



# HEALTH QUARTERLY STATEMENT

As of June 30, 2019  
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 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..... 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 Paul Van't Hof 616-575-4911  
(Name) (Area Code) (Telephone Number) (Extension)  
paul.vanthof@priorityhealth.com (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	Michael Richard Koziara	Mary Anne Jones	James Dwight Forshee
Marti Rae Lolli	Kimberly Lynn Thomas		

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

Subscribed and sworn to before me  
This \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [ X ] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

**ASSETS**

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	1,049,101		1,049,101	1,048,031
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	47,427,216		47,427,216	44,044,737
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....(5,972,820)), cash equivalents (\$.....43,953,837) and short-term investments (\$.....45,404,693).....	83,385,710		83,385,710	72,288,815
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	1,000,000		1,000,000	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	132,862,027	0	132,862,027	117,381,583
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	312,013		312,013	261,490
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			0	1,332,400
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	2,553		2,553	329,813
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	2,154,956		2,154,956	1,257,779
24. Health care (\$.....6,568,134) and other amounts receivable.....	6,568,134		6,568,134	8,759,764
25. Aggregate write-ins for other than invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	141,899,683	0	141,899,683	129,322,829
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	141,899,683	0	141,899,683	129,322,829

**DETAILS OF WRITE-INS**

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepays.....			0	
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	34,965,465		34,965,465	42,699,852
2. Accrued medical incentive pool and bonus amounts.....	3,798,408		3,798,408	4,731,381
3. Unpaid claims adjustment expenses.....	638,950		638,950	711,809
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....			0	
9. General expenses due or accrued.....	95,418		95,418	428,353
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....			0	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....	4,801,168		4,801,168	2,485,508
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	2,465,260		2,465,260	2,052,946
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	46,764,669	0	46,764,669	53,109,849
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	10,000	10,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	11,326,877	11,326,877
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	1,000,000	1,000,000
31. Unassigned funds (surplus).....	XXX	XXX	82,798,134	63,876,103
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	95,135,011	76,212,980
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	141,899,680	129,322,829

**DETAILS OF WRITE-INS**

2301. ....			0	
2302. ....			0	
2303. ....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
3001. Appropriated Retained Earnings.....	XXX	XXX	1,000,000	1,000,000
3002. ....				
3003. ....				
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	XXX	XXX	1,000,000	1,000,000

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	.XXX	745,609	745,206	1,514,424
2. Net premium income (including \$.....0 non-health premium income).....	.XXX	203,750,135	192,414,786	396,476,443
3. Change in unearned premium reserves and reserve for rate credits.....	.XXX			
4. Fee-for-service (net of \$.....0 medical expenses).....	.XXX			
5. Risk revenue.....	.XXX			
6. Aggregate write-ins for other health care related revenues.....	.XXX	0	0	0
7. Aggregate write-ins for other non-health revenues.....	.XXX	0	0	0
8. Total revenues (Lines 2 to 7).....	.XXX	203,750,135	192,414,786	396,476,443
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits.....		124,588,245	117,946,816	249,278,928
10. Other professional services.....		3,449,248	4,643,047	8,131,497
11. Outside referrals.....		2,613,613	2,239,070	5,080,036
12. Emergency room and out-of-area.....		10,927,161	10,752,821	21,718,462
13. Prescription drugs.....		31,649,289	35,559,837	70,748,607
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		3,139,160	3,813,346	6,380,134
16. Subtotal (Lines 9 to 15).....	0	176,366,716	174,954,937	361,337,664
<b>Less:</b>				
17. Net reinsurance recoveries.....		1,075,817	4,638	334,451
18. Total hospital and medical (Lines 16 minus 17).....	0	175,290,899	174,950,299	361,003,213
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....2,820,625 cost containment expenses.....		6,019,244	6,110,469	11,671,863
21. General administrative expenses.....		8,020,970	9,767,950	17,694,960
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....				
23. Total underwriting deductions (Lines 18 through 22).....	0	189,331,113	190,828,718	390,370,036
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	.XXX	14,419,022	1,586,068	6,106,407
25. Net investment income earned.....		1,597,158	1,069,178	2,559,651
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....		842,944	(3,002)	59,603
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	2,440,102	1,066,176	2,619,254
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....				
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	.XXX	16,859,124	2,652,244	8,725,661
31. Federal and foreign income taxes incurred.....	.XXX			
32. Net income (loss) (Lines 30 minus 31).....	.XXX	16,859,124	2,652,244	8,725,661

**DETAILS OF WRITE-INS**

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

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

<b>CAPITAL AND SURPLUS ACCOUNT</b>	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	76,212,982	68,784,055	68,784,055
34. Net income or (loss) from Line 32.....	16,859,124	2,652,244	8,725,661
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.00.....	2,011,487	(1,057,317)	(2,196,654)
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			
39. Change in nonadmitted assets.....	51,421	824,100	899,920
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....			
43. Cumulative effect of changes in accounting principles.....			
44. Capital changes:			
44.1 Paid in.....			
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....			
45.2 Transferred to capital (Stock Dividend).....			
45.3 Transferred from capital.....			
46. Dividends to stockholders.....			
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	18,922,032	2,419,027	7,428,927
49. Capital and surplus end of reporting period (Line 33 plus 48).....	95,135,014	71,203,082	76,212,982

**DETAILS OF WRITE-INS**

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

**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	205,082,535	192,907,365	395,920,850
2. Net investment income.....	1,545,565	1,008,103	2,484,418
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	206,628,100	193,915,468	398,405,268
5. Benefit and loss related payments.....	181,439,369	165,353,442	358,810,984
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	14,446,008	15,509,923	30,344,076
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....			
10. Total (Lines 5 through 9).....	195,885,377	180,863,365	389,155,060
11. Net cash from operations (Line 4 minus Line 10).....	10,742,723	13,052,103	9,250,208
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			
12.2 Stocks.....	44,868,417		62,605
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			(3,002)
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	44,868,417	0	59,603
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....			
13.2 Stocks.....	45,396,466	507,570	1,163,757
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	1,000,000	100,000	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	46,396,466	607,570	1,163,757
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(1,528,049)	(607,570)	(1,104,154)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	1,882,218	(371,746)	(183,342)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	1,882,218	(371,746)	(183,342)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	11,096,892	12,072,787	7,962,712
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	72,288,817	64,326,105	64,326,105
19.2 End of period (Line 18 plus Line 19.1).....	83,385,709	76,398,892	72,288,817

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

20.0001 .....			
---------------	--	--	--

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>Total Members at End of:</b>										
1. Prior Year.....	125,703							4,711	120,992	
2. First Quarter.....	124,329							4,474	119,855	
3. Second Quarter.....	123,079							4,337	118,742	
4. Third Quarter.....	0									
5. Current Year.....	0									
6. Current Year Member Months.....	745,609							26,994	718,615	
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician.....	666,325							24,124	642,201	
8. Non-Physician.....	145,830							5,280	140,550	
9. Total.....	812,155	0	0	0	0	0	0	29,404	782,751	0
10. Hospital Patient Days Incurred.....	26,494							959	25,535	
11. Number of Inpatient Admissions.....	5,168							187	4,981	
12. Health Premiums Written (a).....	203,922,234							2,334,961	201,587,273	
13. Life Premiums Direct.....	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	203,922,234							2,334,961	201,587,273	
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services.....	180,904,406							1,840,008	179,064,398	
18. Amount Incurred for Provision of Health Care Services.....	176,366,717							1,841,629	174,525,088	

007

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$....2,334,961.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims

1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
<b>Claims Unpaid (Reported)</b>						
0399999. Aggregate Accounts Not Individually Listed-Covered.....	8,712,906					8,712,906
0499999. Subtotals.....	8,712,906	0	0	0	0	8,712,906
0599999. Unreported Claims and Other Claim Reserves.....						26,252,559
0799999. Total Claims Unpaid.....						34,965,465
0899999. Accrued Medical Incentive Pool and Bonus Amounts.....						3,798,408



**UNDERWRITING AND INVESTMENT EXHIBIT**

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....					0	
2. Medicare Supplement.....					0	
3. Dental only.....					0	
4. Vision only.....					0	
5. Federal Employees Health Benefits Plan.....					0	
6. Title XVIII - Medicare.....	352,412	1,492,434	22,200	366,297	374,612	414,382
7. Title XIX - Medicaid.....	29,522,745	149,998,637	4,851,150	29,725,817	34,373,895	42,285,470
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	29,875,157	151,491,071	4,873,350	30,092,114	34,748,507	42,699,852
10. Healthcare receivables (a).....	3,053,855	1,480,100	-	-	3,053,855	3,053,855
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....	3,941,066	131,067	1,096,154	2,702,254	5,037,220	4,731,381
13. Totals (Lines 9-10+11+12).....	30,762,368	150,142,038	5,969,504	32,794,368	36,731,872	44,377,378

600

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (DIFS). DIFS requires that HMOs domiciled in Michigan prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, subject to any deviations prescribed or permitted by DIFS.

	SSAP #	F/S Page	F/S Line #	Current Year to Date	2018
<b>NET INCOME</b>					
(1) Priority Health Choice, Inc. Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ 16,859,124	\$ 8,725,662
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 16,859,124	\$ 8,725,662
<b>SURPLUS</b>					
(5) Priority Health Choice, Inc. Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 95,135,011	\$ 76,212,980
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 95,135,011	\$ 76,212,980

#### C. Accounting Policy

##### (2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method

Investments in bonds are carried at amortized cost. The cost of bonds is adjusted for amortization of premiums and discounts to maturity using a level-yield method. Realized gains and losses are determined using the specific identification method and are included in operations. The fair value of investments is determined based upon quoted market prices.

##### (6) Basis for Loan-Backed Securities and Adjustment Methodology

Loan-backed securities as well as other asset-backed securities are held and are reported at their amortized cost.

#### D. Going Concern

NONE

### Note 2 – Accounting Changes and Corrections of Errors

No significant changes

### Note 3 – Business Combinations and Goodwill

No significant changes

### Note 4 – Discontinued Operations

No significant changes

### Note 5 – Investments

D. Loan-Backed Securities - NOT APPLICABLE

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(3) Collateral Received - NOT APPLICABLE

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - NOT APPLICABLE

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - NOT APPLICABLE

H. Repurchase Agreements Transactions Accounted for as a Sale - NOT APPLICABLE

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - NOT APPLICABLE

M. Working Capital Finance Investments

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs - NOT APPLICABLE

(3) Any Events of Default or Working Capital Finance Investments - NOT APPLICABLE

**NOTES TO FINANCIAL STATEMENTS**

N. Offsetting and Netting of Assets and Liabilities - NOT APPLICABLE

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

H. Total Premium Costs for Contracts - NOT APPLICABLE

**Note 9 – Income Taxes**

No significant changes

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

No significant changes

**Note 11 – Debt**

B. FHLB (Federal Home Loan Bank) Agreements - NOT APPLICABLE

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

A. Defined Benefit Plan

(4) Components of Net Periodic Benefit Cost - NOT APPLICABLE

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

No significant changes

**Note 14 – Liabilities, Contingencies and Assessments**

No significant changes

**Note 15 – Leases**

No significant changes

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

No significant changes

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

B. Transfer and Servicing of Financial Assets

(2) Servicing Assets and Servicing Liabilities - NOT APPLICABLE

(4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales - NOT APPLICABLE

C. Wash Sales

(2) The details by NAIC designation 3 or below, or unrated of securities sold during the current period and reacquired within 30 days of the sale date are - NOT APPLICABLE

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

A. ASO Plans

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

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$	\$	\$
b. Total net other income or expenses (including interest paid to or receive from plans)			
c. Net gain or (loss) from operations			
d. Total claim payment volume	\$ 68,909,955	\$	\$ 68,909,955

All amounts received by the Plan have been paid out to the required parties. No administrative fees have been collected on these amounts and no amounts have been retained as reimbursement for any administrative costs incurred by the Plan. The total claim payment volume above reflects the total pass through amounts relating to the Plan through the reporting period. This total includes \$62,927,225 and \$1,154,352 relating to HRA and PCMH pass through payments, respectively, with the remaining balance consisting of GME and SNAF funds. No net gain or loss as it relates to funds received for ASO uninsured plans has

## NOTES TO FINANCIAL STATEMENTS

been recorded as of June 30, 2019.

- B. ASC Plans - NOT APPLICABLE
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - NOT APPLICABLE

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

No significant changes

### Note 20 – Fair Value Measurements

- A. The Plan's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (now codified under FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*). The hierarchy gives the highest ranking to fair values determined using unadjusted quoting prices in active markets for identical assets and liabilities (Level 1) and the lowers ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

*Level 1:* Financial instruments with unadjusted, quoted prices listed on active market exchanges.

*Level 2:* Financial instruments lacking unadjusted, quoted prices from active market exchanges, including over-the-counter traded financial instruments. The prices for the financial instruments are determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.

*Level 3:* Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instrument. The prices are determined using significant unobservable inputs or valuation techniques.

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>Assets at Fair Value</b>					
Common Stock	\$ 47,427,216	\$	\$	\$	\$ 47,427,216
<b>Total</b>	<b>\$ 47,427,216</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 47,427,216</b>
<b>Liabilities at Fair Value</b>					
	\$	\$	\$	\$	\$
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - NOT APPLICABLE
- (3) Policies when Transfers Between Levels are Recognized - NOT APPLICABLE
- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement - NOT APPLICABLE
- (5) Fair Value Disclosures - NOT APPLICABLE

- B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements - NOT APPLICABLE
- C. Fair Value Level - NOT APPLICABLE
- D. Not Practicable to Estimate Fair Value - NOT APPLICABLE

### Note 21 – Other Items

No significant changes

### Note 22 – Events Subsequent

Subsequent events have been considered through August 14, 2019 for these statutory financial statements which are to be issued on August 14, 2019. There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

### Note 23 – Reinsurance

No significant changes

### Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

- E. Risk Sharing Provisions of the Affordable Care Act - NOT APPLICABLE

### Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by \$7,951,000 from \$42,700,000 in 2018 to \$34,749,000 in 2019. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

### Note 26 – Intercompany Pooling Arrangements

No significant changes

### Note 27 – Structured Settlements

---

---

## NOTES TO FINANCIAL STATEMENTS

---

Not Applicable for Health Companies

**Note 28 – Health Care Receivables**

No significant changes

**Note 29 – Participating Policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**Note 31 – Anticipated Salvage and Subrogation**

No significant changes

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. \_\_\_\_\_
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]  
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [X] N/A [ ]  
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2017
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/17/2019

6.4 By what department or departments?  
State of Michigan Department of Insurance and Financial Services

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]
- 8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
  - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.

- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,322,786

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes  No
- 11.2 If yes, give full and complete information relating thereto:  
On Deposit with State of Michigan
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes  No
- 14.2 If yes, please complete the following:

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	0	0
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes  No   
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 0
17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes  No

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Mellon Trust	Pittsburgh, PA

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes  No
- 17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such ["...that have access to the investment accounts", "handle securities"].

1 Name of Firm or Individual	2 Affiliation
Prime Advisors	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes  No
- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes  No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Prime Advisors	N/A	SEC	NO

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes  No
- 18.2 If no, list exceptions:

## **GENERAL INTERROGATORIES**

### **PART 1 - COMMON INTERROGATORIES**

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
  - b. Issuer or obligor is current on all contracted interest and principal payments.
  - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities?

Yes [ ] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements for each self-designated PLGI security:
- a. The security was purchased prior to January 1, 2018.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities?

Yes [ ] No [X]



**GENERAL INTERROGATORIES (continued)**

**PART 2 - HEALTH**

1. Operating Percentages:		
1.1 A&H loss percent .....		<u>87.4 %</u>
1.2 A&H cost containment percent .....		<u>1.4 %</u>
1.3 A&H expense percent excluding cost containment expenses .....		<u>6.9 %</u>
2.1 Do you act as a custodian for health savings accounts? .....	Yes [ ]	No [X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.		<u>0</u>
2.3 Do you act as an administrator for health savings accounts? .....	Yes [ ]	No [X]
2.4 If yes, please provide the amount of funds administered as of the reporting date.		<u>0</u>
3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?.....	Yes [ ]	No [X]
3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?.....	Yes [ ]	No [X]

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>Life Non-Affiliates</b>								
82627.....	06-0839705.....	09/01/2018	Swiss Reinsurance Life & Health America, Inc.....	MO.....	SSL/A/I.....	Authorized.....	.....	.....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 through 7	9 Deposit-Type Contracts
1. Alabama.....AL	N								0
2. Alaska.....AK	N								0
3. Arizona.....AZ	N								0
4. Arkansas.....AR	N								0
5. California.....CA	N								0
6. Colorado.....CO	N								0
7. Connecticut.....CT	N								0
8. Delaware.....DE	N								0
9. District of Columbia.....DC	N								0
10. Florida.....FL	N								0
11. Georgia.....GA	N								0
12. Hawaii.....HI	N								0
13. Idaho.....ID	N								0
14. Illinois.....IL	N								0
15. Indiana.....IN	N								0
16. Iowa.....IA	N								0
17. Kansas.....KS	N								0
18. Kentucky.....KY	N								0
19. Louisiana.....LA	N								0
20. Maine.....ME	N								0
21. Maryland.....MD	N								0
22. Massachusetts.....MA	N								0
23. Michigan.....MI	L		2,334,961	201,587,273				203,922,234	
24. Minnesota.....MN	N								0
25. Mississippi.....MS	N								0
26. Missouri.....MO	N								0
27. Montana.....MT	N								0
28. Nebraska.....NE	N								0
29. Nevada.....NV	N								0
30. New Hampshire.....NH	N								0
31. New Jersey.....NJ	N								0
32. New Mexico.....NM	N								0
33. New York.....NY	N								0
34. North Carolina.....NC	N								0
35. North Dakota.....ND	N								0
36. Ohio.....OH	N								0
37. Oklahoma.....OK	N								0
38. Oregon.....OR	N								0
39. Pennsylvania.....PA	N								0
40. Rhode Island.....RI	N								0
41. South Carolina.....SC	N								0
42. South Dakota.....SD	N								0
43. Tennessee.....TN	N								0
44. Texas.....TX	N								0
45. Utah.....UT	N								0
46. Vermont.....VT	N								0
47. Virginia.....VA	N								0
48. Washington.....WA	N								0
49. West Virginia.....WV	N								0
50. Wisconsin.....WI	N								0
51. Wyoming.....WY	N								0
52. American Samoa.....AS	N								0
53. Guam.....GU	N								0
54. Puerto Rico.....PR	N								0
55. U.S. Virgin Islands.....VI	N								0
56. Northern Mariana Islands.....MP	N								0
57. Canada.....CAN	N								0
58. Aggregate Other alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal.....XXX		0	2,334,961	201,587,273	0	0	0	203,922,234	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX								0	
61. Total (Direct Business).....XXX		0	2,334,961	201,587,273	0	0	0	203,922,234	0

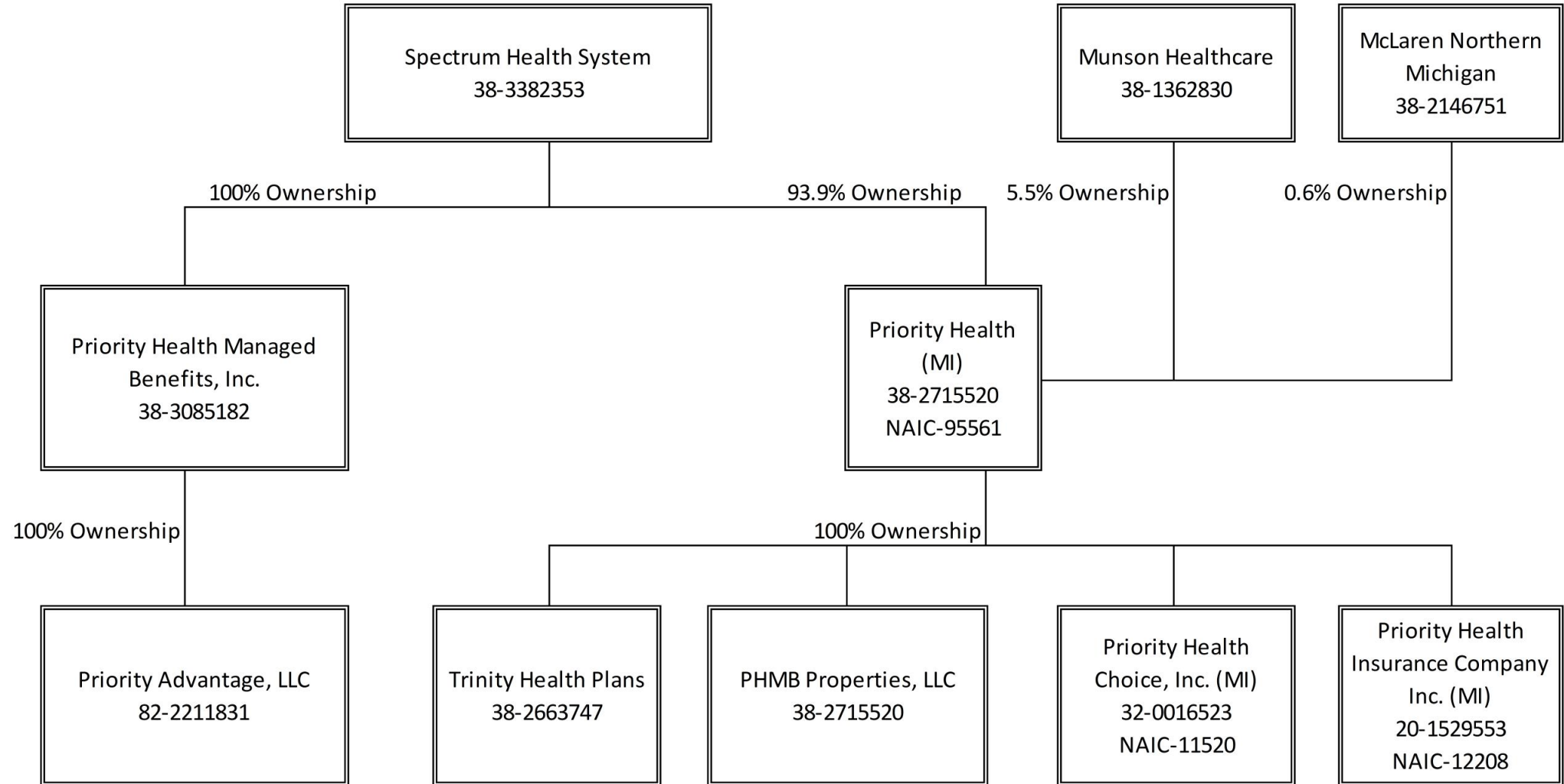
**DETAILS OF WRITE-INS**

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58 from overflow page.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		0	0	0	0	0	0	0	0

(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	1	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....	0	Q - Qualified - Qualified or accredited reinsurer.....	0
		N - None of the above - Not allowed to write business in the state.....	56

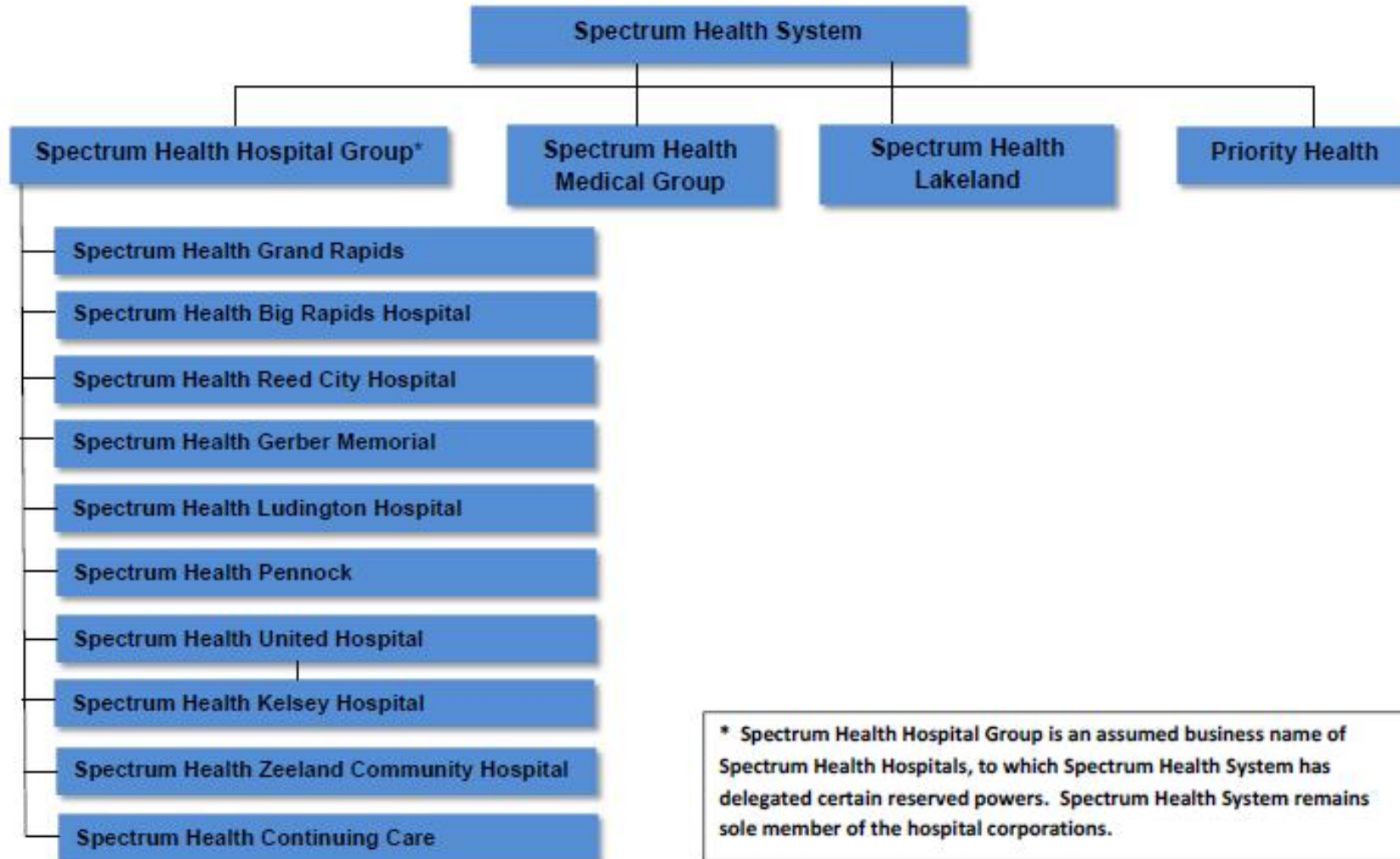
**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
PART 1 – ORGANIZATIONAL CHART



Q15

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
PART 1 – ORGANIZATIONAL CHART

**Spectrum Health Corporate Structure**



Q15.1

**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)	*
<b>Members</b>															
3383	Priority Health.....	95561..	38-2715520..				Priority Health.....	MI.....	UDP.....	Spectrum Health System.....	Ownership.....	93.900	Spectrum Health System.....	N.....	1.....
										Munson HealthCare.....	Ownership.....	5.500		N.....	1.....
										McLaren Northern Michigan.....	Ownership.....	0.600		N.....	1.....
3383	Priority Health.....	11520..	32-0016523..				Priority Health Choice, Inc.....	MI.....	IA.....	Priority Health.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
3383	Priority Health.....	12208..	20-1529553..				Priority Health Insurance Company.....	MI.....		Priority Health.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
3383	Priority Health.....		38-2715520..				PHMB Properties, LLC.....	MI.....	NIA.....	Priority Health.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
3383	Priority Health.....		38-2663747..				Trinity Health Plans.....	MI.....	NIA.....	Priority Health.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
3383	Priority Health.....		38-3085182..				Priority Health Managed Benefits, Inc.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
3383	Priority Health.....		82-2211831..				Priority Advantage, LLC.....	MI.....	NIA.....	Priority Health Managed Benefits, Inc.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Grand Rapids.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Big Rapids Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Reed City Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Gerber Memorial.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Ludington Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Pennock.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health United Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Kelsey Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Zeeland Community Hospital.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Continuing Care.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Medical Group.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	
							Spectrum Health Lakeland.....	MI.....	NIA.....	Spectrum Health System.....	Ownership.....	100.000	Spectrum Health System.....	N.....	

Q16

**Asteri 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%
---	---

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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.

**Response**

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

**Explanation:**

1.

**Bar Code:**



## **Overflow Page for Write-Ins**

**NONE**



**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

NONE

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

NONE

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	45,092,768	46,123,528
2. Cost of bonds and stocks acquired.....	45,396,466	1,163,757
3. Accrual of discount.....	1,070	2,135
4. Unrealized valuation increase (decrease).....	2,011,487	(2,196,652)
5. Total gain (loss) on disposals.....	842,944	62,605
6. Deduct consideration for bonds and stocks disposed of.....	44,868,418	62,605
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....	48,476,317	45,092,768
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	48,476,317	45,092,768

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	44,720,379	12,426,348	12,868,000	86,663	44,720,379	44,365,390		45,414,319
2. NAIC 2 (a).....	2,496,091	2,385,663	1,000,000	1,532	2,496,091	3,883,286		2,242,928
3. NAIC 3 (a).....						0		
4. NAIC 4 (a).....						0		
5. NAIC 5 (a).....						0		
6. NAIC 6 (a).....						0		
7. Total Bonds.....	47,216,470	14,812,011	13,868,000	88,195	47,216,470	48,248,676	0	47,657,247
<b>PREFERRED STOCK</b>								
8. NAIC 1.....						0		
9. NAIC 2.....						0		
10. NAIC 3.....						0		
11. NAIC 4.....						0		
12. NAIC 5.....						0		
13. NAIC 6.....						0		
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	47,216,470	14,812,011	13,868,000	88,195	47,216,470	48,248,676	0	47,657,247

QSI02

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$....43,316,289; NAIC 2 \$....3,883,285; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**SCHEDULE DA - PART 1**

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	45,404,693	XXX.....	45,217,131	218,536	17,129

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	46,609,217	46,814,549
2. Cost of short-term investments acquired.....	23,319,861	50,510,285
3. Accrual of discount.....	201,460	192,454
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		(1,998)
6. Deduct consideration received on disposals.....	24,698,230	50,820,864
7. Deduct amortization of premium.....	27,615	85,209
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	45,404,693	46,609,217
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	45,404,693	46,609,217

**Sch. DB - Pt. A - Verification  
NONE**

**Sch. DB - Pt. B - Verification  
NONE**

**Sch. DB - Pt. C - Sn. 1  
NONE**

**Sch. DB - Pt. C - Sn. 2  
NONE**

**Sch. DB - Verification  
NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	29,685,446	20,231,969
2. Cost of cash equivalents acquired.....	305,598,878	594,048,923
3. Accrual of discount.....	4,183	
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		(1,004)
6. Deduct consideration received on disposals.....	291,334,670	584,594,442
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	43,953,837	29,685,446
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	43,953,837	29,685,446

**Sch. A Pt. 2  
NONE**

**Sch. A Pt. 3  
NONE**

**Sch. B - Pt. 2  
NONE**

**Sch. B - Pt. 3  
NONE**

**Sch. BA - Pt. 2  
NONE**

**Sch. BA - Pt. 3  
NONE**

**SCHEDULE D - PART 3**

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol/Market Indicator (a)
<b>Common Stocks - Mutual Funds</b>									
003021 12 8	ABERDEEN EM MKT DBT-INST.....		06/17/2019.....	VARIOUS.....	123,899.501	1,157,262	XXX		L.....
057071 85 4	BAIRD AGGREGATE BD FD.....		06/27/2019.....	VARIOUS.....	1,439,810.987	15,624,479	XXX		L.....
233203 58 7	DFA EMERGING MKTS VAL.....		06/28/2019.....	DIVIDEND REINVESTMENT.....	30.715	885	XXX		L.....
315911 75 0	FIDELITY 500 INDX FD.....		05/29/2019.....	BANK OF NEW YORK.....	42,714.767	4,275,000	XXX		L.....
41664T 44 6	HARTFORD INTL VALUE FD.....		05/16/2019.....	BANK OF NEW YORK.....	116,883.117	1,620,000	XXX		L.....
461418 44 4	WCM FOCUSED INTL GWTH.....		05/16/2019.....	BANK OF NEW YORK.....	97,297.297	1,620,000	XXX		L.....
4812C0 38 1	JP MORGAN CORE BD.....		04/26/2019.....	DIVIDEND REINVESTMENT.....	4,274.843	49,075	XXX		L.....
693390 55 1	PIMCO TOTAL RET II-INST.....		06/28/2019.....	VARIOUS.....	1,616,586.968	15,619,251	XXX		L.....
72201F 49 0	PIMCO INC FD-INS.....		06/28/2019.....	VARIOUS.....	386,489.861	4,657,326	XXX		L.....
922908 87 6	VANGUARD SMALL CAP IX FD.....		06/27/2019.....	DIVIDEND REINVESTMENT.....	40.584	2,962	XXX		L.....
92837F 86 2	VIRTUS SEIX TTL RTRN R6.....		04/30/2019.....	DIVIDEND REINVESTMENT.....	3,448.907	35,627	XXX		L.....
94988V 70 4	WELLS FARGO EMERGING MKTS.....		06/26/2019.....	VARIOUS.....	43,835.719	467,826	XXX		L.....
9299999	Total - Common Stocks - Mutual Funds.....					45,129,693	XXX	0	XXX.....
9799997	Total - Common Stocks - Part 3.....					45,129,693	XXX	0	XXX.....
9799999	Total - Common Stocks.....					45,129,693	XXX	0	XXX.....
9899999	Total - Preferred and Common Stocks.....					45,129,693	XXX	0	XXX.....
9999999	Total - Bonds, Preferred and Common Stocks.....					45,129,693	XXX	0	XXX.....

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues:.....0.

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
<b>Common Stocks - Mutual Funds</b>																					
233203 58 7	DFA EMERGING MKTS VAL.....		05/15/2019	BANK OF NEW YORK.....	3,113,553	85,000	XXX	93,625	83,599	10,026			10,026		93,625		(8,625)	(8,625)		XXX	L.....
233203 62 9	DFA INTL SMALL COS.....		05/15/2019	BANK OF NEW YORK.....	57,754,610	1,006,085	XXX	1,062,152	920,031	142,121			142,121		1,062,152		(56,067)	(56,067)		XXX	L.....
4812C0 38 1	JP MORGAN CORE BD.....		05/15/2019	BANK OF NEW YORK.....	1,563,702,979	18,076,406	XXX	18,371,955	17,457,815	746,809			746,809		18,371,955		(295,549)	(295,549)	167,331	XXX	L.....
921943 88 2	VANGUARD DEV MKTS IX FD.....		05/15/2019	BANK OF NEW YORK.....	164,343,142	2,149,608	XXX	1,929,858	1,958,782	(38,137)			(38,137)		1,929,858		219,750	219,750	9,213	XXX	L.....
922031 74 5	VANGUARD INFLATION PROTECTED FD		05/15/2019	BANK OF NEW YORK.....	110,320,942	1,142,925	XXX	1,177,186	1,099,900	77,286			77,286		1,177,186		(34,261)	(34,261)		XXX	L.....
922040 10 0	VANGUARD INSTL IX FD.....		05/15/2019	BANK OF NEW YORK.....	9,556,452	2,470,247	XXX	1,653,396	2,155,643	(523,349)			(523,349)		1,653,396		816,852	816,852	14,201	XXX	L.....
922042 60 1	VANGUARD EMERGING MKT STK IX.....		05/15/2019	BANK OF NEW YORK.....	20,710,275	537,639	XXX	500,827	499,160	576			576		500,827		36,811	36,811	1,091	XXX	L.....
922908 83 5	VANGUARD MID CAP IX.....		05/15/2019	BANK OF NEW YORK.....	27,232,352	1,205,849	XXX	834,838	1,025,317	(194,525)			(194,525)		834,838		371,011	371,011	4,046	XXX	L.....
922908 87 6	VANGUARD SMALL CAP IX FD.....		05/15/2019	BANK OF NEW YORK.....	3,667,980	270,000	XXX	165,291	231,890	(66,599)			(66,599)		165,291		104,709	104,709	847	XXX	L.....
92837F 86 2	VIRTUS SEIX TTL RTRN R6.....		05/15/2019	BANK OF NEW YORK.....	1,721,205,686	17,917,758	XXX	18,236,346	17,361,260	730,150			730,150		18,236,346		(318,588)	(318,588)	161,551	XXX	L.....
9299999	Total - Common Stocks - Mutual Funds.....					44,861,517	XXX	44,025,474	42,793,397	884,358	0	0	884,358	0	44,025,474	0	836,043	836,043	358,280	XXX	XXX
9799997	Total - Common Stocks - Part 4.....					44,861,517	XXX	44,025,474	42,793,397	884,358	0	0	884,358	0	44,025,474	0	836,043	836,043	358,280	XXX	XXX
9799999	Total - Common Stocks.....					44,861,517	XXX	44,025,474	42,793,397	884,358	0	0	884,358	0	44,025,474	0	836,043	836,043	358,280	XXX	XXX
9899999	Total - Preferred and Common Stocks.....					44,861,517	XXX	44,025,474	42,793,397	884,358	0	0	884,358	0	44,025,474	0	836,043	836,043	358,280	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks.....					44,861,517	XXX	44,025,474	42,793,397	884,358	0	0	884,358	0	44,025,474	0	836,043	836,043	358,280	XXX	XXX

QE05

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues: .....0.



**Sch. DB - Pt. A - Sn. 1  
NONE**

**Sch. DB - Pt. B - Sn. 1  
NONE**

**Sch. DB - Pt. D - Sn. 1  
NONE**

**Sch. DB - Pt. D - Sn. 2  
NONE**

**Sch. DL - Pt. 1  
NONE**

**Sch. DL - Pt. 2  
NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
PNC Bank.....					(5,102,842)	(472,898)	(5,972,820)	XXX
INTEREST RECEIVED DURING QTR ON DISPOSED HOLDINGS .....								XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	(5,102,842)	(472,898)	(5,972,820)	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	(5,102,842)	(472,898)	(5,972,820)	XXX
0599999. Total Cash.....	XXX	XXX	0	0	(5,102,842)	(472,898)	(5,972,820)	XXX

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<b>U.S. Government Bonds - Issuer Obligations</b>								
	TREASURY BILL.....		06/19/2019.....	.....2.156	09/05/2019.....	.....1,294,884	.....	.....853
0199999	U.S. Government Bonds - Issuer Obligations.....					.....1,294,884	.....0	.....853
0599999	Total - U.S. Government Bonds.....					.....1,294,884	.....0	.....853
<b>Bonds - Industrial &amp; Miscellaneous (Unaffiliated) - Issuer Obligations</b>								
	TORONTO-DOMINION BK.....		06/11/2019.....	.....2.125	07/02/2019.....	.....499,996	.....5,283	.....(4,685)
3299999	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations.....					.....499,996	.....5,283	.....(4,685)
3899999	Total - Industrial & Miscellaneous (Unaffiliated).....					.....499,996	.....5,283	.....(4,685)
<b>Total Bonds</b>								
7799999	Subtotals - Issuer Obligations.....					.....1,794,880	.....5,283	.....(3,832)
8399999	Subtotals - Bonds.....					.....1,794,880	.....5,283	.....(3,832)
<b>Exempt Money Market Mutual Funds as Identified by the SVO</b>								
09248U 71 8	BLACKROCK T-FD INSTL #60.....		06/20/2019.....	.....2.257		.....42,106,093	.....76,880	.....436,026
261908 10 7	DREYFUS TREAS CASH MGMT #0521.....		06/17/2019.....	.....2.251		.....52,863	.....	.....11,694
8599999	Total - Exempt Money Market Mutual Funds as Identified by the SVO.....					.....42,158,956	.....76,880	.....447,720
8899999	Total - Cash Equivalents.....					.....43,953,836	.....82,163	.....443,888

QE13