



# ANNUAL STATEMENT

## For the Year Ending DECEMBER 31, 2020

### OF THE CONDITION AND AFFAIRS OF THE

# TOTAL HEALTH CARE USA, INC.

NAIC Group Code 3383 , 1238 NAIC Company Code 12326 Employer's ID Number 38-3240485  
(Current Period) (Prior Period)

Organized under the Laws of \_\_\_\_\_, State of Domicile or Port of Entry MI

Country of Domicile United States

Licensed as business type: Life, Accident & Health[ ] Property/Casualty[ ] Hospital, Medical & Dental Service or Indemnity[ ]  
 Dental Service Corporation[ ] Vision Service Corporation[ ] Health Maintenance Organization[X]  
 Other[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]

Incorporated/Organized 02/18/1994 Commenced Business 02/18/1994

Statutory Home Office 3011 W. GRAND BLVD., SUITE 1600 , DETROIT, MI, US 48202  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3011 W. GRAND BLVD., SUITE 1600  
(Street and Number)  
DETROIT, MI, US 48202 (313)871-2000  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 3011 W. GRAND BLVD., SUITE 1600 , DETROIT, MI, US 48202  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3011 W. GRAND BLVD., SUITE 1600  
(Street and Number)  
DETROIT, MI, US 48202 (313)871-2000  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address THCMI.COM

Statutory Statement Contact SARA JANE MCGLYNN (313)293-6466  
(Name) (Area Code)(Telephone Number)(Extension)  
SMCGLYNN@THCMI.COM (313)748-1391  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title	
JOAN ANTAYA BUDDEN	PRESIDENT	#
RANDY ALAN NAROWITZ	VICE PRESIDENT	
MARY ANNE JONES	TREASURER	#
KIMBERLY LYNN THOMAS	SECRETARY	#

### OTHERS

### DIRECTORS OR TRUSTEES

JOAN ANTAYA BUDDEN #	MARY ANNE JONES #
MARTI RAE LOLLI #	KRISTA FELICIA POOLE
RICK VIRGILIO MORRONE #	RANDY ALAN NAROWITZ #

State of \_\_\_\_\_  
 County of \_\_\_\_\_ ss

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)  
 PRAVEEN GOPE THADANI  
(Printed Name)  
 1.  
 PRESIDENT  
(Title)

\_\_\_\_\_  
(Signature)  
 MARY ANNE JONES  
(Printed Name)  
 2.  
 SVP, FINANCE  
(Title)

\_\_\_\_\_  
(Signature)  
 KIMBERLY LYNN THOMAS  
(Printed Name)  
 3.  
 SVP, GENERAL COUNSEL  
(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021

- a. Is this an original filing? \_\_\_\_\_  
 b. If no: 1. State the amendment number \_\_\_\_\_  
 2. Date filed \_\_\_\_\_  
 3. Number of pages attached \_\_\_\_\_

Yes[X] No[ ]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
(Notary Public Signature)

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	1,019,185		1,019,185	1,006,652
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common Stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....61,514,127, Schedule E Part 1), cash equivalents (\$.....4,908,377, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) .....	66,422,504		66,422,504	76,556,120
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	67,441,689		67,441,689	77,562,772
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	2,852		2,852	84,453
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	1,104,938	6,610	1,098,328	1,416,956
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....				389,000
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	309,137	2,692	306,445	274,224
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	202,224		202,224	198,334
24. Health care (\$.....68,282) and other amounts receivable .....	783,837	715,555	68,282	1,667,547
25. Aggregate write-ins for other than invested assets .....				
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	69,844,677	724,857	69,119,820	81,593,286
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	69,844,677	724,857	69,119,820	81,593,286
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid .....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....				

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	15,366,380		15,366,380	24,797,753
2. Accrued medical incentive pool and bonus amounts .....	607,787		607,787	684,516
3. Unpaid claims adjustment expenses .....	279,650		279,650	458,823
4. Aggregate health policy reserves, including the liability of \$.....3,425,021 for medical loss ratio rebate per the Public Health Service Act .....	12,864,653		12,864,653	15,143,692
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserves .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	3,768,669		3,768,669	3,565,633
9. General expenses due or accrued .....	891,305		891,305	1,056,357
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....	44,937		44,937	133,725
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....				
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20. Reinsurance in unauthorized and certified (\$.....0) companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....				
23. Aggregate write-ins for other liabilities (including \$.....4,148,216 current) .....	4,148,216		4,148,216	
24. TOTAL Liabilities (Lines 1 to 23) .....	37,971,597		37,971,597	45,840,499
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		1,535,714
26. Common capital stock .....	X X X	X X X		
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	6,273,089	6,273,089
29. Surplus notes .....	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	24,875,134	27,943,984
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	31,148,223	35,752,787
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....	X X X	X X X	69,119,820	81,593,286
<b>DETAILS OF WRITE-INS</b>				
2301. Contingent Liability .....	4,148,216		4,148,216	
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	4,148,216		4,148,216	
2501. 2019 ACA Fee Assessment payable in 2020 .....	X X X	X X X		1,535,714
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		1,535,714
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	438,275	505,674
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	153,085,852	192,747,933
3. Change in unearned premium reserves and reserve for rate credits .....	X X X		
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X		
5. Risk revenue .....	X X X	(7,575,266)	(11,498,667)
6. Aggregate write-ins for other health care related revenues .....	X X X		
7. Aggregate write-ins for other non-health revenues .....	X X X		
8. TOTAL Revenues (Lines 2 to 7) .....	X X X	145,510,586	181,249,266
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		84,277,120	101,569,569
10. Other professional services .....		7,715,743	8,528,127
11. Outside referrals .....			
12. Emergency room and out-of-area .....		11,068,539	10,022,980
13. Prescription drugs .....		26,537,093	26,984,406
14. Aggregate write-ins for other hospital and medical .....			
15. Incentive pool, withhold adjustments and bonus amounts .....		1,025,787	41,533
16. Subtotal (Lines 9 to 15) .....		130,624,282	147,146,615
<b>Less:</b>			
17. Net reinsurance recoveries .....		350,328	1,000,321
18. TOTAL Hospital and Medical (Lines 16 minus 17) .....		130,273,954	146,146,294
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$.....207,554 cost containment expenses .....		207,554	488,369
21. General administrative expenses .....		19,619,582	33,068,591
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) .....		150,101,090	179,703,254
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	(4,590,504)	1,546,012
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		366,914	1,701,057
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27. Net investment gains (losses) (Lines 25 plus 26) .....		366,914	1,701,057
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 .....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	(4,223,590)	3,247,069
31. Federal and foreign income taxes incurred .....	X X X		
32. Net income (loss) (Lines 30 minus 31) .....	X X X	(4,223,590)	3,247,069
<b>DETAILS OF WRITE-INS</b>			
0601. ....	X X X		
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X		
0701. ....	X X X		
0702. ....	X X X		
0703. ....	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X		
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	X X X		
1401. ....			
1402. ....			
1403. Other Expense .....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....			

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

		1	2
		Current Year	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33.	Capital and surplus prior reporting year .....	35,752,787	42,563,170
34.	Net income or (loss) from Line 32 .....	(4,223,590)	3,247,069
35.	Change in valuation basis of aggregate policy and claim reserves .....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....		
37.	Change in net unrealized foreign exchange capital gain or (loss) .....		
38.	Change in net deferred income tax .....		
39.	Change in nonadmitted assets .....	(380,974)	(57,452)
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 .....		(10,000,000)
47.	Aggregate write-ins for gains or (losses) in surplus .....		
48.	Net change in capital and surplus (Lines 34 to 47) .....	(4,604,564)	(6,810,383)
49.	Capital and surplus end of reporting year (Line 33 plus 48) .....	31,148,223	35,752,787
<b>DETAILS OF WRITE-INS</b>			
4701.	.....		
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page .....		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		

**CASH FLOW**

		1	2
		Current Year	Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	151,743,286	190,241,315
2.	Net investment income .....	448,515	1,875,516
3.	Miscellaneous income .....	(6,446,122)	(12,490,690)
4.	TOTAL (Lines 1 through 3) .....	145,745,679	179,626,141
5.	Benefit and loss related payments .....	139,814,277	133,143,503
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	16,023,145	33,047,896
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) .....	155,837,422	166,191,399
11.	Net cash from operations (Line 4 minus Line 10) .....	(10,091,743)	13,434,742
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		1,000,000
12.2	Stocks .....		
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 .....		
12.7	Miscellaneous proceeds .....		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7) .....		1,000,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		1,000,000
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....	12,532	12,609
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6) .....	12,532	1,012,609
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(12,532)	(12,609)
<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 .....		10,000,000
16.6	Other cash provided (applied) .....	(29,341)	(75,921)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(29,341)	(10,075,921)
<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 Lines 15 and 17) .....	(10,133,616)	3,346,212
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	76,556,120	73,209,908
19.2	End of year (Line 18 plus Line 19.1) .....	66,422,504	76,556,120

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

20.0001	.....		
20.0002	.....		

## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	153,085,852	153,085,852								
2. Change in unearned premium reserves and reserve for rate credit .....										
3. Fee-for-service (net of \$.....0 medical expenses) .....										XXX
4. Risk revenue .....	(7,575,266)	(7,575,266)								XXX
5. Aggregate write-ins for other health care related revenues .....										XXX
6. Aggregate write-ins for other non-health care related revenues .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. TOTAL Revenues (Lines 1 to 6) .....	145,510,586	145,510,586								
8. Hospital/medical benefits .....	84,277,120	84,277,120								XXX
9. Other professional services .....	7,715,743	7,715,743								XXX
10. Outside referrals .....										XXX
11. Emergency room and out-of-area .....	11,068,539	11,068,539								XXX
12. Prescription drugs .....	26,537,093	26,537,093								XXX
13. Aggregate write-ins for other hospital and medical .....										XXX
14. Incentive pool, withhold adjustments and bonus amounts .....	1,025,787	1,025,787								XXX
15. Subtotal (Lines 8 to 14) .....	130,624,282	130,624,282								XXX
16. Net reinsurance recoveries .....	350,328	350,328								XXX
17. TOTAL Hospital and Medical (Lines 15 minus 16) .....	130,273,954	130,273,954								XXX
18. Non-health claims (net) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....207,554 cost containment expenses .....	207,554	207,554								
20. General administrative expenses .....	19,619,582	19,619,582								
21. Increase in reserves for accident and health contracts .....										XXX
22. Increase in reserves for life contracts .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. TOTAL Underwriting Deductions (Lines 17 to 22) .....	150,101,090	150,101,090								
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	(4,590,504)	(4,590,504)								
<b>DETAILS OF WRITE-INS</b>										
0501. ....										XXX
0502. ....										XXX
0503. ....										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....										XXX
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....										XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. ....										XXX
1302. ....										XXX
1303. ....										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....										XXX
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....										XXX

## UNDERWRITING AND INVESTMENT EXHIBIT PART 1 - PREMIUMS

		1	2	3	4
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	153,803,807		717,955	153,085,852
2.	Medicare Supplement .....				
3.	Dental only .....				
4.	Vision only .....				
5.	Federal Employees Health Benefits Plan .....				
6.	Title XVIII - Medicare .....				
7.	Title XIX - Medicaid .....				
8.	Other health .....				
9.	Health subtotal (Lines 1 through 8) .....	153,803,807		717,955	153,085,852
10.	Life .....				
11.	Property/casualty .....				
12.	TOTALS (Lines 9 to 11) .....	153,803,807		717,955	153,085,852



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct .....	139,782,056	139,782,056								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....	315,415	315,415								
1.4 Net .....	139,466,641	139,466,641								
2. Paid medical incentive pools and bonuses .....	1,102,516	1,102,516								
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	15,366,380	15,366,380								
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....	15,366,380	15,366,380								
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....										
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....										
5. Accrued medical incentive pools and bonuses, current year .....	607,787	607,787								
6. Net healthcare receivables (a) .....	752,188	752,188								
7. Amounts recoverable from reinsurers December 31, current year .....	309,137	309,137								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	24,797,753	24,797,753								
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....										
8.4 Net .....	24,797,753	24,797,753								
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....										
9.2 Reinsurance assumed .....										
9.3 Reinsurance ceded .....										
9.4 Net .....										
10. Accrued medical incentive pools and bonuses, prior year .....	684,516	684,516								
11. Amounts recoverable from reinsurers December 31, prior year .....	274,224	274,224								
12. Incurred benefits:										
12.1 Direct .....	129,598,495	129,598,495								
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....	350,328	350,328								
12.4 Net .....	129,248,167	129,248,167								
13. Incurred medical incentive pools and bonuses .....	1,025,787	1,025,787								

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

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....	3,011,629	3,011,629								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	3,011,629	3,011,629								
2. Incurred but Unreported:										
2.1 Direct .....	12,354,751	12,354,751								
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....										
2.4 Net .....	12,354,751	12,354,751								
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....										
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....										
4. TOTALS										
4.1 Direct .....	15,366,380	15,366,380								
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....	15,366,380	15,366,380								

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		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	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical) .....	16,118,248	122,561,292	207,470	15,158,910	16,325,718	24,797,753
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....						
7.	Title XIX - Medicaid .....						
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	16,118,248	122,561,292	207,470	15,158,910	16,325,718	24,797,753
10.	Healthcare receivables (a) .....						
11.	Other non-health .....						
12.	Medical incentive pool and bonus amounts .....	445,140	657,376		607,787	445,140	684,516
13.	TOTALS (Lines 9 - 10 + 11 + 12) .....	16,563,388	123,218,668	207,470	15,766,697	16,770,858	25,482,269

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

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)**

**Grand Total**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	15,246	15,348	15,432	16,118	16,118
2.	2016 .....	94,041	106,538	106,553	106,553	106,558
3.	2017 .....	X X X	100,369	109,381	109,422	109,573
4.	2018 .....	X X X	X X X	129,204	139,935	140,256
5.	2019 .....	X X X	X X X	X X X	121,941	137,583
6.	2020 .....	X X X	X X X	X X X	X X X	118,098

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	15,253	15,442	15,432	15,432	16,118
2.	2016 .....	109,618	106,850	106,553	106,553	106,558
3.	2017 .....	X X X	111,267	109,587	109,422	109,573
4.	2018 .....	X X X	X X X	112,883	139,935	140,256
5.	2019 .....	X X X	X X X	X X X	147,423	137,583
6.	2020 .....	X X X	X X X	X X X	X X X	134,072

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1. 2016 .....	139,278	106,558	221	0.207	106,779	76.666			106,779	76.666
2. 2017 .....	148,047	109,573	299	0.273	109,872	74.214			109,872	74.214
3. 2018 .....	182,228	140,256	424	0.303	140,680	77.200			140,680	77.200
4. 2019 .....	181,249	137,583	545	0.396	138,128	76.209			138,128	76.209
5. 2020 .....	145,511	118,098	330	0.279	118,428	81.387	15,974	280	134,682	92.558

12 Grand Total

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (\$000 Omitted)**

**Hospital and Medical**  
**Section A - Paid Health Claims**

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	15,246	15,348	15,432	16,118	16,118
2.	2016 .....	94,041	106,538	106,553	106,553	106,558
3.	2017 .....	X X X	100,369	109,381	109,422	109,573
4.	2018 .....	X X X	X X X	129,204	139,935	140,256
5.	2019 .....	X X X	X X X	X X X	121,941	137,583
6.	2020 .....	X X X	X X X	X X X	X X X	118,098

**Section B - Incurred Health Claims**

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	15,253	15,442	15,432	15,432	16,118
2.	2016 .....	109,618	106,850	106,553	106,553	106,558
3.	2017 .....	X X X	111,267	109,587	109,422	109,573
4.	2018 .....	X X X	X X X	112,883	139,935	140,256
5.	2019 .....	X X X	X X X	X X X	147,423	137,583
6.	2020 .....	X X X	X X X	X X X	X X X	134,072

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	(Col. 9/1) Percent
1. 2016 .....	139,278	106,558	221	0.207	106,779	76.666			106,779	76.666
2. 2017 .....	148,047	109,573	299	0.273	109,872	74.214			109,872	74.214
3. 2018 .....	182,228	140,256	424	0.303	140,680	77.200			140,680	77.200
4. 2019 .....	181,249	137,583	545	0.396	138,128	76.209			138,128	76.209
5. 2020 .....	145,511	118,098	330	0.279	118,428	81.387	15,974	280	134,682	92.558

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other . . . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other . . . . . NONE

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....									
2. Additional policy reserves (a) .....									
3. Reserve for future contingent benefits .....									
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income) .....									
5. Aggregate write-ins for other policy reserves .....	12,864,653	12,864,653							
6. TOTALS (Gross) .....	12,864,653	12,864,653							
7. Reinsurance ceded .....									
8. TOTALS (Net) (Page 3, Line 4) .....	12,864,653	12,864,653							
9. Present value of amounts not yet due on claims .....									
10. Reserve for future contingent benefits .....									
11. Aggregate write-ins for other claim reserves .....									
12. TOTALS (Gross) .....									
13. Reinsurance ceded .....									
14. TOTALS (Net) (Page 3, Line 7) .....									
<b>DETAILS OF WRITE-INS</b>									
0501. Risk Adjustment Payable .....	9,439,632	9,439,632							
0502. Medical Loss Ratio Rebates Payable .....	3,425,021	3,425,021							
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page ...									
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	12,864,653	12,864,653							
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page ...									
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) ..									

(a) Includes \$.....0 premium deficiency reserve.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....79,212 for occupancy of own building) .....			80,383		80,383
2. Salaries, wages and other benefits .....	207,554		4,530,876		4,738,430
3. Commissions (less \$.....0 ceded plus \$.....0 assumed) .....			4,495,347		4,495,347
4. Legal fees and expenses .....			6,431		6,431
5. Certifications and accreditation fees .....					
6. Auditing, actuarial and other consulting services .....			420,537		420,537
7. Traveling expenses .....			3,440		3,440
8. Marketing and advertising .....			1,917,980		1,917,980
9. Postage, express and telephone .....			148,574		148,574
10. Printing and office supplies .....			463,549		463,549
11. Occupancy, depreciation and amortization .....			39,947		39,947
12. Equipment .....					
13. Cost or depreciation of EDP equipment and software .....			2,141,560		2,141,560
14. Outsourced services including EDP, claims, and other services .....			376,843		376,843
15. Boards, bureaus and association fees .....			50,726		50,726
16. Insurance, except on real estate .....			77,503		77,503
17. Collection and bank service charges .....			382,356		382,356
18. Group service and administration fees .....					
19. Reimbursements by uninsured plans .....					
20. Reimbursements from fiscal intermediaries .....					
21. Real estate expenses .....					
22. Real estate taxes .....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....					
23.2 State premium taxes .....					
23.3 Regulatory authority licenses and fees .....			4,430,174		4,430,174
23.4 Payroll taxes .....					
23.5 Other (excluding federal income and real estate taxes) .....			47,400		47,400
24. Investment expenses not included elsewhere .....					
25. Aggregate write-ins for expenses .....			5,957		5,957
26. TOTAL Expenses Incurred (Lines 1 to 25) .....	207,554		19,619,583		(a) 19,827,137
27. Less expenses unpaid December 31, current year .....			891,305		891,305
28. Add expenses unpaid December 31, prior year .....			1,056,357		1,056,357
29. Amounts receivable relating to uninsured plans, prior year .....					
30. Amounts receivable relating to uninsured plans, current year .....					
31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	207,554		19,784,635		19,992,189
<b>DETAILS OF WRITE-INS</b>					
2501. Education & Training .....			5,957		5,957
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page .....					
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....			5,957		5,957

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.



## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	20,431	20,440
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	416,954	346,474
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL gross investment income	437,385	366,914
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		
17. Net Investment income (Line 10 minus Line 16)		366,914
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)					
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

NONE

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income .....			
4.3 Properties held for sale .....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	6,610	32,420	25,810
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	2,692	2,692	
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....			
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....	715,555	245,433	(470,122)
25. Aggregate write-ins for other than invested assets .....		63,338	63,338
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	724,857	343,883	(380,974)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. TOTAL (Lines 26 and 27) .....	724,857	343,883	(380,974)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....			
2501. Other Receivable .....		63,338	63,338
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....		63,338	63,338

## EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1.	Health Maintenance Organizations .....	36,894	35,990	34,863	33,646	33,051	415,674
2.	Provider Service Organizations .....						
3.	Preferred Provider Organizations .....						
4.	Point of Service .....	2,048	2,004	1,931	1,839	1,733	22,601
5.	Indemnity Only .....						
6.	Aggregate write-ins for other lines of business .....						
7.	<b>TOTAL</b> .....	<b>38,942</b>	<b>37,994</b>	<b>36,794</b>	<b>35,485</b>	<b>34,784</b>	<b>438,275</b>
<b>DETAILS OF WRITE-INS</b>							
0601.	.....						
0602.	.....						
0603.	.....						
0698.	Summary of remaining write-ins for Line 6 from overflow page .....						
0699.	<b>TOTALS</b> (Lines 0601 through 0603 plus 0698) (Line 6 above) .....						

## Notes to Financial Statements

### 1. Nature of Business and Summary of Significant Accounting Policies

Total Health Care USA, Inc. (the "Company"), a not-for-profit corporation and wholly owned subsidiary of Total Health Care, Inc., operates as a state-licensed health maintenance organization (HMO). The Company provides medical services to persons primarily in southeastern Michigan who subscribe as part of an employer group or as individuals.

#### a. Accounting Practices

The accompanying financial statements of Total Health Care USA, Inc. (the "Company" or "THC") have been prepared in conformity with statutory accounting practices prescribed or permitted by Section 1007 of the Michigan statutes of the state of Michigan for determining and reporting the financial conditions and results of operations of an insurance company for determining its solvency under Michigan Insurance law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Michigan.

Statutory accounting principles differ from generally accepted accounting principles (GAAP) in their definition of assets and liabilities. Specifically, certain assets (such as certain receivables from affiliates) are excluded from the statutory-basis balance sheet. GAAP net assets exceed statutory net assets by approximately \$725,000 and \$344,000 at December 31, 2020 and December 31, 2019, respectively. There are no significant differences between statutory accounting principles prescribed by NAIC and the State of Michigan accounting requirements that are applicable to the Company.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Michigan is shown below:

NET INCOME	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2020</u>	<u>2019</u>
(1) Total Health Care USA state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	(\$4,223,590)	\$3,247,069
(2) State Prescribed Practices that increase (decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(3) State Permitted Practices that increase (decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	(\$4,223,590)	\$3,247,069
<b>SURPLUS</b>					
(5) Total Health Care USA state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$31,148,223	\$35,752,787
(6) State Prescribed Practices that increase (decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(7) State Permitted Practices that increase (decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$31,148,223	\$35,752,787

#### b. Use of Estimates in the Preparation of the Financial Statements.

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Certain significant estimates exist relating to unpaid claims, health policy reserves, and risk-sharing provisions. It is at least reasonably possible that these estimates will be materially revised in the near term.

#### c. Accounting Policy

## Notes to Financial Statements

**Cash and Short-term Investments** - The Company considers all highly liquid investments purchased with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date are considered cash under statutory accounting principles. Short-term investments are stated at amortized cost.

In addition, the Company uses the following accounting policies:

(1) Short-term investments and long-term certificates of deposit are recorded at amortized cost, which approximates fair market value. Long-term certificates of deposit are classified as bonds on the balance sheet per statutory guidance. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in net investment income on the statement of operations. Changes in unrealized gains and losses on investments are included as a direct adjustment to capital and surplus.

(2) Bonds are not backed by other loans and are stated at amortized cost using the interest method.

(3) The Company had no common stock.

(4) The Company had no preferred stock.

(5) The Company had no mortgage loans.

(6) The Company had no loan-backed securities.

(7) The Company had no subsidiaries, controlled or affiliated investments.

(8) The Company had no joint ventures of limited partnerships.

(9) The Company had no derivatives.

(10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.

(11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

(12) The Company has not modified its capitalization policy from the prior period.

(13) The Company's pharmaceutical rebate receivables are estimated based prior period actual receipts.

**Revenue Recognition and Accounts Receivable** - Subscriber premiums are recognized in the period that members are entitled to related health care services. A substantial portion of health premiums due and unpaid is due from third-party payers for subscribers located within southeastern Michigan. Health premiums due and unpaid are stated at invoice amounts. No allowance for doubtful accounts is recorded at December 31, 2020 and December 31, 2019, respectively. Unpaid invoices greater than 90 days old are treated as non-admitted for statutory accounting purposes.

**Recognition of Medical and Hospital Expenses** - Medical and hospital expenses and the related liabilities are recorded when eligible medical and hospital services are authorized or performed. Claims unpaid represent management's estimate of the ultimate cost to settle all claims incurred prior to year-end.

**Physician Group Contracts** - The Company contracts with certain physician groups for the provision of medical care and compensates the groups on a capitation basis. These contracts have a pay-for-performance incentive. If the providers meet the incentives, they share in the savings and a payable is recorded. If the providers do not meet the incentives, they share in the excess costs and a health care receivable is recorded if deemed collectible by management. During 2020 and 2019, health care receivables and payables have been recorded from/to providers.

**Hospital and Other Group Contracts** - The Company contracts with several hospitals and other groups. These contracts are paid under a capitation fee or various other charge arrangements.

## Notes to Financial Statements

**Malpractice Claims** - The Company has a claims-made policy for malpractice insurance. The Company's policy is to accrue for estimated costs of claims and incidents during the term of the claims-made policy.

**Employee, Office Space and Equipment Leasing Agreement** - The Company has an employee, office space and equipment leasing agreement with Total Health Care, Inc., its parent company, which is responsible for payment of most of the management, operational, and administrative expenses.

**Income Taxes** - Total Health Care USA, Inc. has received federal income tax exemption under Internal Revenue Code Section 501(c)(4). The Company is also exempt from state and local income taxes.

### 2. Accounting Changes and Corrections of Errors

None

### 3. Business Combinations and Goodwill

a. **Statutory Purchase Method**- None

b. **Statutory Merger** - None

c. **Assumption Reinsurance** – None

d. **Impairment Loss** – None

### 4. Discontinued Operations

None

### 5. Investments

a. Mortgage Loans, including Mezzanine Real Estate Loans – None

b. Debt Restructuring – None

c. Reverse Mortgages – None

d. Loan-Backed Securities – None

e. Dollar Repurchase Agreements and/or Securities Lending Transactions – None

f. Repurchase Agreements Transactions Accounted for as Secured Borrowing –None

g. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing –None

h. Repurchase Agreements Transactions Accounted for as a Sale – None

i. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None

j. Real Estate – None

k. Low-income housing tax credits (LIHTC) – None

l. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/(Decrease) (1 minus 2)	Total Current Year Admitted Assets	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	%	%

## Notes to Financial Statements

b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
e. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale							
i. FHLB capital stock							
j. On deposit with states	1,090,126	1,056,906	33,220	69,119,820	1.56%	1.58%	
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB(including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	1,090,126	1,056,906	33,220	69,119,820	1.56%	1.58%	

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – None

(3) Detail of Other Restricted Assets – None

m. Working Capital Finance Investments - None

n. Offsetting and Netting of Assets and Liabilities - None

o. Structured Notes – Notes

p. 5\* Securities – None

q. Short Sales –None

r. Prepayment Penalty and Acceleration Fees --None

## 6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company does not have any Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of the admitted assets.

B. The Company does not have any impaired Joint Ventures, Partnerships and Limited Liability Companies.

## 7. Investment Income

a. All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default are excluded from surplus.

b. The Company had no investment income due and accrued excluded from surplus.

## Notes to Financial Statements

### 8. Derivative Instruments

None

### 9. Income Taxes

None

### 10. Information Concerning Parent, Subsidiaries and Affiliates

#### a, b, & c

The Company is a wholly owned subsidiary of Total Health Care, Inc., the parent company.

**d. Amounts Due for or to Related Parties** – At December 31, 2020 and December 31, 2019, the Company had amounts due from parent of \$202,224 and \$198,335 respectively, resulting from costs paid by the Company on behalf of the parent for operating expenses.

**e. Guarantees** – The Company has no guarantees with any companies within its holding company structure.

**f. Material Employee, Office Space and Equipment Leasing Agreement** – The Company has an employee, office space and equipment leasing agreement with Total Health Care, Inc. The agreement calls for Total Health Care, Inc. to provide certain management services to the Company in order for the Company to carry out its HMO business operations. The management fee incurred by the Company was \$10,377,727 and \$24,418,483 in 2020 and 2019 respectively.

**g. Common Control** – All outstanding shares of Total Health Care USA, Inc. are owned by the Parent Company, Total Health Care, Inc, an insurance holding company domiciled in the State of Michigan.

**h. Deductions in Value** - There have been no deductions in value between affiliated companies.

**i. SCA that exceed 10% of Admitted Assets** - None

**j. Impaired SCAs** - The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled, or Affiliated Companies during the statement period.

**k. Foreign Subsidiary** - None

**l. Downstream Noninsurance Holding Company** – None

**m. All SCA Investments** – None

**n. Investment in Insurance SCAs** - None

### 11. Debt

None

### 12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

a.- d. Defined Benefit Plan – None

e. Defined Contribution Plans – None.

f. Multi-Employer Plan – None

g. Consolidated/Holding Company Plans – None

h. Post-Employment Benefits and Compensated Absences – None

i. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – None

### 13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations



## Notes to Financial Statements

- (1) The Company has issued no capital stock.
- (2) The Company has no preferred stock outstanding.
- (3) Dividends are paid as determined by the Board of Directors with the approval of the Commissioner of the State of Michigan Office of Insurance Regulation, as long as the Company meets or exceeds minimum surplus requirements.
- (4) During 2020 and 2019 the Company has paid dividends of \$0 and \$10,000,000 respectively.
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being paid.
- (7) The Company has no advances to surplus not repaid.
- (8) The Company held no stock.
- (9) There were no changes to the balances of any special surplus funds from the prior year.
- (10) Portion of unassigned funds represented or reduced by unrealized gains or losses is \$0. The portion of unassigned funds represented or reduced by the change in non-admitted asset values is \$584,100 and \$57,542 at December 31, 2020 and December 31, 2019, respectively.
- (11) The Company did not issue any surplus debentures or similar obligations.
- (12) and (13) There have been no quasi-reorganizations.

### 14. Liabilities, Contingencies and Assessments

The Company and its subsidiary Total Health Care USA, Inc. (the Companies) received a dispute verbally challenging settlements paid to the Companies in prior years. An assertion was made that a legal contract was not in place for those periods and payments made should be refunded. The Company has accrued its best estimate of risk of loss associated with this dispute.

Where available information indicates that it is probable that a loss has been incurred as of the date of the statutory-bases financial statements and the likelihood of an unfavorable outcome or settlement is probable, and the financial amount of such loss or settlement can be reasonably estimated, the Company will accrue the estimated expense. As of December 31, 2020, a liability of \$4,148,000 has been recorded for all probable and reasonably estimable losses. No liability was reserved as of December 31, 2019.

The Company reported an expense of \$4,148,000 in its Statement of Revenue and Expenses for the year ended December 31, 2020. The Company did not record in expense for the year ended December 31, 2019.

Estimated losses for claims-related matters are accrued as claims unpaid.

- a. Contingent Commitments – None
- b. Assessments – None
- c. Gain Contingencies – None
- d. Claims related extra contractual obligations and bad faith losses stemming from lawsuits – None
- e. Joint and Several Liabilities - None
- f. All Other Contingencies – There are no balances of assets covered by SSAP No. 6, Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers, SSAP No. 47, Uninsured Plans, or SSAP No. 66, Retrospectively Rated Contracts.

### 15. Leases

## Notes to Financial Statements

None

### 16. Information about Financial Instruments with off-balance sheet risk and financial instruments with concentrations of credit risk.

None

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.

a. Transfers of Receivables reported as Sales – None

b. Transfer and Servicing of Financial Assets – None

c. Wash Sales – None

### 18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans.

a. ASO Plans – None

b. ASC Plans – None.

c. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - None

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

None

### 20. Fair Value Measurements

The following table presents information about the Company's assets and liabilities measured at fair value at December 31, 2020, and the valuation techniques used by the Company to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based in the lowest level input that is significant to the valuation. The Company's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The fair value of bonds was determined primarily based on level 2 inputs. The Company obtains the fair value of these investments based on values determined and provided by the investment custodians.

#### A. (1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Perpetual Preferred Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	1,019,185	-	1,019,185
Hybrid Securities	-	-	-	-

## Notes to Financial Statements

Parent, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	\$ -	\$ 1,019,185	\$ -	\$ 1,019,185
Common Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -
Derivative Assets				
Interest Rate Contracts	\$ -	\$ -	\$ -	\$ -
Foreign Exchange Contracts	-	-	-	-
Credit Contracts	-	-	-	-
Commodity Futures Contracts	-	-	-	-
Commodity Forward Contracts	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate Account Assets	\$ -	\$ -	\$ -	\$ -
Total Assets at Fair Value	\$ -	\$ 1,019,185	\$ -	\$ 1,019,185
b. Liabilities at Fair Value				
Derivative Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities at Fair Value	\$ -	\$ -	\$ -	\$ -

(2) Fair Value Measurements in (Level 3) of the Fair Value - None

(3) The Company's policy for determining when transfers between levels are recognized is determined at the end of the reporting period.

(4) The Company has not valued any securities at a Level 3.

(5) Derivative assets and liabilities- None

B. N/A

### C. Aggregate Fair Value for all Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 1,019,185	\$ 1,019,185	\$ -	\$ 1,019,185	\$ -	\$ -
Cash	-	-	-	-	-	-
Short Term Certificates of Deposit	-	-	-	-	-	-
Money Market Funds	-	-	-	-	-	-
Totals	\$ 1,019,185	\$ 1,019,185	\$ -	\$ 1,019,185	\$ -	\$ -

D. Not Practicable to Estimate Fair Value – N/A

E. N/A

## 21. Other Items

### a. Unusual or Infrequent Items

Premium credits totaling \$2,677,338 for the year ended December 31, 2020 were returned to groups and members due to a reduction in claim volume as a result of the Coronavirus Disease 2019 (COVID-19). These credits have been netted against premium revenue in the Statements of Operations.

## Notes to Financial Statements

b. Troubled Debt Restructuring – None

c. Other Disclosures – Funds Maintained Under Statutory Requirements - The Company maintains segregated funds under statutory requirements to protect members and health care providers in the event the Company is unable to meet its contractual obligations. These funds can be issued only at the direction of the insurance commissioner in accordance with statutory and contractual provisions. At December 31, 2020 and December 31, 2019, \$1,090,126 and \$1,056,906, respectively were held in long-term certificates of deposit and money market funds to fulfill these requirements. Interest earned on these funds can be utilized by the Company.

At December 31, 2020 and December 31, 2019, respectively the Company had admitted assets of \$1,104,938 and \$3,084,502, respectively, in health premiums due and unpaid for amounts due from subscribers, governmental entities, and other health care providers. The Company routinely assessed the collectability of these receivables and directly wrote off any uncollectible receivables accordingly. Receivables greater than 90 days are considered non-admitted for statutory purposes.

d. Business Interruption Insurance Recoveries - None

e. State Transferable and Non-transferable Tax Credits - None

f. Subprime Mortgage Related Risk Exposure – None

g. Retained Assets – None

h. Insurance-Linked Securities (ILS) Contracts – None

## 22. Events Subsequent

Type I. – Recognized Subsequent Events –

Subsequent events have been considered through 02/28/2021 for the statutory statement issued on December 31, 2020.

None

Type II. – Non-recognized Subsequent Events –

Subsequent events have been considered through 02/28/2021 for the statutory statement issued on December 31, 2020.

The Company is subject to an annual fee under section 9010 of the Affordable care Act (ACA). The 2020 annual fee was allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. During 2018, legislation was enacted which suspends the collection of the health insurance provider fee for the 2019 calendar year only. As a result, health insurers, including the Company, were not required to pay the fee during 2019. During 2019, the Company wrote health insurance subject to the ACA assessment for 2020. The Company's portion of the annual health insurance industry fee paid in 2020 was \$1,473,375. This assessment was repealed in December 2019. 2020 is the last year the fee will be assessed.

	<u>Current Year</u>	<u>Prior Year</u>
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010	No	
B. ACA fee assessment payable for the upcoming year	\$ -	\$ 1,535,714
C. ACA fee assessment paid	\$ 1,473,375	\$ -
D. Premium written subject to ACA 9010 assessment	\$ -	\$ 76,566,999
E. Total Adjusted Capital before surplus adjustment	\$ 35,752,787	
F. Total Adjusted Capital after surplus adjustment	\$ 34,217,073	
G. Authorized Control Level 5 Year Historical	\$ 6,112,142	
H. Would reporting the ACA assessment as of Mar. 31, 2020 trigger an RBC action level? (YES/NO)	No	

The Company continues to actively monitor the current international and domestic impacts of and responses to Coronavirus Disease 2019 (COVID-19) and its related risks and continues to prepare

## Notes to Financial Statements

accordingly. At this time, the company is not able to predict the impact COVID-19 may have on its results of operations, cash flows or financial condition, however, it is reasonably possible the outcome may be material.

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ( ) No ( x )

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No ( x )

##### Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( ) No ( x )

a. Not Applicable

b. The Company had reinsurance recoverable receivables of \$309,137 and \$274,224 recorded at December 31, 2020 and December 31, 2019, respectively. In addition, the Company had \$0 in ACA transitional reinsurance recoverable receivables recorded at December 31, 2020 and December 31, 2019, respectively.

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No ( x )

##### Section 3 – Ceded Reinsurance Report – Part B

(1) The estimated reduction in surplus is zero.

(2) The Company has entered into an agreement with Swiss Re Life & Health America Inc., effective November 1, 2019. The reinsurance policy provides coverage on an annual per member basis after a \$500,000 (Commercial-Group and Commercial Individual) deductible is reached. The maximum lifetime reinsurance indemnity payable under each agreement is \$2,000,000 per member.

B. Uncollectible Reinsurance – None

C. Commutation of Ceded Reinsurance – None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None

### 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. The Company estimates accrued retrospective premium adjustments for its group health insurance business through a mathematical approach using an algorithm of the company's underwriting rules and experience rating practices.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

## Notes to Financial Statements

C. The amount of net premiums written by the Company at December 31, 2020 that are subject to retrospective rating features was \$153,085,852 that represented 100% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.

D. At December 31, 2020, the Company had medical loss ratio rebates payable of \$3,425,021. At December 31, 2019, the Company had medical loss ratio rebates payable of \$2,929,692 required pursuant to Public Health Service Act. For December 31, 2019 the actual rebate amounts paid to subscribers was \$6,647,196.

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	-	1,416,470	5,230,726	-	6,647,196
(2) Medical loss ratio rebates paid	-	2,894,920	2,513,721	-	5,408,641
(3) Medical loss ratio rebates unpaid	-	1,095,391	1,834,301	-	2,929,692
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	XXX
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	XXX
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	XXX
Current Reporting Year-to-Date					
(1) Medical loss ratio rebates incurred	-	649,551	6,492,974	-	7,142,525
(2) Medical loss ratio rebates paid	-	1,416,470	5,230,726	-	6,647,196
(3) Medical loss ratio rebates unpaid	-	328,472	3,096,549	-	3,425,021
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	XXX
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	XXX
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	3,425,021

### E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? **YES**

The Company recorded \$9,439,632 due for risk adjustment for 2020 and a net due of \$12,214,000 for 2019. During 2020, the Company paid \$11,144,965 for risk adjustment for 2019.

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	December 31, 2020	December 31, 2019
	<u>Amount</u>	<u>Amount</u>
<b>a. Permanent ACA Risk Adjustment Program</b>		
Assets		
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ 0	\$ 389,000
Liabilities		
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 34,223	\$ 38,228
3. Premium adjustments payable due to ACA Risk Adjustment	\$ 9,439,632	\$ 12,214,000
Operations (Revenue & Expenses)		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ (7,575,266)	\$ (11,498,667)
5. Reported in expenses as ACA risk adjustment user fees (incurred/Paid)	\$ 33,957	\$ 38,169
<b>b. Transitional ACA Reinsurance Program</b>		
Assets		
1. Amount recoverable for claims paid due to ACA Reinsurance	\$ -	\$ -
2. Amount recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$ -	\$ -
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ -	\$ -
Liabilities		
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ -	\$ -
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ -	\$ -
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$ -	\$ -

## Notes to Financial Statements

Operations (Revenue & Expenses)

7. Ceded reinsurance premiums due to ACA Reinsurance	\$	-	\$	-
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$	-	\$	-
9. ACA Reinsurance contributions - not reported as ceded premium	\$	-	\$	-

c. Temporary ACA Risk Corridors Program

Assets

1. Accrued retrospective premiums due to ACA Risk Corridors	\$	-	\$	-
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Liabilities

2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$	-	\$	-
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Operations (Revenue & Expenses)

3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$	-	\$	-
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$	-	\$	-

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any non-admission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		9 Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances		Cummulative Balance from Prior years (Col 1-3+7)	Cummulative Balance from Prior years (Col 2-4+8)
	1 Receivable	2 (Payable)	3 Receivable	4 (Payable)	5 Receivable	6 (Payable)	7 Receivable	8 (Payable)		10 Receivable	11 (Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	389,000	-	1,207,742	-	(818,742)	-	818,742	-	A	-	-
2. Premium adjustments (payable)	-	12,214,000	-	11,144,965	-	1,069,035	-	(1,069,035)	B	-	-
3. Subtotal ACA Permanent Risk Adjustment Program	389,000	12,214,000	1,207,742	11,144,965	(818,742)	1,069,035	818,742	(1,069,035)		-	-
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	-	-	-	-	-	-	-	-	C	-	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-	D	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums	-	-	-	-	-	-	-	-	F	-	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6. Liability for amounts held uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7. Subtotal ACA Transitional Reinsurance Program	-	-	-	-	-	-	-	-		-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-	K	-	-
d. Total for ACA Risk Sharing Provisions	\$ 389,000	\$ 12,214,000	\$ 1,207,742	\$ 11,144,965	\$ (818,742)	\$ 1,069,035	\$ 818,742	\$ (1,069,035)		\$ -	\$ -

Explanations of Adjustments

- A) Adjustment based on CMS receivable
- B) Adjustment based on CMS amount paid
- C)
- D)
- E)
- F)
- G)
- H)
- I)
- J)
- J)

(4) Roll Forward of ACA Risk Corridor Asset and Liability Balances: Not Applicable

(5) ACA Risk Corridor Receivable: Not Applicable

## Notes to Financial Statements

### 25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2019 were \$25,941,092. As of December 31, 2020, \$16,563,388 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$207,470 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive Medical lines of business. Therefore, there has been a \$9,170,232 favorable development since December 31, 2019 to December 31, 2020. The 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. Included in this decrease, the Company experienced \$0 of favorable prior year claim development on retrospectively rated policies. However, the business to which it relates is subject to premium adjustments.

### 26. Intercompany Pooling Arrangements

None

### 27. Structured Settlements

None

### 28. Health Care Receivables

The Company reports risk-sharing receivables and payables related to global capitation and specialty claims arrangements based upon the terms of its contracts.

Pharmaceutical rebates receivable at both December 31, 2020 and December 31, 2019 were \$0. Rebates are netted with pharmacy expense. During 2020 and 2019, pharmacy rebates in the amount of \$1,910,601 and \$3,407,046 respectively, were collected.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/Confirmed	Rebates Collected Within 90 Days of Invoicing/Confirmation	Rebates Collected Within 91 to 180 Days of Invoicing/Confirmation	Collected More Than 180 Days After Invoicing/Confirmation
12/31/2020	867,695	867,695	867,695	-	-
9/30/20	979,076	979,076	979,076	-	-
6/30/20	1,019,313	1,019,313	1,019,313	-	-
3/31/20	891,288	891,288	891,288	-	-
12/31/19	853,437	853,437	853,437	-	-
9/30/19	890,219	890,219	890,219	-	-
6/30/19	816,588	816,588	816,588	-	-
3/31/19	846,802	846,802	846,802	-	-
12/31/18	965,711	965,711	965,711	-	-
9/30/18	922,415	922,415	922,415	-	-
6/30/18	842,001	842,001	842,001	-	-
3/31/18	762,324	762,324	762,324	-	-

Health care receivables include the following amounts related to specialty pool receivables:



## Notes to Financial Statements

Calendar Year	Evaluation Period Year Ending	Risk-Sharing Receivable as Estimated in the Prior Year	Risk-Sharing Receivable as Estimated in the Current Year	Risk-Sharing Receivable Billed	Risk-Sharing Receivable Not Yet Billed	Actual Risk-Sharing Amounts Received in Year Billed	Actual Risk-Sharing Amounts Received First Year Subsequent	Actual Risk-Sharing Amounts Received Second Year Subsequent	Actual Risk-Sharing Amounts Received - All Other
2020	2020	\$ 628,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	2019	\$ 635,139	\$ 68,334	\$ 703,473	\$ -	\$ -	\$ 703,473	\$ -	\$ -
	2020	\$ -	\$ 628,867	\$ -	\$ 628,867	\$ -	\$ -	\$ -	\$ -
2018	2018	\$ -	\$ 733,457	\$ 733,457	\$ -	\$ 733,457	\$ -	\$ -	\$ -
	2019	\$ -	\$ 635,139	\$ -	\$ 635,139	\$ -	\$ -	\$ -	\$ -

**29. Participating Policies**

None

**30. Premium Deficiency Reserves – No Change**

- |   |   |
|---|---|
| 1. Liability carried for premium deficiency reserves    | \$0   |
| 2. Date of the most recent evaluation of this liability | 12/31/2020  |
| 3. Was anticipated investment income utilized?          | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |

**31. Anticipated Salvage and Subrogation**

Loss reserves have not been reduced for any salvage or subrogation. During 2020 and 2019, the Company received subrogation totaling \$62,280 and \$257,180, respectively.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 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?  
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating? Michigan
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[ ] No[X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. .....
- 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[X] No[ ]
- 2.2 If yes, date of change: 02/10/2020
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2019
- 3.2 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. 12/31/2019
- 3.3 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). 12/31/2019
- 3.4 By what department or departments?  
MICHIGAN DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[X] No[ ] N/A[ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?  
If yes, complete and file the merger history data file with the NAIC. Yes[ ] No[X]
- 5.2 If yes, provide the name of the 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
.....	.....	.....
.....	.....	.....
.....	.....	.....

- 6.1 Has the 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]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[ ] No[X]
- 7.2 If yes, ..... 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....	.....

- 8.1 Is the company a subsidiary of a bank holding company regulated by 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 response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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
.....	.....	No	No	No	No

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
PLANTE & MORAN PLLC., 1111 MICHIGAN AVENDUE, SUITE 100, EAST LANSING, MI 48823
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is no or n/a please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

# GENERAL INTERROGATORIES (Continued)

JIAN YU, FSA, MAAA, 1231 EAST BELTLINE AVE NE, GRAND RAPIDS, MI 49525, CHIEF ACTUARY OF PRIORITY HEALTH

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]  
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved 0  
 12.13 Total book/adjusted carrying value \$ ..... 0  
 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ] N/A [X]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ] N/A [X]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]
- 14.1 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.  
 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 Senior officers are subject to Priority Health's code of ethics as of January 1, 2020.  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]  
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
.....	.....	.....	.....

## BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No [ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.11 To directors or other officers \$ ..... 0  
 20.12 To stockholders not officers \$ ..... 0  
 20.13 Trustees, supreme or grand (Fraternal only) \$ ..... 0  
 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.21 To directors or other officers \$ ..... 0  
 20.22 To stockholders not officers \$ ..... 0  
 20.23 Trustees, supreme or grand (Fraternal only) \$ ..... 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]  
 21.2 If yes, state the amount thereof at December 31 of the current year:  
 21.21 Rented from others \$ ..... 0  
 21.22 Borrowed from others \$ ..... 0  
 21.23 Leased from others \$ ..... 0  
 21.24 Other \$ ..... 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No [ ]  
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ ..... 11,144,965  
 22.22 Amount paid as expenses \$ ..... 0  
 22.23 Other amounts paid \$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]  
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 202,224

## INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No [ ]  
 24.02 If no, give full and complete information, relating thereto  
 24.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ ..... 0  
 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ ..... 0  
 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]  
 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

## GENERAL INTERROGATORIES (Continued)

- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]
- 24.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.093 Total payable for securities lending reported on the liability page. \$ ..... 0

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[ ] No[X]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ ..... 0
- 25.22 Subject to reverse repurchase agreements \$ ..... 0
- 25.23 Subject to dollar repurchase agreements \$ ..... 0
- 25.24 Subject to reverse dollar repurchase agreements \$ ..... 0
- 25.25 Placed under option agreements \$ ..... 0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ ..... 0
- 25.27 FHLB Capital Stock \$ ..... 0
- 25.28 On deposit with states \$ ..... 0
- 25.29 On deposit with other regulatory bodies \$ ..... 1,019,185
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ ..... 0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ ..... 0
- 25.32 Other \$ ..... 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[ ] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]  
If no, attach a description with this statement.
- LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:
- 26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[ ] No[X]
- 26.4 If the response to 26.3 is yes, does the reporting entity utilize:
- 26.41 Special Accounting Provision of SSAP No. 108 Yes[ ] No[X]
- 26.42 Permitted Accounting Practice Yes[ ] No[X]
- 26.43 Other Accounting Guidance Yes[ ] No[X]
- 26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity at tests to the following: Yes[ ] No[X]
- The reporting entity has obtained explicit approval from the domiciliary state.
  - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
  - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated with in the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
  - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts

- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[ ] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$ ..... 0

28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[ ]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
COMERICA BANK - Carol Morga .....	611 WOODWARD AVE., DETROIT, MI 48226 .....

28.02 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)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[ ] No[X]
- 28.04 If yes, give full and complete information relating thereto:

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

28.05 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
Comerica Securities - Carol Morga .....	U .....

## GENERAL INTERROGATORIES (Continued)

- 28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes[X] No[ ]
- 28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes[X] No[ ]
- 28.06 For those firms or individuals listed in the table for 28.05 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
17079	Comerica Securities		SEC	DS

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes[ ] No[X]
- 29.2 If yes, complete the following schedule:

1  CUSIP #	2  Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 Total		

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1  Name of Mutual Fund (from above table)	2  Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4  Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1  Statement (Admitted) Value	2  Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	1,019,185	1,019,185	
30.2 Preferred stocks			
30.3 Totals	1,019,185	1,019,185	

- 30.4 Describe the sources or methods utilized in determining the fair values:

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[ ]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes[X] No[ ]
- 32.2 If no, list exceptions:

33. By self-designation 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- 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.
  - Issuer or obligor is current on all contracted interest and principal payments.
  - 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]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
- The security was purchased prior to January 1, 2018.
  - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
  - The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - 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]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- The shares were purchased prior to January 1, 2019.
  - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
  - The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - The fund only or predominantly holds bonds in its portfolio.
  - The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
- Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes[ ] No[X]

## GENERAL INTERROGATORIES (Continued)

36. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
  - b. If the investment is with a nonrelated party or nonaffiliate then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
  - c. If the investment is with a related party or affiliate then the reporting entity has complete robust reunderwriting of the transaction for which documentation is available for regulator review.
  - d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a-36.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?

Yes  No  N/A

### OTHER

37.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$ ..... 0

37.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid

38.1 Amount of payments for legal expenses, if any?

\$ ..... 6,431

38.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

\$ ..... 0

39.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

# GENERAL INTERROGATORIES (Continued)

## PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only: \$ ..... 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ ..... 0
  - 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ ..... 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ ..... 0
- 1.6 Individual policies - Most current three years:
  - 1.61 TOTAL Premium earned \$ ..... 0
  - 1.62 TOTAL Incurred claims \$ ..... 0
  - 1.63 Number of covered lives ..... 0
  - All years prior to most current three years:
  - 1.64 TOTAL Premium earned \$ ..... 0
  - 1.65 TOTAL Incurred claims \$ ..... 0
  - 1.66 Number of covered lives ..... 0
- 1.7 Group policies - Most current three years:
  - 1.71 TOTAL Premium earned \$ ..... 0
  - 1.72 TOTAL Incurred claims \$ ..... 0
  - 1.73 Number of covered lives ..... 0
  - All years prior to most current three years:
  - 1.74 TOTAL Premium earned \$ ..... 0
  - 1.75 TOTAL Incurred claims \$ ..... 0
  - 1.76 Number of covered lives ..... 0

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	153,085,852	192,747,933
2.2 Premium Denominator .....	153,085,852	192,747,933
2.3 Premium Ratio (2.1 / 2.2) .....	100.000	100.000
2.4 Reserve Numerator .....	28,838,820	40,625,961
2.5 Reserve Denominator .....	28,838,820	40,625,961
2.6 Reserve Ratio (2.4 / 2.5) .....	100.000	100.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [ ] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes[X] No [ ]
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [ ] N/A[X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes[X] No [ ]
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions):
  - 5.31 Comprehensive Medical \$ ..... 500,000
  - 5.32 Medical Only \$ ..... 0
  - 5.33 Medicare Supplement \$ ..... 0
  - 5.34 Dental & Vision \$ ..... 0
  - 5.35 Other Limited Benefit Plan \$ ..... 0
  - 5.36 Other \$ ..... 0
- 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes[X] No [ ]
- 7.2 If no, give details:
- 8. Provide the following information regarding participating providers:
  - 8.1 Number of providers at start of reporting year ..... 6,533
  - 8.2 Number of providers at end of reporting year ..... 6,419
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [X]
- 9.2 If yes, direct premium earned:
  - 9.21 Business with rate guarantees between 15-36 months ..... 0
  - 9.22 Business with rate guarantees over 36 months ..... 0
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes[X] No [ ]
- 10.2 If yes:
  - 10.21 Maximum amount payable bonuses \$ ..... 1,102,517
  - 10.22 Amount actually paid for year bonuses \$ ..... 657,377
  - 10.23 Maximum amount payable withholds \$ ..... 0
  - 10.24 Amount actually paid for year withholds \$ ..... 0
- 11.1 Is the reporting entity organized as:
  - 11.12 A Medical Group/Staff Model, Yes [ ] No [X]
  - 11.13 An Individual Practice Association (IPA), or, Yes [ ] No [X]
  - 11.14 A Mixed Model (combination of above)? Yes [ ] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes[X] No [ ]
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.  
MICHIGAN
- 11.4 If yes, show the amount required. \$ ..... 11,169,293
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [X]
- 11.6 If the amount is calculated, show the calculation.  
Calculation is based on 200% RBC. See RBC calculation.

12. List service areas in which the reporting entity is licensed to operate:

1 Name of Service Area
OAKLAND .....
WAYNE .....
MACOMB .....
GENESSEE .....

- 13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date: \$ ..... 0
- 13.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ ..... 0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers? Yes [ ] No [ ] N/A[X]
- 14.2 If the answer to 14.1 is yes, please provide the following:

## GENERAL INTERROGATORIES (Continued)

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
.....	.....	.....	.....	.....	.....	.....

15. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)

15.1 Direct Premium Written	\$ .....	0
15.2 Total incurred claims	\$ .....	0
15.2 Number of covered lives	.....	0

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without Secondary Guarantee)
Universal Life (with or without Secondary Guarantee)
Variable Universal Life (with or without Secondary Guarantee)

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes[ ] No[X]

16.1 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]



## FIVE-YEAR HISTORICAL DATA

	1 2020	2 2019	3 2018	4 2017	5 2016
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. TOTAL Admitted Assets (Page 2, Line 28) .....	69,119,820	81,593,286	76,781,614	67,516,890	55,412,146
2. TOTAL Liabilities (Page 3, Line 24) .....	37,971,597	45,840,499	34,218,444	21,676,940	25,494,771
3. Statutory minimum capital and surplus requirement .....	11,169,293	12,802,147	11,782,065	9,031,968	9,140,078
4. TOTAL Capital and Surplus (Page 3, Line 33) .....	31,148,223	35,752,787	42,563,170	45,389,950	29,917,375
<b>INCOME STATEMENT (Page 4)</b>					
5. TOTAL Revenues (Line 8) .....	145,510,586	181,249,266	182,227,860	148,047,491	139,278,238
6. TOTAL Medical and Hospital Expenses (Line 18) .....	130,273,954	146,146,294	139,325,532	108,046,429	107,693,752
7. Claims adjustment expenses (Line 20) .....	207,554	488,369	467,780	355,613	333,155
8. TOTAL Administrative Expenses (Line 21) .....	19,619,582	33,068,591	33,093,313	24,625,098	24,755,105
9. Net underwriting gain (loss) (Line 24) .....	(4,590,504)	1,546,012	9,341,235	15,020,351	6,496,226
10. Net investment gain (loss) (Line 27) .....	366,914	1,701,057	1,252,132	453,021	201,928
11. TOTAL Other Income (Lines 28 plus 29) .....					
12. Net income or (loss) (Line 32) .....	(4,223,590)	3,247,069	10,593,367	15,473,375	6,698,154
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	(10,091,743)	13,434,742	23,387,327	12,915,977	3,991,258
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. TOTAL Adjusted Capital .....	31,148,223	35,752,787	42,563,170	45,839,950	29,917,375
15. Authorized control level risk-based capital .....	5,584,647	6,122,142	5,891,033	4,515,984	4,570,039
<b>ENROLLMENT (Exhibit 1)</b>					
16. TOTAL Members at End of Period (Column 5, Line 7) .....	34,784	38,942	42,382	34,348	32,787
17. TOTAL Members Months (Column 6, Line 7) .....	438,275	505,674	530,908	426,045	401,772
<b>OPERATING PERCENTAGE (Page 4)</b>					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19) .....	89.5	80.6	76.5	73.0	77.3
20. Cost containment expenses .....	0.1	0.3	0.3	0.2	0.2
21. Other claims adjustment expenses .....					
22. TOTAL Underwriting Deductions (Line 23) .....	103.2	99.1	94.9	89.9	95.3
23. TOTAL Underwriting Gain (Loss) (Line 24) .....	(3.2)	0.9	5.1	10.1	4.7
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) .....	16,770,858	11,759,183	9,801,536	13,448,461	15,276,856
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....	25,482,269	12,484,407	11,223,731	16,064,042	16,485,550
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1) .....					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1) .....					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1) .....					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. TOTAL of Above Lines 26 to 31 .....					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above .....					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3 - Accounting Changes and Correction of Errors? Yes[ ] No[ ] N/A[X]

If no, please explain:

# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit - Type Contracts
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	L	153,803,807						153,803,807	
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	N								
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	X X X								
59. Subtotal	X X X	153,803,807						153,803,807	
60. Reporting entity contributions for Employee Benefit Plans	X X X								
61. TOTAL (Direct Business)	X X X	153,803,807						153,803,807	
<b>DETAILS OF WRITE-INS</b>									
58001	X X X								
58002	X X X								
58003	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(a) Active Status Counts:

- L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG
- E - Eligible - Reporting entities eligible or approved to write surplus lines in the state
- N - None of the above - Not allowed to write business in the state

1

R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

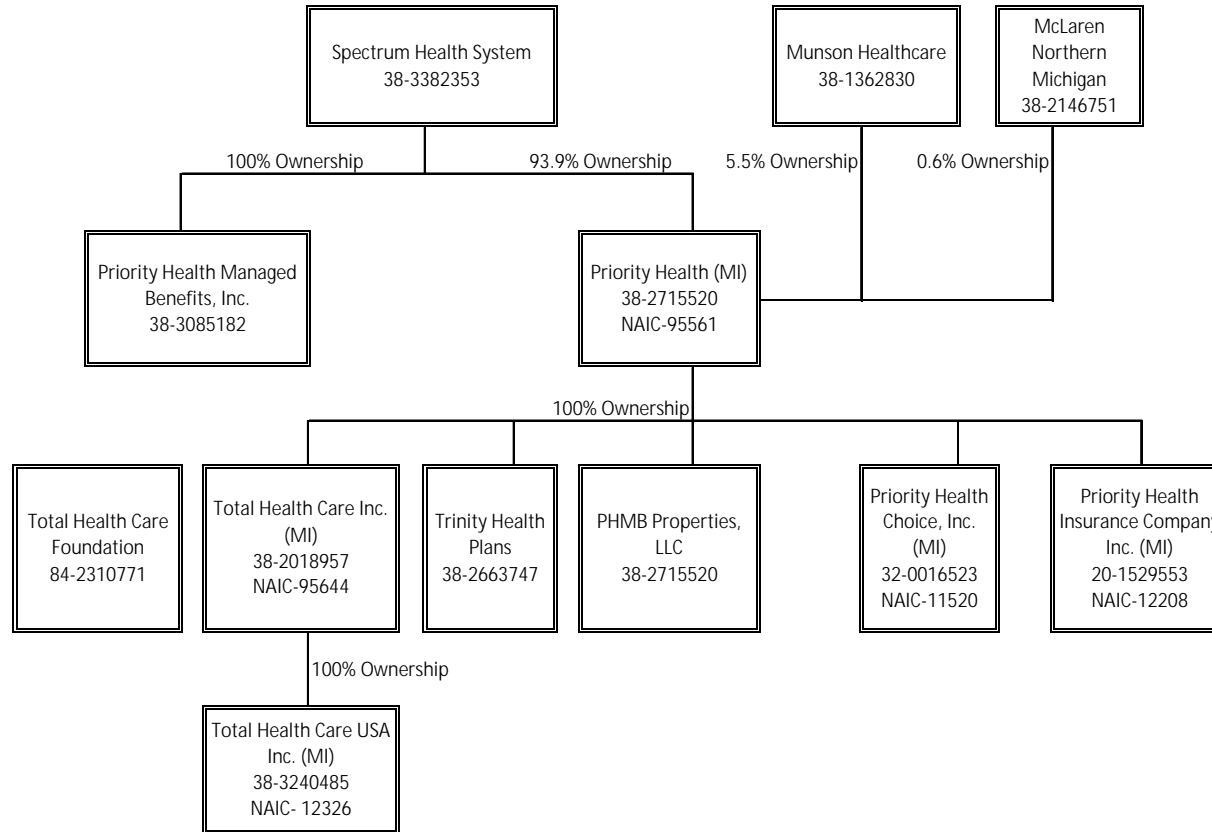
56

(b) Explanation of basis of allocation by state, premiums by state, etc.:

## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

### MEMBERS OF A HOLDING COMPANY GROUP

#### PART 1 - ORGANIZATIONAL CHART



# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

## MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART

### Spectrum Health Corporate Structure

