates - U.S. Non-Affiliates						
82627.....	06-0839705....	09/01/2019	Swiss Re.....	MO.....	10,796	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates.....				10,796	0
2199999.	Total - Accident and Health Non-Affiliates.....				10,796	0
2299999.	Total - Accident and Health.....				10,796	0
2399999.	Total U.S.....				10,796	0
9999999.	Total.....				10,796	0

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance 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 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other Than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
82627.....	06-0839705....	.09/01/2018	Swiss Reinsurance Life & Health America, Inc.....	MO.....	SSL/I.....	CMM.....	3,006,193						
10227.....	13-4924125....	.09/01/2017	Munich Reinsurance America, Inc.....	NJ.....	SSL/I.....	CMM.....	(588)						
0899999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates.....						3,005,605	0	0	0	0	0	0
1099999.	Total - General Account - Authorized - Non-Affiliates.....						3,005,605	0	0	0	0	0	0
1199999.	Total - General Account - Authorized.....						3,005,605	0	0	0	0	0	0
3499999.	Total - General Account - Authorized, Unauthorized and Certified.....						3,005,605	0	0	0	0	0	0
6999999.	Total - U.S.....						3,005,605	0	0	0	0	0	0
9999999.	Total.....						3,005,605	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 2019	2 2018	3 2017	4 2016	5 2015
A. OPERATIONS ITEMS					
1. Premiums.....	2,613	2,006	1,514	2,667	2,096
2. Title XVIII - Medicare.....	393	195	56	41	33
3. Title XIX - Medicaid.....					
4. Commissions and reinsurance expense allowance.....					
5. Total hospital and medical expenses.....	1,687	765	1,709	15,785	15,515
B. BALANCE SHEET ITEMS					
6. Premiums receivable.....					
7. Claims payable.....					
8. Reinsurance recoverable on paid losses.....	11	799	3,140	15,461	14,266
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).....	1,226,446,287	3,005,605	1,229,451,892
2. Accident and health premiums due and unpaid (Line 15).....	50,201,005		50,201,005
3. Amounts recoverable from reinsurers (Line 16.1).....	10,796		10,796
4. Net credit for ceded reinsurance.....	XXX	(3,005,605)	(3,005,605)
5. All other admitted assets (balance).....	123,735,588		123,735,588
6. Totals assets (Line 28).....	1,400,393,676	0	1,400,393,676
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	289,856,079		289,856,079
8. Accrued medical incentive pool and bonus payments (Line 2).....	34,293,669		34,293,669
9. Premiums received in advance (Line 8).....	25,406,965		25,406,965
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).....	172,110,808		172,110,808
15. Total liabilities (Line 24).....	521,667,521	0	521,667,521
16. Total capital and surplus (Line 33).....	878,726,153	XXX	878,726,153
17. Total liabilities, capital and surplus (Line 34).....	1,400,393,674	0	1,400,393,674
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.....	(3,005,605)		
23. Total ceded reinsurance recoverables.....	(3,005,605)		
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.....	(3,005,605)		

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.		Direct Business Only					Totals
		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	
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	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
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	
							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	

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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	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
12208.....	20-1529553.....	Priority Health Insurance Company.....	.....	.....	.....	.....	.....(22,296,452)	.....	.....	.....	.....(22,296,452)	.....
.....	38-3085182.....	Priority Health Managed Benefits.....	.....	.....	.....	.....	.....287,410,822	.....	.....	.....13,974,889	.....301,385,711	.....
95561.....	38-2715520.....	Priority Health.....	.....	.....(86,700,000)	.....	.....	.....(237,043,223)	.....	.....	.....(13,974,889)	.....(337,718,112)	.....
11520.....	32-0016523.....	Priority Health Choice, Inc.....	.....	.....	.....	.....	.....(27,064,357)	.....	.....	.....	.....(27,064,357)	.....
.....	38-2715520.....	PHMB Properties, LLC.....	.....	.....86,700,000	.....	.....	.....(1,006,790)	.....	.....	.....	.....85,693,210	.....
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

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?
2. Will an actuarial opinion be filed by March 1?
3. Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?
4. Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?

Responses

 YES

 YES

 YES

 YES

APRIL FILING

5. Will the Management's Discussion and Analysis be filed by April 1?
6. Will the Supplemental Investment Risk Interrogatories be filed by April 1?
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1?

 YES

 YES

 YES

JUNE FILING

8. Will an audited financial report be filed by June 1?
9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?

 YES

 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?
12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?
13. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?
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?
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?
16. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?
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?
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?
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?

 YES

 NO

 NO

 NO

 NO

 NO

 NO

 NO

 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?
21. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?
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?
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?
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?
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

 NO

 YES

 YES

 NO

 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.




* 9 5 5 6 1 2 0 1 9 2 0 5 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 4 2 0 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 3 7 1 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 3 7 0 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 3 6 5 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 2 2 4 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 2 2 5 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 2 2 6 0 0 0 0 0 *




* 9 5 5 6 1 2 0 1 9 3 0 6 0 0 0 0 0 *



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* 9 5 5 6 1 2 0 1 9 2 9 0 0 0 0 0 0 *



* 9 5 5 6 1 2 0 1 9 3 0 0 0 0 0 0 0 *

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.....	243,347	258,924	677,877		1,180,148
2597. Summary of remaining write-ins for Line 25.....	243,347	258,924	677,877	0	1,180,148

Overflow Page for Write-Ins

NONE

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2019
(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.....Ryan Babiak

NAIC Company Code.....95561

Title.....Sr. Financial Analyst.....Telephone Number.....(616)464-0474

1 Compliance with OBRA	2 Policy Form Number	3 Standardized Medicare Supplement Benefit Plan	4 Medicare Select	5 Plan Characteristics	6 Date Approved	7 Date Approval Withdrawn	8 Date Last Amended	9 Date Closed	10 Policy Marketing Trade Name	Policies Issued Through 2016				Policies Issued in 2017, 2018 & 2019					
										11 Premiums Earned	12 Incurred Claims		14 Number of Covered Lives	15 Premiums Earned	16 Incurred Claims		18 Number of Covered Lives		
											12 Amount	13 Percent of Premiums Earned			16 Amount	17 Percent of Premiums Earned			
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	.....	.....347,576	.....93,905	.....27.0	.....71	.....	.....
.....Yes.....	4997-12.....	D.....	.....NO...	.....234.....	.10/06/2011	.....	.....	.....	Priority Health Medigap Plan D.....	.....	.....	.....0.0	.....	.....160,567	.....83,229	.....51.8	.....65	.....	.....
.....Yes.....	4998-12.....	F.....	.....NO...	.....234.....	.10/06/2011	.....	.....	.....	Priority Health Medigap Plan F.....	.....	.....	.....0.0	.....	.....23,699,910	.....17,412,242	.....73.5	.....9,388	.....	.....
.....Yes.....	4999-12.....	N.....	.....NO...	.....234.....	.10/06/2011	.....	.....	.....	Priority Health Medigap Plan N.....	.....	.....	.....0.0	.....	.....2,879,801	.....2,127,394	.....73.9	.....1,968	.....	.....
.....Yes.....	5000-15.....	G.....	.....NO...	.....234.....	.09/18/2014	.....	.....	.....	Priority Health Medigap Plan G.....	.....	.....	.....0.0	.....	.....8,248,600	.....6,429,388	.....77.9	.....4,655	.....	.....
.....Yes.....	2017-0000.....	C.....	.....NO...	.....234.....	.09/19/2016	.....	.....	.....	Priority Health Medigap Plan C.....	.....	.....	.....0.0	.....	.....203,063	.....95,570	.....47.1	.....61	.....	.....
0199999.	Total Policy Experience on Individual Policies.....								000.0035,539,51526,241,72873.816,208

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GENERAL INTERROGATORIES

- If response in Column 1 is no, give full and complete details.....
- 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.
 - Address.....
 - Contact person and phone number.....
- Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
 - Address.....
 - Contact person and phone number.....
- Explain any policies identified as policy type "O".

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