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ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

Priority Health Choice, Inc.

NAIC Group Code.....3383, 3383 (Current Period) (Prior Period) NAIC Company Code..... 11520 Employer's ID Number..... 32-0016523

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..... June 3, 2002 Commenced Business..... October 1, 2002

Statutory Home Office 1231 East Beltline NE….. Grand Rapids ..... MI ..... US …. 49525-4501
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1231 East Beltline NE….. Grand Rapids ..... MI ..... US …. 49525-4501
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1231 East Beltline NE….. Grand Rapids ..... MI ..... US …. 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 ..... US …. 49525-4501
(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 Vicki Vander Veen 616-464-8225
(Name) (Area Code) (Telephone Number) (Extension)
vicki.vanderveen@priorityhealth.com
(E-Mail Address) (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

Michael P Freed	Michael Koziara	Jay LaBine MD	Mary Anne Jones
Nicole Karsies	Chelsee Davis-Herzhaft		

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						
0499999. Premiums due and unpaid from Medicaid entities	3,649,403	14,418		55,414		3,719,234
0599999. Accident and health premiums due and unpaid (Page 2, Line 15)	3,649,403	14,418	0	55,414	0	3,719,234

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
Claim Overpayment Receivables						
Aggregate of amounts not individually listed	345,973	79,092	124,532			549,597
0299999. Total Claim Overpayment Receivables	345,973	79,092	124,532	0	0	549,597
Other Receivables						
State of Michigan	3,134,447	200,451	184,626	584,402		4,103,926
0699999. Total Other Receivables	3,134,447	200,451	184,626	584,402	0	4,103,926
0799999. Gross Health Care Receivables	3,480,420	279,543	309,158	584,402	0	4,653,523

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					0	
2. Claim overpayment receivables	111,345			549,597	111,345	111,345
3. Loans and advances to providers					0	
4. Capitation arrangement receivables					0	
5. Risk sharing receivables					0	
6. Other health care receivables	1,904,021			4,103,926	1,904,021	1,904,021
7. Totals (Lines 1 through 6)	2,015,366	0	0	4,653,523	2,015,366	2,015,366

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)						
0399999. Aggregate accounts not individually listed - covered	6,727,831					6,727,831
0499999. Subtotals	6,727,831	0	0	0	0	6,727,831
0599999. Unreported claim and other claim reserves						53,245,089
0799999. Total claims unpaid						59,972,920
0899999. Accrued medical incentive pool and bonus amounts						3,798,681

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	221,480					221,480	
Priority Health Managed Benefits	275,478					275,478	
Spectrum Health	5,589,605					5,589,605	
0199999. Individually listed receivables	6,086,563	0	0	0	0	6,086,563	0
0399999. Total gross amounts receivable	6,086,563	0	0	0	0	6,086,563	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 Managed Benefits	Management Fee Payable	834,673	834,673	
Priority Health	Pharmacy Payments made by Parent	1,563,966	1,563,966	
0199999. Individually listed payables		2,398,639	2,398,639	0
0299999. Payables not individually listed		11,853	11,853	
0399999. Total gross payables		2,410,492	2,410,492	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	413,148	0.1			413,148	
2. Intermediaries	0	0.0				
3. All other providers	145,777,602	39.7			145,777,602	
4. Total capitation payments	146,190,750	39.8	0		146,190,750	0
Other Payments:						
5. Fee-for-service	11,080,590	3.0	XXX	XXX		11,080,590
6. Contractual fee payments	147,950,788	40.3	XXX	XXX	147,950,788	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	61,911,050	16.9	XXX	XXX	61,911,050	
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	220,942,428	60.2	XXX	XXX	209,861,838	11,080,590
13. Total (Line 4 plus Line 12)	367,133,178	100.0	XXX	XXX	356,052,588	11,080,590

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 Choice, Inc. 2. Grand Rapids, MI

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

NAIC Group Code.....3383

NAIC Company Code.....11520

	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	100,120	5,796							94,324	
2. First quarter	109,665	6,618							103,047	
3. Second quarter	116,638	6,807							109,831	
4. Third quarter	114,631	5,483							109,148	
5. Current year	115,522	4,987							110,535	
6. Current year member months	1,356,865	73,461							1,283,404	
Total Member Ambulatory Encounters for Year:										
7. Physician	1,350,228	33,644							1,316,584	
8. Non-physician	150,928	3,761							147,167	
9. Totals	1,501,156	37,405	0	0	0	0	0	0	1,463,751	0
10. Hospital patient days incurred	45,777	316							45,461	
11. Number of inpatient admissions	10,448	97							10,351	
12. Health premiums written (b)	452,419,425	10,110,491							442,308,934	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	452,045,980	10,110,491							441,935,489	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	367,133,178	7,791,898							359,341,280	
18. Amount incurred for provision of health care services	386,679,390	7,801,897							378,877,493	

(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 $.....0

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

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

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

NAIC Group Code.....3383

NAIC Company Code.....11520

	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	100,120	5,796							94,324	
2. First quarter	109,665	6,618							103,047	
3. Second quarter	116,638	6,807							109,831	
4. Third quarter	114,631	5,483							109,148	
5. Current year	115,522	4,987							110,535	
6. Current year member months	1,356,865	73,461							1,283,404	
Total Member Ambulatory Encounters for Year:										
7. Physician	1,350,228	33,644							1,316,584	
8. Non-physician	150,928	3,761							147,167	
9. Totals	1,501,156	37,405	0	0	0	0	0	0	1,463,751	0
10. Hospital patient days incurred	45,777	316							45,461	
11. Number of inpatient admissions	10,448	97							10,351	
12. Health premiums written (b)	452,419,425	10,110,491							442,308,934	
13. Life premiums direct	0									
14. Property/casualty premiums written	0									
15. Health premiums earned	452,045,980	10,110,491							441,935,489	
16. Property/casualty premiums earned	0									
17. Amount paid for provision of health care services	367,133,178	7,791,898							359,341,280	
18. Amount incurred for provision of health care services	386,679,389	7,801,896							378,877,493	

(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 $.....0

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	423,002	
1999999.	Total - Accident and Health Non-Affiliates - U.S. Non-Affiliates				423,002	0
2199999.	Total - Accident and Health Non-Affiliates				423,002	0
2299999.	Total - Accident and Health				423,002	0
2399999.	Total U.S.				423,002	0
9999999.	Total				423,002	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
									Reserve Credit Taken Other Than for Unearned Premiums	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)		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		373,446						
0899999.	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						373,446	0	0	0	0	0	0
1099999.	Total - General Account - Authorized - Non-Affiliates						373,446	0	0	0	0	0	0
1199999.	Total - General Account - Authorized						373,446	0	0	0	0	0	0
3499999.	Total - General Account - Authorized, Unauthorized and Certified						373,446	0	0	0	0	0	0
6999999.	Total - U.S.						373,446	0	0	0	0	0	0
9999999.	Total						373,446	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	1	1
2. Title XVIII - Medicare					
3. Title XIX - Medicaid	373	222	160	122	70
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses	277				
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses	423	329			
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)	107,767,456	373,446	108,140,902
2.	Accident and health premiums due and unpaid (Line 15)	3,719,234		3,719,234
3.	Amounts recoverable from reinsurers (Line 16.1)	423,002		423,002
4.	Net credit for ceded reinsurance	XXX	(373,446)	(373,446)
5.	All other admitted assets (balance)	10,877,523		10,877,523
6.	Totals assets (Line 28)	122,787,215	0	122,787,215
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	59,972,920		59,972,920
8.	Accrued medical incentive pool and bonus payments (Line 2)	3,798,681		3,798,681
9.	Premiums received in advance (Line 8)			0
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)	14,134,665		14,134,665
15.	Total liabilities (Line 24)	77,906,266	0	77,906,266
16.	Total capital and surplus (Line 33)	44,880,949	XXX	44,880,949
17.	Total liabilities, capital and surplus (Line 34)	122,787,215	0	122,787,215
	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	(373,446)		
23.	Total ceded reinsurance recoverables	(373,446)		
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	(373,446)		

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	UDP	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	IA	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health	12208	20-1529553				Priority Health Insurance Company	MI		Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2715520				PHMB Properties, LLC	MI	NIA	Priority Health	Ownership	100.000	Spectrum Health System	
3383	Priority Health		38-2663747				Trinity Health Plans	MI	NIA	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?	NO
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?	NO

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

EXPLANATIONS:

BAR CODE:

1.

2.

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

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.

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

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11520201530600000
11520201521100000
11520201521300000
11520201523900000

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. IS Management Fee	853,446	1,176,233	2,274,136		4,303,815
2505. Other Corporate Management Fee	23,262	32,061	61,986		117,309
2597. Summary of remaining write-ins for Line 25	876,708	1,208,294	2,336,122	0	4,421,124

Overflow Page for Write-Ins

NONE

2015 ALPHABETICAL INDEX
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