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ANNUAL STATEMENT

For the Year Ended December 31, 2015

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 Michigan State of Domicile or Port of Entry Michigan 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 Brandon *(Name)*	616-464-8205 *(Area Code) (Telephone Number) (Extension)*
	rachel.brandon@priorityhealth.com *(E-Mail Address)*	616-942-7916 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Michael P Freed	President / Chief Executive Officer	2. Mary Anne Jones	Treasurer / Chief Financial Officer
3. Kimberly L Thomas	Secretary	4.	

OTHER

DIRECTORS OR TRUSTEES

Richard C Breon	Georgia R Fojtasek	Michael P Freed	Rajesh U Kothari
Lynne Liddle	Edward M Millermaier	Edwin Ness	Paul Saginaw
Hilary Snell	James J Stephanak	Michael Sytsma	Gary W Timmer
Bruce Ullery	Jody D Vanderwel	Michael Vredenburg	Wendy H Walker
Samuel L Wanner	Elaine 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 Budden	Mary Anne Jones	Kimberly L 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 _____ 2016

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	1,351,374	296,288		935,985	935,985	1,647,662
State of Michigan	7,773,295	49,166		349,106	349,106	7,822,461
0299997. Group subscribers subtotal	7,773,295	49,166	0	349,106	349,106	7,822,461
0299998. Premiums due and unpaid not individually listed	13,205,899	1,194,471	73	1,161,627	1,161,627	14,400,442
0299999. Total group	20,979,193	1,243,636	73	1,510,733	1,510,733	22,222,903
0599999. Accident and health premiums due and unpaid (Page 2, Line 15)	22,330,568	1,539,925	73	2,446,718	2,446,718	23,870,565

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	3,811,456	3,811,455	3,811,455	9,109,214	9,109,214	11,434,366
Magellan	497,699	497,699	497,699	1,189,478	1,189,478	1,493,097
0199999. Total Pharmaceutical Rebate Receivables	4,309,155	4,309,154	4,309,154	10,298,692	10,298,692	12,927,463
Claim Overpayment Receivables						
0299998. Claim Overpayment Receivables Not Listed Individually	1,021,210	417,777	160,096			1,599,083
0299999. Total Claim Overpayment Receivables	1,021,210	417,777	160,096	0	0	1,599,083
Other Receivables						
0699998. Other Receivables Not Listed Individually	79,040	80,575	76,878	130,460	130,460	236,493
0699999. Total Other Receivables	79,040	80,575	76,878	130,460	130,460	236,493
0799999. Gross Health Care Receivables	5,409,405	4,807,506	4,546,128	10,429,152	10,429,152	14,763,039

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	12,073,681	34,997,081		23,226,152	12,073,681	11,524,231
2. Claim overpayment receivables	806,934			1,599,083	806,934	806,934
3. Loans and advances to providers					0	
4. Capitation arrangement receivables					0	
5. Risk sharing receivables					0	
6. Other health care receivables				366,955	0	1,654,511
7. Totals (Lines 1 through 6)	12,880,615	34,997,081	0	25,192,190	12,880,615	13,985,676

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	2,742,897					2,742,897
0399999. Aggregate accounts not individually listed - covered	51,313,264					51,313,264
0499999. Subtotals	54,056,161	0	0	0	0	54,056,161
0599999. Unreported claim and other claim reserves						138,763,480
0699999. Total amounts withheld						39,428
0799999. Total claims unpaid						192,859,069
0899999. Accrued medical incentive pool and bonus amounts						36,856,728

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							
Spectrum Health	869,037			91,899	91,899	869,037	
Priority Health Insurance Company	7,446,465					7,446,465	
0199999. Individually listed receivables	8,315,502	0	0	91,899	91,899	8,315,502	0
0299999. Receivables not individually listed	7,245,686					7,245,686	
0399999. Total gross amounts receivable	15,561,188	0	0	91,899	91,899	15,561,188	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	16,534,221	16,534,221	
Spectrum Health System	Premium Risk Share	10,820,005	10,820,005	
0199999. Individually listed payables		27,354,226	27,354,226	0
0299999. Payables not individually listed		1,816,692	1,816,692	
0399999. Total gross payables		29,170,918	29,170,918	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	40,869	0.0			40,869	
2. Intermediaries	0	0.0				
3. All other providers	3,183,975	0.2			3,183,975	
4. Total capitation payments	3,224,844	0.2	0		3,224,844	0
Other Payments:						
5. Fee-for-service	75,887,242	4.1	XXX	XXX		75,887,242
6. Contractual fee payments	1,179,964,484	63.8	XXX	XXX	1,179,964,484	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	591,479,613	32.0	XXX	XXX	591,479,613	
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	1,847,331,339	99.8	XXX	XXX	1,771,444,097	75,887,242
13. Total (Line 4 plus Line 12)	1,850,556,183	100.0	XXX	XXX	1,774,668,941	75,887,242

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	1,734,207		1,619,239	114,968	114,968	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	1,734,207	0	1,619,239	114,968	114,968	0

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	363,036	7,270	256,573	8,014				91,179		
2. First quarter	399,638	45,729	246,967	9,261			120	97,561		
3. Second quarter	401,507	45,982	247,072	9,693			166	98,594		
4. Third quarter	407,222	45,411	251,562	10,155			183	99,911		
5. Current year	411,670	45,873	253,817	10,650			244	101,086		
6. Current year member months	4,799,342	497,784	2,995,334	117,216			1,952	1,187,056		
Total Member Ambulatory Encounters for Year:										
7. Physician	4,577,437	350,385	2,109,757	193,561				1,923,734		
8. Non-physician	617,622	47,277	284,664	26,117				259,564		
9. Totals	5,195,059	397,662	2,394,421	219,678	0	0	0	2,183,298	0	0
10. Hospital patient days incurred	226,708	7,673	46,203	1,807				171,025		
11. Number of inpatient admissions	38,977	1,862	11,210	438				25,467		
12. Health premiums written (b)	2,187,996,468	142,993,440	1,130,925,376	20,630,354			920,834	892,526,464		
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	2,185,867,690	141,563,813	1,130,259,443	20,630,354			920,834	892,493,246		
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	1,850,556,182	147,214,245	917,742,556	14,164,803			720,100	770,714,478		
18. Amount incurred for provision of health care services	1,894,550,320	151,736,287	945,933,243	14,558,242			787,895	781,534,653		

(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 $.....894,374,628

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

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

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	363,036	7,270	256,573	8,014				91,179		
2. First quarter	399,638	45,729	246,967	9,261			120	97,561		
3. Second quarter	401,507	45,982	247,072	9,693			166	98,594		
4. Third quarter	407,222	45,411	251,562	10,155			183	99,911		
5. Current year	411,670	45,873	253,817	10,650			244	101,086		
6. Current year member months	4,799,342	497,784	2,995,334	117,216			1,952	1,187,056		
Total Member Ambulatory Encounters for Year:										
7. Physician	4,577,437	350,385	2,109,757	193,561				1,923,734		
8. Non-physician	617,622	47,277	284,664	26,117				259,564		
9. Totals	5,195,059	397,662	2,394,421	219,678	0	0	0	2,183,298	0	0
10. Hospital patient days incurred	226,708	7,673	46,203	1,807				171,025		
11. Number of inpatient admissions	38,977	1,862	11,210	438				25,467		
12. Health premiums written (b)	2,187,996,468	142,993,440	1,130,925,376	20,630,354			920,834	892,526,464		
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	2,185,867,690	141,563,813	1,130,259,443	20,630,354			920,834	892,493,246		
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	1,850,556,182	147,214,245	917,742,556	14,164,803			720,100	770,714,478		
18. Amount incurred for provision of health care services	1,894,550,320	151,736,287	945,933,243	14,558,242			787,895	781,534,653		

(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 $.....894,374,628

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 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 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	09/01/2013	Munich Reinsurance America, Inc.	NJ	704,482	
		01/01/2014	Department of Health and Human Services		13,561,214	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates				14,265,696	0
2199999.	Total - Accident and Health Non-Affiliates				14,265,696	0
2299999.	Total - Accident and Health				14,265,696	0
2399999.	Total U.S.				14,265,696	0
9999999.	Total				14,265,696	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	09/01/2013	Munich Reinsurance America, Inc.	NJ	SSL/A/I		699,150						
		01/01/2014	Department of Health and Human Services				1,429,626						
0899999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						2,128,776	0	0	0	0	0	0
1099999.	Total - General Account - Authorized - Non-Affiliates						2,128,776	0	0	0	0	0	0
1199999.	Total - General Account - Authorized						2,128,776	0	0	0	0	0	0
3499999.	Total - General Account - Authorized, Unauthorized and Certified						2,128,776	0	0	0	0	0	0
6999999.	Total - U.S.						2,128,776	0	0	0	0	0	0
9999999.	Total						2,128,776	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 2015	2 2014	3 2013	4 2012	5 2011
A. OPERATIONS ITEMS					
1. Premiums	2,096	988	897	1,358	1,419
2. Title XVIII - Medicare	33	32	38	33	54
3. Title XIX - Medicaid					
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses	15,515	4,978	326	224	394
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses	14,266	3,859	123	8	58
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					XXX
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					XXX
18. Funds deposited by and withheld from (F)					XXX
19. Letters of credit (L)					XXX
20. Trust agreements (T)					XXX
21. Other (O)					XXX

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)	834,084,147	2,128,777	836,212,924
2.	Accident and health premiums due and unpaid (Line 15)	23,884,604		23,884,604
3.	Amounts recoverable from reinsurers (Line 16.1)	14,265,697		14,265,697
4.	Net credit for ceded reinsurance	XXX	(2,128,777)	(2,128,777)
5.	All other admitted assets (balance)	37,932,227		37,932,227
6.	Totals assets (Line 28)	910,166,675	0	910,166,675
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	192,859,069		192,859,069
8.	Accrued medical incentive pool and bonus payments (Line 2)	36,856,728		36,856,728
9.	Premiums received in advance (Line 8)	27,709,226		27,709,226
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)	122,918,414		122,918,414
15.	Total liabilities (Line 24)	380,343,437	0	380,343,437
16.	Total capital and surplus (Line 33)	529,823,239	XXX	529,823,239
17.	Total liabilities, capital and surplus (Line 34)	910,166,676	0	910,166,676
	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	(2,128,777)		
23.	Total ceded reinsurance recoverables	(2,128,777)		
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	(2,128,777)		

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 *
Members														
3383	Priority Health	95561	38-2715520				Priority Health	MI		Spectrum Health System	Ownership	93.900	Spectrum Health System	1
										Munson HealthCare	Ownership	5.500		1
										Healthshare DBA The Healthshare Group	Ownership	0.600		1
3383	Priority Health	11520	32-0016523				Priority Health Choice, Inc.	MI	DS	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health	12208	20-1529553				Priority Health Insurance Company	MI	DS	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2715520				PHMB Properties, LLC	MI	DS	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2663747				Trinity Health Plans	MI	DS	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-3085182				Priority Health Managed Benefits, Inc.	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	

Asterisk	Explanation
1	Spectrum Health Systems (EIN 38-3382353), Class A Shareholder - 93.9%; Munson Healthcare (EIN 38-1362830), Class B Shareholder - 5.5%; Healthshare (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					(17,176,475)				(17,176,475)	
	38-3085182	Priority Health Managed Benefits					185,287,347				185,287,347	
95561	38-2715520	Priority Health					(148,184,662)				(148,184,662)	
11520	32-0016523	Priority Health Government Programs					(19,926,210)				(19,926,210)	
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	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 Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES

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

	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 the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	NO
14.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
15.	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
16.	Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
17.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
18.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partners 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 one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
20.	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	
21.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
22.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23.	Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24.	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
25.	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
	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:

1.

2.

3.

4.

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

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

24.

25.

26.

BAR CODE:

9556120152050000000

9556120152070000000

9556120154200000000

9556120153710000000

9556120153700000000

9556120153650000000

9556120152240000000

9556120152250000000

9556120152260000000

9556120153060000000

9556120152110000000

9556120152130000000

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	178,378	243,410	477,751		899,539
2597. Summary of remaining write-ins for Line 25	178,378	243,410	477,751	0	899,539

Overflow Page for Write-Ins

NONE

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2015
(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 Brandon

NAIC Company Code.....95561

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

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2012				Policies Issued in 2013, 2014 & 2015			
										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				Priority Health Medigap Plan A			0.0		31,567	415,770	1,317.1	27
Yes	4997-12	D	NO	234	10/06/2011				Priority Health Medigap Plan D			0.0		136,317	68,192	50.0	68
Yes	4998-12	F	NO	234	10/06/2011				Priority Health Medigap Plan F			0.0		18,604,085	12,926,274	69.5	8,997
Yes	4999-12	N	NO	234	10/06/2011				Priority Health Medigap Plan N			0.0		806,602	411,827	51.1	563
Yes	5000-15	G	NO	234	09/18/2014				Priority Health Medigap Plan G			0.0		1,051,783	736,179	70.0	905
0199999.	Total Policy Experience on Individual Policies									0	0	0.0	0	20,630,354	14,558,242	70.6	10,560

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".

2015 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 – Enrollment By Product Type for Health Business Only	17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18
Exhibit 3 – Health Care Receivables	19
Exhibit 3A – Health Care Receivables Collected and Accrued	20
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 – Part 1 – Summary of Transactions With Providers	24
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	24
Exhibit 8 – Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-ins	44
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17
Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Verification	SI14
Schedule DL – Part 1	E24
Schedule DL – Part 2	E25
Schedule E – Part 1 – Cash	E26
Schedule E – Part 2 – Cash Equivalents	E27
Schedule E – Part 3 – Special Deposits	E28
Schedule E – Verification Between Years	SI15
Schedule S – Part 1 – Section 2	31
Schedule S – Part 2	32
Schedule S – Part 3 – Section 2	33
Schedule S – Part 4	34
Schedule S – Part 5	35
Schedule S – Part 6	36
Schedule S – Part 7	37
Schedule T – Part 2 – Interstate Compact	38
Schedule T – Premiums and Other Considerations	39
Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y – Part 1A – Detail of Insurance Holding Company System	41
Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit – Part 1	8
Underwriting and Investment Exhibit – Part 2	9
Underwriting and Investment Exhibit – Part 2A	10
Underwriting and Investment Exhibit – Part 2B	11
Underwriting and Investment Exhibit – Part 2C	12
Underwriting and Investment Exhibit – Part 2D	13
Underwriting and Investment Exhibit – Part 3	14