

ANNUAL STATEMENT

OF THE

DELTA DENTAL PLAN

OF

ARKANSAS, INC.

of **SHERWOOD**

STATE OF **ARKANSAS**

TO THE

Insurance Department

OF THE

State of Arkansas

FOR THE YEAR ENDED

December 31, 2023

HEALTH

2023



47155202320100100

ANNUAL STATEMENT

For the Year Ended December 31, 2023
OF THE CONDITION AND AFFAIRS OF THE

Delta Dental Plan of Arkansas, Inc.

NAIC Group Code 0477 0477 NAIC Company Code 47155 Employer's ID Number 71-0561140
(Current Period) (Prior Period)

Organized under the Laws of Arkansas, State of Domicile or Port of Entry AR

Country of Domicile US

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

Incorporated/Organized March 15, 1982 Commenced Business August 1, 1982

Statutory Home Office 1513 Country Club Road, Sherwood, AR, US 72120
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1513 Country Club Road (Street and Number)
Sherwood, AR, US 72120 (City or Town, State, Country and Zip Code)
501-835-3400 (Area Code) (Telephone Number)

Mail Address 1513 Country Club Road, Sherwood, AR, US 72120
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1513 Country Club Road Sherwood, AR, US 72120 501-835-3400
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address deltadentalar.com

Statutory Statement Contact Deborah Ann Lowtharp 501-992-1634
(Name) (Area Code) (Telephone Number) (Extension)
dlowtharp@deltadentalar.com 501-992-1635
(E-Mail Address) (Fax Number)

OFFICERS

	Name	Title
1.	<u>Kristin Nielsen Merlo</u>	<u>President and CEO</u>
2.	<u>Cindy Hovis Boyle</u>	<u>Secretary</u>
3.	<u>Arnoud Derk Krijt</u>	<u>Treasurer</u>

VICE-PRESIDENTS

Name	Title	Name	Title
<u>Thomas Burton Redd</u>	<u>Vice President of Professional Relations</u>	<u>David Edward Hawsey</u>	<u>VP, Marketing</u>
<u>Jimmy Sam Anthony #</u>	<u>VP, Strategic Customer Solutions</u>	<u>Deborah Ann Lowtharp</u>	<u>VP, Finance & CFO</u>
<u>Jennifer Renee Morales</u>	<u>VP, Human Resources</u>	<u>Kathleen Lestage Mehdizadegan</u>	<u>VP, General Counsel</u>
<u>Bradley Jay Clothier #</u>	<u>Executive VP & COO</u>	<u>Elizabeth Ann Jones</u>	<u>Director, Medicaid Operations</u>

DIRECTORS OR TRUSTEES

<u>Phillip Wayne Cox</u>	<u>Robbins Mark Bailey</u>	<u>Troy John Dryden Bartels</u>	<u>Arnoud Derk Krijt</u>
<u>Cindy Hovis Boyle</u>	<u>Tamika Silverman Edwards</u>	<u>Joseph Wood Thompson</u>	<u>Sarah Jean Clark</u>
<u>Granville Wayne Callahan, Sr.</u>	<u>Nader Elias Alley</u>	<u>Paul Eugene Beahm, Jr.</u>	<u>Mark Alan Langston</u>
<u>Desiree de Melo Dare</u>			

State of Arkansas

County of Pulaski 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.

<u>Kristin Nielsen Merlo</u> (Signature) <u>Kristin Nielsen Merlo</u> (Printed Name) President and CEO (Title)	<u>Arnoud Derk Krijt</u> (Signature) <u>Arnoud Derk Krijt</u> (Printed Name) Treasurer (Title)
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Subscribed and sworn to (or affirmed) before me this on this _____ day of _____, 2024, by _____

- a. Is this an original filing? [X] Yes [] No
- b. If no: 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	43,298,720		43,298,720	40,447,043
2. Stocks (Schedule D):				
2.1 Preferred stocks	652,097		652,097	633,147
2.2 Common stocks	62,431,178	12,531,766	49,899,412	42,803,770
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	1,700,000		1,700,000	2,000,000
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	20,254,595		20,254,595	20,813,267
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 37,364,378, Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 995,689, Schedule DA)	38,360,068		38,360,068	46,354,847
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	1,259,319		1,259,319	1,190,775
9. Receivables for securities				400,000
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)	167,955,977	12,531,766	155,424,211	154,642,849
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	351,052		351,052	245,167
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,061,103		2,061,103	2,105,987
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)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
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	6,192,003		6,192,003	5,076,827
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	893,712	55,568	838,144	906,715
21. Furniture and equipment, including health care delivery assets (\$ 0)	1,402,407	1,402,407		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	14,421		14,421	16,493
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	6,408,319	3,544,146	2,864,173	2,184,437
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	185,278,994	17,533,887	167,745,107	165,178,475
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	185,278,994	17,533,887	167,745,107	165,178,475

DETAILS OF WRITE-IN LINES				
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 Expenses & Deposits	3,402,597	3,402,597		
2502. Deferred Compensation - 457	2,864,173		2,864,173	2,184,437
2503. Miscellaneous Receivable	112,424	112,424		
2598. Summary of remaining write-ins for Line 25 from overflow page	29,125	29,125		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	6,408,319	3,544,146	2,864,173	2,184,437

NONE

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	6,382,739		6,382,739	6,421,955
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	252,182		252,182	262,471
4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Services Act	2,894,770		2,894,770	2,900,970
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance	2,646,567		2,646,567	2,598,209
9. General expenses due or accrued	10,428,457		10,428,457	13,469,934
10.1. Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized 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				
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
15. Amounts due to parent, subsidiaries and affiliates	2,010,699		2,010,699	3,662,476
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	2,788,422		2,788,422	2,595,422
23. Aggregate write-ins for other liabilities (including \$ 0 current)	2,534,828		2,534,828	2,342,674
24. Total liabilities (Lines 1 to 23)	29,938,664		29,938,664	34,254,111
25. Aggregate write-ins for special surplus funds	X X X	X X X		
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		
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	50,000	50,000
31. Unassigned funds (surplus)	X X X	X X X	137,756,442	130,874,363
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	137,806,442	130,924,363
34. Total liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	167,745,106	165,178,474

DETAILS OF WRITE-IN LINES				
2301. Escheat	2,534,828		2,534,828	2,342,674
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)	2,534,828		2,534,828	2,342,674
2501.	X X X	X X X		
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		
3001. Surplus required by the Arkansas Insurance Department	X X X	X X X	50,000	50,000
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	50,000	50,000

NONE

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	10,395,792	10,925,107
2. Net premium income (including \$ 0 non-health premium income)	X X X	214,230,993	219,153,466
3. Change in unearned premium reserves and reserve for rate credits	X X X	(6,200)	(13,423)
4. Fee-for-service (net of \$ 0 medical expenses)	X X X		
5. Risk revenue	X X X	6,321,615	6,749,016
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		(843,159)
8. Total revenues (Lines 2 to 7)	X X X	220,546,408	225,045,900
Hospital and Medical:			
9. Hospital/medical benefits		163,065,967	164,368,893
10. Other professional services			
11. Outside referrals			
12. Emergency room and out-of-area			
13. Prescription drugs			
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)		163,065,967	164,368,893
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		163,065,967	164,368,893
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 1,461,713 cost containment expenses		20,117,514	19,653,792
21. General administrative expenses		39,039,082	29,413,034
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)		222,222,563	213,435,719
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(1,676,155)	11,610,181
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		2,267,072	986,313
26. Net realized capital gains (losses) less capital gains tax of \$ 0		(179,604)	(1,480,191)
27. Net investment gains (losses) (Lines 25 plus 26)		2,087,468	(493,878)
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		541,362	578,829
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	952,675	11,695,132
31. Federal and foreign income taxes incurred	X X X	598,352	647,737
32. Net income (loss) (Lines 30 minus 31)	X X X	354,323	11,047,395

DETAILS OF WRITE-IN LINES			
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 06 from overflow page	X X X		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	X X X		
0701. Net Gain Loss from Fixed Assets	X X X		(843,159)
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 07 from overflow page	X X X		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 above)	X X X		(843,159)
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901. Miscellaneous Income		541,362	578,829
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		541,362	578,829

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	130,924,363	128,772,899
34. Net income or (loss) from Line 32	354,323	11,047,395
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	8,155,729	(8,931,872)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(1,627,973)	35,941
40. Change in unauthorized and certified reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus		
48. Net change in capital and surplus (Lines 34 to 47)	6,882,079	2,151,464
49. Capital and surplus end of reporting year (Line 33 plus 48)	137,806,442	130,924,363

DETAILS OF WRITE-IN LINES			
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)		

NONE

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	218,014,234	225,682,982
2. Net investment income	2,563,458	1,696,936
3. Miscellaneous income		(843,159)
4. Total (Lines 1 through 3)	220,577,692	226,536,759
5. Benefit and loss related payments	163,105,183	164,483,386
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	59,514,794	46,516,931
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)	222,619,977	211,000,317
11. Net cash from operations (Line 4 minus Line 10)	(2,042,285)	15,536,442
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	4,434,059	2,574,086
12.2 Stocks	1,395,763	3,623,531
12.3 Mortgage loans	300,000	
12.4 Real estate		2,000,000
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		17,500
12.8 Total investment proceeds (Lines 12.1 to 12.7)	6,129,822	8,215,117
13. Cost of investments acquired (long-term only):		
13.1 Bonds	7,301,953	7,945,726
13.2 Stocks	2,149,731	5,747,788
13.3 Mortgage loans		2,000,000
13.4 Real estate		471,368
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	9,451,684	16,164,882
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)	(3,321,862)	(7,949,765)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(2,630,633)	1,590,195
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(2,630,633)	1,590,195
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(7,994,780)	9,176,872
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	46,354,847	37,177,975
19.2 End of year (Line 18 plus Line 19.1)	38,360,067	46,354,847

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

20.0001		
20.0002		
20.0003		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual				
2. Comprehensive (hospital and medical) group				
3. Medicare Supplement				
4. Vision only	14,110,979			14,110,979
5. Dental only	124,951,005			124,951,005
6. Federal Employees Health Benefits Plan				
7. Title XVIII – Medicare				
8. Title XIX – Medicaid	75,162,809			75,162,809
9. Credit A&H				
10. Disability Income				
11. Long-Term Care				
12. Other health				
13. Health subtotal (Lines 1 through 12)	214,224,793			214,224,793
14. Life				
15. Property/casualty				
16. Totals (Lines 13 to 15)	214,224,793			214,224,793

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	163,105,184				7,612,636	92,040,465			63,452,083					
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	163,105,184				7,612,636	92,040,465			63,452,083					
2. Paid medical incentive pools and bonuses														
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	6,382,739				178,821	3,862,245			2,341,673					
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net	6,382,739				178,821	3,862,245			2,341,673					
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														
6. Net healthcare receivables (a)														
7. Amounts recoverable from reinsurers December 31, current														
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	6,421,956				190,803	3,752,249			2,478,904					
8.2 Reinsurance assumed														
8.3 Reinsurance ceded														
8.4 Net	6,421,956				190,803	3,752,249			2,478,904					
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														
11. Amounts recoverable from reinsurers December 31, prior ye														
12. Incurred benefits:														
12.1 Direct	163,065,967				7,600,654	92,150,461			63,314,852					
12.2 Reinsurance assumed														
12.3 Reinsurance ceded														
12.4 Net	163,065,967				7,600,654	92,150,461			63,314,852					
13. Incurred medical incentive pools and bonuses														

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	297,886				23,556	274,330								
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	297,886				23,556	274,330								
2. Incurred but Unreported:														
2.1 Direct	6,084,853				155,266	3,587,914			2,341,673					
2.2 Reinsurance assumed														
2.3 Reinsurance ceded														
2.4 Net	6,084,853				155,266	3,587,914			2,341,673					
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	6,382,739				178,822	3,862,244			2,341,673					
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net	6,382,739				178,822	3,862,244			2,341,673					

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	2	3	4	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual						
2. Comprehensive (hospital and medical) group						
3. Medicare Supplement						
4. Vision only	262,481	7,350,155		178,821	262,481	190,803
5. Dental only	3,581,181	88,459,283	29,094	3,833,151	3,610,275	3,752,249
6. Federal Employees Health Benefits Plan						
7. Title XVIII – Medicare						
8. Title XIX – Medicaid	1,920,505	61,531,578		2,341,673	1,920,505	2,478,904
9. Credit A&H						
10. Disability Income						
11. Long-Term Care						
12. Other health						
13. Health subtotal (Lines 1 to 12)	5,764,167	157,341,016	29,094	6,353,645	5,793,261	6,421,956
14. Health care receivables (a)						
15. Other non-health						
16. Medical incentive pools and bonus amounts						
17. Totals (Lines 13 - 14 + 15 + 16)	5,764,167	157,341,016	29,094	6,353,645	5,793,261	6,421,956

(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)
 Hospital & Medical

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019										
2. 2020										
3. 2021										
4. 2022										
5. 2023										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)
Dental Only

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	137,129	137,129	137,129	137,129	137,129
2. 2019	100,364	105,002	105,002	105,002	105,002
3. 2020	X X X	81,197	85,237	85,237	85,237
4. 2021	X X X	X X X	91,000	94,766	94,766
5. 2022	X X X	X X X	X X X	89,305	92,886
6. 2023	X X X	X X X	X X X	X X X	88,459

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	137,064	137,064	137,064	137,064	137,064
2. 2019	105,288	105,002	105,002	105,002	105,002
3. 2020	X X X	85,237	85,237	85,237	85,237
4. 2021	X X X	X X X	95,293	94,797	94,797
5. 2022	X X X	X X X	X X X	93,026	92,915
6. 2023	X X X	X X X	X X X	X X X	92,292

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019	135,493	105,848	7,801	7.370	113,649	83.878			113,649	83.878
2. 2020	121,649	85,835	15,075	17.563	100,910	82.952			100,910	82.952
3. 2021	127,462	95,040	15,521	16.331	110,561	86.740			110,561	86.740
4. 2022	133,020	93,071	15,414	16.562	108,485	81.555			108,485	81.555
5. 2023	131,273	92,040	15,863	17.235	107,903	82.197	3,862	229	111,994	85.314

12D0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)
Vision Only

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	5,610	5,610	5,610	5,610	5,610
2. 2019	6,568	6,771	6,771	6,771	6,771
3. 2020	X X X	6,001	6,184	6,184	6,184
4. 2021	X X X	X X X	6,478	6,716	6,716
5. 2022	X X X	X X X	X X X	6,332	6,594
6. 2023	X X X	X X X	X X X	X X X	7,350

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	5,610	5,610	5,610	5,610	5,610
2. 2019	6,719	6,771	6,771	6,771	6,771
3. 2020	X X X	6,154	6,184	6,184	6,184
4. 2021	X X X	X X X	6,649	6,716	6,716
5. 2022	X X X	X X X	X X X	6,523	6,594
6. 2023	X X X	X X X	X X X	X X X	7,529

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019	11,382	6,567	698	10.629	7,265	63.829			7,265	63.829
2. 2020	11,008	6,203	606	9.769	6,809	61.855			6,809	61.855
3. 2021	12,889	6,661	648	9.728	7,309	56.707			7,309	56.707
4. 2022	13,683	6,570	648	9.863	7,218	52.752			7,218	52.752
5. 2023	14,111	7,613	638	8.380	8,251	58.472	179	23	8,453	59.904

12.VO

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Title XVIII - Medicare

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019										
2. 2020										
3. 2021										
4. 2022										
5. 2023										

12XV

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	61,530	61,530	61,530	61,530	61,530
2. 2019	62,480	64,784	64,784	64,784	64,784
3. 2020	X X X	50,383	52,558	52,558	52,558
4. 2021	X X X	X X X	61,745	63,481	63,481
5. 2022	X X X	X X X	X X X	63,107	65,027
6. 2023	X X X	X X X	X X X	X X X	61,532

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	61,530	61,530	61,530	61,530	61,530
2. 2019	61,595	64,784	64,784	64,784	64,784
3. 2020	X X X	52,615	52,558	52,558	52,558
4. 2021	X X X	X X X	63,817	63,481	63,481
5. 2022	X X X	X X X	X X X	65,586	65,027
6. 2023	X X X	X X X	X X X	X X X	63,873

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019	71,361	64,366	4,856	7.544	69,222	97.003			69,222	97.003
2. 2020	63,354	52,687	3,264	6.195	55,951	88.315			55,951	88.315
3. 2021	79,030	63,920	4,288	6.708	68,208	86.306			68,208	86.306
4. 2022	79,232	64,843	3,592	5.540	68,435	86.373			68,435	86.373
5. 2023	75,163	63,452	3,668	5.781	67,120	89.299	2,342		69,462	92.415

12 XI

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019										
2. 2020										
3. 2021										
4. 2022										
5. 2023										

1201

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	204,269	204,269	204,269	204,269	204,269
2. 2019	169,412	176,557	176,557	176,557	176,557
3. 2020	X X X	137,581	143,979	143,979	143,979
4. 2021	X X X	X X X	159,223	164,963	164,963
5. 2022	X X X	X X X	X X X	158,744	164,507
6. 2023	X X X	X X X	X X X	X X X	157,341

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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	204,204	204,204	204,204	204,204	204,204
2. 2019	173,602	176,557	176,557	176,557	176,557
3. 2020	X X X	144,006	143,979	143,979	143,979
4. 2021	X X X	X X X	165,759	164,994	164,994
5. 2022	X X X	X X X	X X X	165,135	164,536
6. 2023	X X X	X X X	X X X	X X X	163,694

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2019	218,236	176,781	13,355	7.555	190,136	87.124			190,136	87.124
2. 2020	196,011	144,725	18,945	13.090	163,670	83.500			163,670	83.500
3. 2021	219,381	165,621	20,457	12.352	186,078	84.820			186,078	84.820
4. 2022	225,935	164,484	19,654	11.949	184,138	81.500			184,138	81.500
5. 2023	220,547	163,105	20,169	12.366	183,274	83.100	6,383	252	189,909	86.108

12.GT

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D – AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A & H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves	275,555					275,555							
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)	2,619,215								2,619,215				
5. Aggregate write-ins for other policy reserves													
6. Totals (gross)	2,894,770					275,555			2,619,215				
7. Reinsurance ceded													
8. Totals (Net) (Page 3, Line 4)	2,894,770					275,555			2,619,215				
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)													

13

DETAILS OF WRITE-IN LINES													
0501													
0502													
0503													
0598 Summary of remaining write-ins for Line 05 from overflo													
0599 Totals (Lines 0501 through 0503 plus 0598) (Line 05 ab													
1101													
1102													
1103													
1198 Summary of remaining write-ins for Line 11 from overflo													
1199 Totals (Lines 1101 through 1103 plus 1198) (Line 11 ab													

NONE

NONE

(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 (\$ 190,500 for occupancy of own building)		114,300	76,200		190,500
2. Salaries, wages and other benefits	846,610	13,752,006	9,732,411		24,331,027
3. Commissions (less \$ 0 ceded plus \$ 0 assumed)			10,344,741		10,344,741
4. Legal fees and expenses			170,696		170,696
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services			236,035		236,035
7. Traveling expenses		33,934	364,857		398,791
8. Marketing and advertising			1,025,602		1,025,602
9. Postage, express and telephone		1,975,976	224,772		2,200,748
10. Printing and office supplies		283,837	189,224		473,061
11. Occupancy, depreciation and amortization		122,062	81,374		203,436
12. Equipment					
13. Cost or depreciation of EDP equipment and software		632,111	2,556,840		3,188,951
14. Outsourced services including EDP, claims, and other services	615,103	7,591,981	15,017,673		23,224,757
15. Boards, bureaus and association fees			1,308,780		1,308,780
16. Insurance, except on real estate		130,601	87,068		217,669
17. Collection and bank service charges		102,558	68,372		170,930
18. Group service and administration fees					
19. Reimbursements by uninsured plans		(10,418,486)	(6,945,657)		(17,364,143)
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses		252,430	168,287		420,717
22. Real estate taxes			78,008		78,008
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					
23.2 State premium taxes		3,627,596			3,627,596
23.3 Regulatory authority licenses and fees					
23.4 Payroll taxes					
23.5 Other (excluding federal income and real estate taxes)			105,075		105,075
24. Investment expenses not included elsewhere				291,166	291,166
25. Aggregate write-ins for expenses		454,895	4,148,724		4,603,619
26. Total expenses incurred (Lines 1 to 25)	1,461,713	18,655,801	39,039,082	291,166	(a) 59,447,762
27. Less expenses unpaid December 31, current year		252,182	10,428,457		10,680,639
28. Add expenses unpaid December 31, prior year		262,471	13,469,934		13,732,405
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)	1,461,713	18,666,090	42,080,559	291,166	62,499,528

DETAILS OF WRITE-IN LINES					
2501. Charitable Contributions			3,748,366		3,748,366
2502. Consulting		319,234	212,823		532,057
2503. Seminars		126,815	84,543		211,358
2598. Summary of remaining write-ins for Line 25 from overflow page		8,846	102,992		111,838
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		454,895	4,148,724		4,603,619

(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) 178,836	383,738
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 770,086	1,309,262
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 43,115	43,115
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	570,055	575,748
3. Mortgage loans	(c)	51,708
4. Real estate	(d)	190,500
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 493,741	562,838
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	2,055,833	3,116,909
11. Investment expenses		(g) 291,166
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) 558,671
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		849,837
17. Net investment income (Line 10 minus Line 16)		2,267,072

DETAILS OF WRITE-IN LINES			
0901.	NONE		
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
1501.	NONE		
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 \$ 44,247 accrual of discount less \$ 166,366 amortization of premium and less \$ 36,109 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 \$ 278,956 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)	(27,225)		(27,225)		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	(158,126)		(158,126)	7,755,852	
2.21 Common stocks of affiliates				399,877	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets	5,746		5,746		
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	(179,605)		(179,605)	8,155,729	

DETAILS OF WRITE-IN LINES					
0901.	NONE				
0902.					
0903.					
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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	12,531,766	11,459,977	(1,071,789)
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)	12,531,766	11,459,977	(1,071,789)
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			
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			
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	55,568	184,996	129,428
21. Furniture and equipment, including health care delivery assets	1,402,407	1,812,984	410,577
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			
25. Aggregate write-ins for other-than-invested assets	3,544,146	2,447,958	(1,096,188)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	17,533,887	15,905,915	(1,627,972)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	17,533,887	15,905,915	(1,627,972)

DETAILS OF WRITE-IN LINES			
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 Expenses & Deposits	3,402,597	2,324,033	(1,078,564)
2502. Miscellaneous Receivable	112,424	79,935	(32,489)
2503. Vehicles	29,125	43,990	14,865
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,544,146	2,447,958	(1,096,188)

NONE

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations						
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	922,890	907,006	868,060	831,567	829,389	10,395,792
7. Total	922,890	907,006	868,060	831,567	829,389	10,395,792

DETAILS OF WRITE-IN LINES						
0601. Dental Only	776,470	761,243	721,857	672,611	667,302	8,559,346
0602. Vision Only	146,420	145,763	146,203	158,956	162,087	1,836,446
0603.						
0698. Summary of remaining write-ins for Line 06 from overflow page						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	922,890	907,006	868,060	831,567	829,389	10,395,792

NOTES TO FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements Delta Dental Plan of Arkansas, Inc. (the “Company”) are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department. The Arkansas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Arkansas Insurance Code.

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 Arkansas. The State has adopted certain prescribed accounting principles that differ from those found in NAIC SAP. A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Arkansas is shown below:

Net Income	SSAP#	F/S Page	F/S Line #	12/31/2023	12/31/2022
(1) Delta Dental Plan of Arkansas, Inc state basis	XXX	XXX	XXX	\$354,322	\$11,047,395
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					
None	None	None	None	\$0	\$0
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
None	None	None	None	\$0	\$0
(4) NAIC SAP	XXX	XXX	XXX	<u>\$354,322</u>	<u>\$11,047,395</u>

Surplus	SSAP#	F/S Page	F/S Line #	12/31/2023	12/31/2022
(5) Delta Dental Plan of Arkansas, Inc				\$137,806,442	\$130,924,363
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
a. 23-63-801 provides limitations on admitted common stock	30	2	2.2	\$12,531,766	\$11,459,977
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
None	None	None	None	\$0	\$0
(8) NAIC SAP	XXX	XXX	XXX	<u>\$150,338,208</u>	<u>\$142,384,341</u>

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with the Annual Statement Instructions and Accounting Practices and Procedures Manual requires management to

NOTES TO FINANCIAL STATEMENTS

make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The actual results could differ from these estimates.

C. Accounting Policy

Group dental and vision premiums are billed a month in advance and included in income once the month arrives. Individual premiums may be paid annually or monthly. The portion of premiums received annually from individuals that apply to future period is included in the statement of admitted assets, liabilities, capital and surplus – statutory basis as unearned premiums.

The Company maintains deposits from certain employer groups with administrative service contracts. These deposits represent a prefunding of expected costs under the contract.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans and SVO-Identified investments are both stated at amortized cost or fair (market) value based on the issuers NAIC Securities Valuation Office designation.
- (3) Common Stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 35% or more are carried on the equity basis.
- (4) Preferred Stocks are stated in accordance with the guidance provided in *SSAP No. 32R-Preferred Stock*.
- (5) Mortgage loans on real are stated at the aggregate carrying value less accrued interest.
- (6) Loan-Backed Securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities, except for interest only securities or securities where the yield had become negative, that are valued using the prospective method.
- (7) The Company carries Omega Administrators, Inc. (wholly-owned non-insurance subsidiary) and Renaissance Holding Company (non-insurance affiliate) at GAAP equity value adjusted to statutory accounting principles.
- (8) The Company invested in limited partnerships and joint ventures. These are carried at GAAP equity value.
- (9) Derivatives - N/A
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation.
- (11) Claims incurred and unpaid include both claims in process and a provision for incurred but not reported claims. A provision for incurred but not reported claims is an actuarially determined and certified estimate based on claims experience and accumulated statistical data. The methods for making such actuarially determined and certified estimates and for establishing the resulting

NOTES TO FINANCIAL STATEMENTS

liability are continually reviewed. Provision is also made for estimated claims processing costs to be incurred in paying such claims and is included in unpaid claims adjustment expenses. Management believes the amounts reflected for these liabilities are adequate; however, the ultimate liabilities may differ from the amounts recorded. Any adjustments are reflected in the period they are recorded.

- (12) The Company has not modified its capitalization policy from the prior annual period.
- (13) Pharmaceutical rebate receivables - N/A

D. Going Concern

Management has evaluated the Company and determined there is no doubt in its ability to continue as a going concern.

Note 2: Accounting Changes and Corrections of Errors

- A. None.

Note 3: Business Combinations and Goodwill

- A. Statutory Purchase Method - None
- B. Statutory Merger - None
- C. Assumption Reinsurance - None
- D. Impairment Loss – None
- E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill - None

Note 4: Discontinued Operations

- A. Discontinued Operations Disposed of or Classified as Held for Sale - None
- B. Change in Plan of Sale of Discontinued Operations - None
- C. Nature of Any Significant Involvement with Discontinued Operations After Disposal –
None
- D. Equity Interest Retained in the Discontinued Operation After Disposal - None

NOTES TO FINANCIAL STATEMENTS

Note 5: Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

- (1) The minimum and maximum rates of interest received for new loans made in 2023 were: Commercial Loans 3%.
- (2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 3%
- (3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:

<u>Current Year</u>	<u>Prior Year</u>
\$0	\$0

- (4) Age analysis of mortgage loans and identification of mortgage loans in which the insurer is a participant or co-lender in a mortgage loan agreement:

		Residential		Commercial		Mezzanine	Total
		Farm	Insured	All Other	Insured		
a. Current Year							
1. Recorded Investment (All)							
(a) Current					1,700,000		1,700,000
(b) 30-59 Days Past Due							
(c) 60-89 Days Past Due							
(d) 90-179 Days Past Due							
(e) 180+ Days Past Due							
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment							
(b) Interest Accrued							
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment							
(b) Interest Accrued							
4. Interest Reduced							
(a) Recorded Investment							
(b) Number of Loans							
(c) Percent Reduced							
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment							

NOTES TO FINANCIAL STATEMENTS

b. Prior Year							
1. Recorded Investment (All)							
(a) Current							
(b) 30-59 Days Past Due							
(c) 60-89 Days Past Due							
(d) 90-179 Days Past Due							
(e) 180+ Days Past Due							
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment							
(b) Interest Accrued							
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment							
(b) Interest Accrued							
4. Interest Reduced							
(a) Recorded Investment							
(b) Number of Loans							
(c) Percent Reduced							
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment							

(5) Investment in Impaired Loans: N/A

(6) Investment in Impaired Loans: N/A

(7) Allowance for Credit Losses: N/A

(8) Mortgage Loans Derecognized as a result of foreclosure: N/A

(9) The company recognizes interest income on its impaired loans upon receipt

B. Debt Restructuring - N/A

C. Reverse Mortgages - N/A

D. Loan-Backed Securities

(1) Sources of Prepayment Assumptions - N/A

(2) OTTI Securities - N/A

(3) OTTI Securities - N/A

NOTES TO FINANCIAL STATEMENTS

(4) All debt securities held as of December 31, 2023 where fair value was less than amortized cost for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:

1. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$	0
2. 12 Months or Longer	\$	0

2. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$	0
2. 12 Months or Longer	\$	0

(5) Should an impairment of any of securities become other than temporary, the cost basis of the investment will be reduced and the resulting loss recognized in net income in the period the other-than-temporary impairment is identified.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - N/A

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – N/A

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – N/A

H. Repurchase Agreements Transactions Accounted for as a Sale – N/A

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – N/A

J. Real Estate

(1) No impairment loss was recognized in 2023 for investments in real estate.

(2) The Company has had no changes in plans to sell or not to sell any investments in real estate.

(3) Retail Land Sales Operations - N/A

(4) Real Estate Investments with Participating Mortgage Loan Features - N/A

K. Low-income Housing Tax Credits (LIHTC) - N/A

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Nonadmitted) Restricted from Current year	2 Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 Minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)

NOTES TO FINANCIAL STATEMENTS

a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
d. 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	\$50,000	\$50,000	\$ 0	\$ 0	\$50,000	.027%	.030%
k. On deposit with other regulatory bodies							

NOTES TO FINANCIAL STATEMENTS

l. Pledged as collateral (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	\$50,000	\$50,000	\$ 0	\$ 0	\$50,000	.027%	.030%

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – N/A

(3) Detail of Other Restricted Assets – N/A

(4) Collateral Received and Reflected as Assets Within the Reporting Entities Financial Statements – N/A

M. Working Capital Finance Investments – N/A

N. Offsetting and Netting of Assets and Liabilities –

O. 5GI Securities – N/A

P. Short Sales – N/A

Q. Prepayment Penalty and Acceleration Fees –

General Account

(1) Number of CUSIPs _____ 0

(2) Aggregate Amount of Investment Income _____ \$0.00

R. Cash Pool by Asset type

<u>Asset Type</u>	<u>Percent Share</u>
(1) Cash97.40%
(2) Cash Equivalents2.60%

NOTES TO FINANCIAL STATEMENTS

(3) Short-Term Investments	0%
(4) Total	100%

Note 6: Joint Ventures, Partnerships and Limited Liability Companies

- A. Investments in Joint Ventures, Partnerships and LLCs that exceed 10% of admitted assets – None
- B. Impaired Joint Ventures, Partnerships, and LLCs – None

Note 7: Investment Income

- A. Due and accrued income as excluded from surplus on the following basis:

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

- B. The total amount excluded was \$0
- C. The gross, nonadmitted and admitted amounts for interest income due and accrued:

<u>Interest Income Due and Accrued</u>	<u>Amount</u>
1. Gross	\$351,052
2. Nonadmitted	\$0
3. Admitted	\$352,052

- D. The aggregate deferred interest

	<u>Amount</u>
Aggregate Deferred Interest	\$0

- E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance.

	<u>Amount</u>
Cumulative amounts of PIK interest included in the current principal balance	\$0

Note 8: Derivative Instruments

None

Note 9: Income Taxes

A. None

NOTES TO FINANCIAL STATEMENTS

B. None

C.

	12/31/2023	12/31/2022	(Col 1-2) Change
1. Current Income Tax			
(a) Federal	(\$598,352)	(\$647,737)	(\$49,385)
(b) Foreign			
(c) Subtotal	(\$598,352)	(\$647,737)	(\$49,385)
(d) Federal income tax on net capital gains			
(e) Utilization of capital loss carry-forward			
(f) Other			
(g) Federal and foreign income taxes incurred	(\$598,352)	(\$647,737)	(\$49,385)
2. Deferred Tax Assets	None		None
3. Deferred Tax Liabilities	None		None
4. Net deferred tax assets/liabilities	None		None

D. None

E. None

F. None

G. None

H. None

I. None

Note 10: Information Concerning Parent, Subsidiaries and Affiliates

A, B, C, F & H.

NOTES TO FINANCIAL STATEMENTS

Effective August 1, 2012, the Company entered into an Agreement to Affiliate (the “Agreement”) with Renaissance Health Service Corporation (“RHSC”), a Michigan nonprofit corporation, with the goal of coordinating and combining organizational and administrative functions to enhance efficiencies between the Company, RHSC and other Delta Dental plans similarly affiliated with RHSC. Under the Agreement:

- (i) RHSC became the Company’s sole corporate member pursuant to the Agreement filed with the Arkansas Insurance Department; however, the Affiliation and resulting transition of corporate membership was not determined to result in a change in control for DDAR under Arkansas law. See note 10 Notes to the Financial Statements, under the heading “Renaissance Health Service Corporation”;
- (ii) RHSC did not take responsibility for the solvency of the Company (and indeed maintains minimal assets);
- (iii) RHSC’s rights under the Agreement include the ability to have (at the option of the Company’s Board of Directors) either a representative on the Company’s board or an observer in board meeting; however, the Company’s Board of Directors remains its governing body, responsible for managing its affairs and assets;
- (iv) RHSC’s rights under the Agreement include prior approval authority over certain large transactions; and
- (v) The Company’s rights under the Agreement include the ability to appoint a percentage of the members of RHSC (other participating Delta Dental plans have similar rights), which members, in turn, appoint the RHSC board.

The Company reports on Schedule Y Part 1A participation in the affiliation arrangement with RHSC and the other Delta Dental plans. However, it is not “Directly Controlled By” or “Ultimately Controlled” by any other entity.

Delta Dental Plan of Michigan, Inc. (DDPMI)

DDPMI and the Company belong to the same holding company, RHSC. DDPMI provides the Company certain actuarial, information technology, and other administrative services as detailed in agreements signed by both parties. The fees paid related to these agreements for the years ended December 31, 2023 and 2022 were \$14,096,158 and \$11,301,254 respectively. The Company reported \$2,003,962 and \$3,650,345 due to DDPMI at December 31, 2023 and 2022, respectively.

Renaissance Holding Company (Renaissance Holding)

As part of the affiliation with RHSC, the Company contributed \$8,900,000 for 890 shares, or 11.8 percent ownership of Renaissance Holding Company, a Michigan for-profit downstream holding company, on August 1, 2012. On January 2, 2013 the Company purchased an additional 700 shares of Renaissance Holding common stock for \$7,000,000. On June 1, 2017 the Company purchased an additional 198 shares for \$1,980,000 for a total percent ownership of 13.2%. The statutory carrying value of the Company’s investment in Renaissance Holding was \$8,387,255 and \$8,258,924 at December 31, 2023 and 2022, respectively. The value of Renaissance Holding is based on the audited GAAP

NOTES TO FINANCIAL STATEMENTS

basis adjusted to statutory equity basis in accordance with SSAP No. 97. The adjustment to statutory basis included a “look through” to the subsidiaries held by Renaissance Holding. The values of these subsidiaries in determining Renaissance Holding’s statutory equity value were also adjusted to statutory equity basis. There were no significant transactions between the Company and Renaissance Holding in 2023 or 2022.

Omega Administrators, Inc.

On December 3, 2002, the Company incorporated Omega Administrators, Inc. (Omega) as a wholly owned for-profit non-insurance subsidiary. Omega was incorporated to serve as a third-party administrator and provide the Company with an alternative corporation that it can use to administer dental coverages for the Company and other insurance carriers outside the boundaries of the state of Arkansas.

Delta Dental of Arkansas Political Action Committee

On July 30, 2010, the Company formed the Delta Dental of Arkansas Political Action Committee (the PAC) as a non-profit corporation. The PAC was intended to serve as a political action committee that may make contributions to and expenditures on behalf of state candidates, other committees and all matters thereto. The donations were received from both corporate and individual donors.

Delta Dental of Arkansas Foundation, Inc.

On December 7, 2007, the Company incorporated Delta Dental of Arkansas Foundation, Inc. (the Dental Foundation) as a 501(c)(3) organization to promote oral health in the State of Arkansas. In addition to its promotion of oral health, the Foundation will make gifts, grants and contributions to other charitable organizations as well as promote educational endeavors as permitted by the Internal Revenue Code. For the years ended December 31, 2023 and 2022, the Dental Foundation received donations in the amount of \$3,570,334 and \$3,694,108 respectively. The Dental Foundation made contributions of \$1,204,151 and \$1,248,136 to qualified organizations in 2023 and 2022, respectively.

Delta Dental of Tennessee, Inc. (DDTN)

DDTN and the Company belong to the same holding company, RHSC. The Company provides DDTN with certain claims processing services detailed in agreements signed by both parties. The fees received related to these agreements for the years ended December 31, 2023 and 2022 were \$67,309 and \$74,161 respectively. The Company reported \$9,957 and \$12,440 receivable from DDTN at December 31, 2023 and 2022, respectively.

D. At December 31, 2023, the Company reported \$2,003,962 as amounts due to affiliate, DDPMI, \$40 due from its affiliate, RLHIA, and \$9,957 due from its affiliate, DDTN. These amounts will be settled within thirty days of the report date.

E. Description of Material Management or Service Contract – See Above

F. Guaranties or Undertakings Disclosed in Note 14 – Liabilities, Contingencies, and Assessments – N/A

NOTES TO FINANCIAL STATEMENTS

G. N/A

H. See sections above.

I. The Company owns 13.2% interest in Renaissance Holding Company, whose carrying value is equal to or exceeds 10% of the admitted assets of the Company. The Company carries Renaissance Holding Company at \$8,440,206.

At December 31, 2023, The Company's interest in Renaissance Holding Company was \$20,919,022, which was \$12,531,766 in excess of the carrying value.

Material effects of possible conversions, exercises or contingent issuances – None

Change in valuation method - None

J. Investments in 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. Investment in a Foreign Subsidiary - N/A

L. Non Audited Downstream Non-insurance Holding Companies - N/A

M. All SCA Investments

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs

SCA Entity	% of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities				
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) SCA Entities				
c. SSAP No. 97 8b(iii) Entities Omega Administrators, Inc Renaissance Holding Company	100% 13.2%	\$ 89,293 \$20,919,022	\$ 89,293 \$8,387,255	\$0 \$12,531,766
Total SSAP No. 97 8b(iii) Entities		\$21,008,315	\$8,476,548	\$12,531,766
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities				
e. Total SSAP No. 97 8b Entities (except 8bi)		\$21,008,315	\$8,476,548	\$12,531,766

NOTES TO FINANCIAL STATEMENTS

f. Aggregate Total		\$21,008,315	\$8,476,548	\$12,531,766
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(2) NAIC Filing Response Information

SCA Entity	Type of NAIC Filing	Date of Filing to NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities						
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) SCA Entities						
c. SSAP No. 97 8b(iii) Entities Omega Administrators, Inc Renaissance Holding Company	S2	08/30/2023	\$19,718,901	Y Y	N N	I M
Total SSAP No. 97 8b(iii) Entities			\$19,718,901			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities						
e. Total SSAP No. 97 8b Entities (except 8bi)			\$19,718,901			
f. Aggregate Total			\$19,718,901			

N. Investment in Insurance SCAs – N/A

O. SCA Loss Tracking - None

NOTES TO FINANCIAL STATEMENTS

Note 11: Debt

- A. None
- B. None

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

A Nonqualified 457(b) Retirement Plan was established by the Company on April 1, 2003, "as an inducement and motivation to its key managerial and highly compensated employees and its Board of Directors." Participation in the plan is determined at the sole discretion of the Company's Board of Directors.

A Nonqualified 457(f) Retirement Plan was established by the Company on January 1, 2016, to retain senior officers. The plan requires a three year or five year vesting period depending on the employee's position. Participation in the plan is determined at the sole discretion of the Company's Board of Directors. The Board of Directors approves the funding of the plan in the fourth quarter of each year.

Effective January 1, 2013, The Company sponsors a 401(k) plan (the "Plan") covering substantially all employees greater than 18 years old on first day of service. The Company will match 100 percent of the first 3 percent of deferred wages and 50 percent of the next 2 percent of deferred wages. A participant is immediately 100 percent vested in employee salary, rollover, and Company matching contributions and any income or loss thereon.

The Company also sponsors a profit-sharing plan covering all full-time employees who have completed one year of service. Contributions to the plan are discretionary and limited by the Internal Revenue Code. A participant is fully vested after a three-year period. Contributions to the profit-sharing plan totaled approximately \$1,098,000 and \$1,018,000 for the years ended December 31, 2023 and 2022, respectively.

- A. Defined Benefit Plan - N/A
- B. N/A
- C. N/A
- D. N/A
- E. Defined Contribution Plans - N/A
- F. Multiemployer Plans - N/A
- G. Consolidated/Holding Company Plans - N/A
- H. Postemployment Benefits and Compensated Absences - N/A

NOTES TO FINANCIAL STATEMENTS

- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - N/A

Note 13: Capital and Surplus, Shareholders' Dividend Restrictions and Quasi- Reorganizations

- A. The Company has no shares authorized, issued, or outstanding
- B. The Company has no preferred stock.
- C. N/A
- D. N/A
- E. N/A
- F. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- G. The total amount of advances to surplus not repaid is 0.
- H. N/A
- I. N/A
- J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$7,953,374.
- K. N/A
- L. N/A
- M. N/A

Note 14: Contingencies

- A. Contingent Commitments – N/A
- B. Assessments - N/A
- C. Gain Contingencies - N/A
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - N/A
- E. Product Warranties – N/A
- F. All Other Contingencies - The Company is subject to claims and lawsuits in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits (other than any listed below) will not have a material adverse effect of the Company's results of operation or financial

NOTES TO FINANCIAL STATEMENTS

condition. Other than the items described in Note 6, the Company has no assets that it considers to be impaired.

In the event that The Company elects to withdraw from its affiliation, The Company has agreed to a withdrawal fee. The fee shall be the lesser of \$10,000,000 or 10% of net assets. Upon withdrawing, The Company will receive its full amount of initial investment in Renaissance Holding Company. If the Company were to withdraw, the purchase price of shares in Renaissance Holding Company of \$17,880,000 would be offset by the withdrawal fee of \$10,000,000 for a net amount of \$7,880,000.

The Company, along with the Delta Dental Plan Association (DDPA), Delta USA and other independent DDPA member companies, is defending a collection of lawsuits that have been filed in district courts across the country and consolidated into one case in the United States District Court for the Northern District of Illinois. The plaintiffs -- a collection of different dental providers -- allege that Delta Dental Plan Association's licensing standards violate federal antitrust laws. The Company denies these allegations and is vigorously defending the case with the assistance of established antitrust defense counsel with the Faegre Drinker law firm. Fact discovery concluded in December 2023, and the case is moving into the class certification and expert witness phase. However, at this point it is too early in the proceedings to determine the outcome of the matter or the range or amount of any potential loss.

As indicated in Note 10: Information concerning Parent, Subsidiaries and Affiliates, the company and DDPMI belong to the same holding company, RHSC. DDPMI maintains the system and annually assigns each affiliate a per claim charge for using this system based upon the number of anticipated claims and the total cost of the system. The company incurred ETS claims processing fees of \$5,001,083 and \$4,797,693 in 2023 and 2022 respectively.

Note 15: Leases

- A. None
- B. None

Note 16: Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

None.

Note 17: Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

- A. None
- B. None
- C. None

NOTES TO FINANCIAL STATEMENTS

Note 18: Gain or Loss to the Reporting Entity From Uninsured Plans and From the Uninsured Portion of Partially Insured Plans

- A. ASO Plans - N/A
- B. The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Gross reimbursement for medical costs incurred	\$ 308,246,002	\$ 303,915,934
Gross administrative fees accrued	17,364,143	16,208,841
Gross expenses incurred (claims and administrative)	(325,610,145)	(320,124,775)
Total net gain or loss from operations	\$ 0	\$ 0

- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - N/A

Note 19: Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators

None.

Note 20: Fair Value Measurements

- A. Fair Value Measurements at Reporting Date

(1)

Description for each class of asset or liability	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
a. Assets at fair value					
Perpetual Preferred Stock					
Industrial and Misc Parent, Subs and Affiliates	652,097				
Total Perpetual Preferred Stock	652,097				

NOTES TO FINANCIAL STATEMENTS

Bonds					
US Government		11,369,573		11,369,573	
Industrial and Misc		31,929,147		31,929,147	
Hybrid Securities					
Parent, Subs and Affiliates					
Total Bonds		43,298,720		43,298,720	
Common Stock					
Industrial and Misc	41,422,864			41,422,864	
Parent, Subs and Affiliates		21,008,314		21,008,314	
Total Common Stock	41,422,864	21,008,314		62,431,178	
Derivative Assets					
Interest rate contracts					
Foreign exchange contracts					
Credit contracts					
Commodity futures contracts					
Total Derivatives					
Separate account assets					
Total assets at fair value	42,074,961	64,307,034		106,381,996	
b. Liabilities at fair value					
Derivative liabilities					
Total liabilities at fair value					

- (2) Category 3 Fair Value Measurements – N/A
- (3) Policy for Transferring Between Levels – N/A
- (4) Value Techniques for Level 2 and Level 3 Measurements
- (5) Derivative Assets and Liabilities – N/A

B. Other Fair Value Measurements - N/A

C. Fair Value Measurements Aggregate

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable	Net Asset Value (NAV) Included in Level 2
Bonds	\$43,298,720	\$43,298,720	\$ 0	\$43,298,720			
Common Stock	62,431,178	49,899,412	41,422,864	21,008,314			
Perpetual Preferred Stock	652,097	652,097	652,097				
Mortgage Loans							
Total	<u>\$106,381,996</u>	<u>\$93,850,229</u>	<u>\$42,074,961</u>	<u>\$64,307,034</u>			

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

E. N/A

NOTES TO FINANCIAL STATEMENTS

Note 21: Other Items

- A. Extraordinary Items - N/A
- B. Troubled Debt Restructuring - N/A
- C. Other Disclosures – N/A
- D. Business Interruption Insurance Recoveries - N/A
- E. State Transferable Tax Credits - N/A
- F. Subprime-Mortgage-Related Risk Exposure - N/A
- G. Retained Assets - N/A
- H. Insurance-Linked Securities (ILS) Contracts – N/A
- I. N/A

Note 22: Events Subsequent

Type I – Recognized Subsequent Events: Subsequent events have been considered through 02/26/2024 for the statutory statement issued on 12/31/2023. The Company does not recognize any subsequent events.

Type II – Nonrecognized Subsequent Events - Subsequent events have been considered through 02/26/2024 for the statutory statement issued on 12/31/2023. The Company does not recognize any subsequent events.

Note 23: Reinsurance

- A. Ceded Reinsurance Report
 - Section 1 – General Interrogatories
 - (1) No
 - (2) No
 - Section 2 – Ceded Reinsurance Report – Part A
 - (1) No
 - (2) No
 - Section 3 – Ceded Reinsurance Report – Part B
 - (1) N/A

NOTES TO FINANCIAL STATEMENTS

(2) No

B. Uncollectible Reinsurance - N/A

C. Commutation of Ceded Reinsurance - N/A

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – N/A

Note 24: Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The company estimates accrued retrospective premium adjustments for its Medicaid 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 direct written premiums
- C. The amount of net premiums written by the Company at December 31, 2023 that are subject to retrospective rating features is \$75,162,809 that represented 35% of the total net premiums written. No other premiums written by the Company are subject to retrospective rating features.
- D.

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred				\$2,619,215	\$2,619,215
(2) Medical loss ratio rebates paid				XXX	XXX
(3) Medical loss ratio rebates unpaid	XXX	XXX	XXX	\$2,619,215	\$2,619,215
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance					
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred				\$0	\$0
(8) Medical loss ratio rebates paid				\$0	\$0
(9) Medical loss ratio rebates unpaid				XXX	XXX

NOTES TO FINANCIAL STATEMENTS

(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	

E. N/A

Note 25: Change in Incurred Claims and Claims Adjustment Expenses

- A. Reserves as December 31, 2022 were \$6.4 million. As of December 31, 2023, \$5.8 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior year are now \$5.8 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on dental lines of insurance. Therefore, there has been a \$.7 million favorable prior-year claim development since December 31, 2022 to December 31, 2023. Original estimates are increased or decreased as additional information becomes known regarding individual claims.
- B. Significant Changes in Methodologies - None

Note 26: Intercompany Pooling Arrangements

None

Note 27: Structured Settlements

None.

Note 28: Health Care Receivables

None.

Note 29: Participating Policies

None.

Note 30: Premium Deficiency Reserves

NOTES TO FINANCIAL STATEMENTS

1. Liability carried for premium deficiency reserve \$0_____
2. Date of the most recent evaluation of this liability 12/31/23
3. Was anticipated investment income utilized in this calculation? No.

Note 31: Anticipated Salvage and Subrogation

None.

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? Yes No]
- If yes, complete Schedule Y, Parts 1, 1A, 2 and 3
- 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 No] N/A]
- 1.3 State Regulating? Arkansas
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No]
- 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 No]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2022
- 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). 05/21/2021
- 3.4 By what department or departments?
 Arkansas Insurance Department

- 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 No] N/A]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes 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]
- 4.12 renewals? Yes No]
- 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]
- 4.22 renewals? Yes No]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No]
- If yes, complete and file the merger history data file with the NAIC.

GENERAL INTERROGATORIES

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,

- 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 depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the DIHC.

.....

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
.....
.....

8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]

8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []

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, 8181 E Tufts Ave., Denver, CO 80237

GENERAL INTERROGATORIES

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?
 Kevin Richard Sule, Director and Chief Actuary, Delta Dental of Michigan, Ohio, and Indiana, 4100 Okemos Road, Okemos, MI 48864

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []

12.11 Name of real estate holding company	CapRocq Core Real Estate F
12.12 Number of parcels involved	
12.13 Total book/adjusted carrying value	\$ 1,028,437

12.2 If yes, provide explanation:
 The Company invested on 12/27/12 in CapRocq Real Estate Fund (LLC) which will use the funds to acquire various real estate properties.

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 [X]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [X] N/A []

GENERAL INTERROGATORIES

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?

- 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.

Yes No

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 No

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

.....

14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes No

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

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 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 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 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

GENERAL INTERROGATORIES

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers	\$ _____
20.12 To stockholders not officers	\$ _____
20.13 Trustees, supreme or grand (Fraternal only)	\$ _____

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers	\$ _____
20.22 To stockholders not officers	\$ _____
20.23 Trustees, supreme or grand (Fraternal only)	\$ _____

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	\$ _____
21.22 Borrowed from others	\$ _____
21.23 Leased from others	\$ _____
21.24 Other	\$ _____

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 [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment	\$ _____
22.22 Amount paid as expenses	\$ _____
22.23 Other amounts paid	\$ _____

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: \$ _____ 14,421

24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]

24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

1 Name of Third Party	2 Is the Third-Party Agent a Related Party (Yes/No)
.....
.....

INVESTMENT

25.01 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 25.03) Yes [X] No []

25.02 If no, give full and complete information, relating thereto:

25.03 For security 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)

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk Based Capital Instructions. \$ _____

25.05 For the reporting entity's securities lending program report amount of collateral for other programs. \$ _____

GENERAL INTERROGATORIES

25.06 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]

25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

25.08 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]

25.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ _____

25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ _____

25.093 Total payable for securities lending reported on the liability page \$ _____

26.1 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 25.03). Yes [X] No []

26.2 If yes, state the amount thereof at December 31 of the current year:

- 26.21 Subject to repurchase agreements \$ _____
- 26.22 Subject to reverse repurchase agreements \$ _____
- 26.23 Subject to dollar repurchase agreements \$ _____
- 26.24 Subject to reverse dollar repurchase agreements \$ _____
- 26.25 Placed under option agreements \$ _____
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ _____
- 26.27 FHLB Capital Stock \$ _____
- 26.28 On deposit with states \$ 50,000
- 26.29 On deposit with other regulatory bodies \$ _____
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ _____
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ _____
- 26.32 Other \$ _____

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....

27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

GENERAL INTERROGATORIES

27.2 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 27.3 through 27.5 : FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]

27.4 If the response to 27.3 is YES, does the reporting entity utilize:

27.41	Special accounting provision of SSAP No. 108	Yes [] No [X]
27.42	Permitted accounting practice	Yes [] No [X]
27.43	Other accounting guidance	Yes [] No [X]

27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests 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 within 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.

28.1 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]

28.2 If yes, state the amount thereof at December 31 of the current year. \$ _____

29. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

29.01 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
Stephens Capital Management	111 Center Street, Little Rock, AR 72201
Regions Bank	201 Milan Pkwy 2nd Floor, Birmingham, AL 35211

29.02 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)

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year? Yes [] No [X]

29.04 If yes, give full and complete information relating thereto:

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

GENERAL INTERROGATORIES

29.05 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 Firm or Individual	2 Affiliation
Stephens Capital Management	U
Luther King Capital Management	U

29.0597 For those firms/individuals listed in the table for Question 29.05, 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 No

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes No

29.06 For those firms or individuals listed in the table 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
.....
.....

30.1 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

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
30.2999 TOTAL	

30.3 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
.....
.....

31. 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 (+)
31.1 Bonds	44,294,409	42,513,925	(1,780,484)
31.2 Preferred stocks	652,097	652,097	
31.3 Totals	44,946,506	43,166,022	(1,780,484)

GENERAL INTERROGATORIES

31.4 Describe the sources or methods utilized in determining the fair values:

The Company uses the investment software of Clearwater Analytics to determine the fair values.

.....

32.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes No

32.2 If the answer to 32.1 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 No

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

.....

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes No

33.2 If no, list exceptions:

.....

34 By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes No

35 By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

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

Has the reporting entity self-designated PLGI securities? Yes No

36. 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:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. 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.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. 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.
- f. 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

37. 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 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 completed robust re-underwriting 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 37.a - 37.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

38.1 Does the reporting entity directly hold cryptocurrencies? Yes No

38.2 If the response to 38.1 is yes, on what schedule are they reported? _____

GENERAL INTERROGATORIES

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?
 39.21 Held directly Yes [] No [X]

39.22 Immediately converted to U.S. dollars Yes [] No [X]

39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

40.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 581,501

40.2 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
Delta Dental Plan Association	\$ 581,501
	\$
	\$

41.1 Amount of payments for legal expenses, if any? \$ 170,696

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

1 Name	2 Amount Paid
Mitchell Williams Law PLLC	\$ 58,885
Hall Booth Smith, P.C.	\$ 49,277
	\$

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 137,000

42.2 List the name of the 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
Capitol Advisors Group	\$ 60,000
DBH Management Consultants	\$ 77,000
	\$

GENERAL INTERROGATORIES 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. \$ _____
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____
- 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. \$ _____
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ _____
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ _____
- 1.62 Total incurred claims \$ _____
- 1.63 Number of covered lives _____
- All years prior to most current three years:
- 1.64 Total premium earned \$ _____
- 1.65 Total incurred claims \$ _____
- 1.66 Number of covered lives _____
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ _____
- 1.72 Total incurred claims \$ _____
- 1.73 Number of covered lives _____
- All years prior to most current three years:
- 1.74 Total premium earned \$ _____
- 1.75 Total incurred claims \$ _____
- 1.76 Number of covered lives _____

2. Health Test:

	1 Current Year		2 Prior Year
2.1 Premium Numerator	\$ 214,230,993		\$ 219,153,466
2.2 Premium Denominator	\$ 214,230,993		\$ 219,153,466
2.3 Premium Ratio (2.1 / 2.2)	1.000		1.000
2.4 Reserve Numerator	\$ 9,277,509		\$ 9,322,925
2.5 Reserve Denominator	\$ 9,277,509		\$ 9,322,925
2.6 Reserve Ratio (2.4 / 2.5)	1.000		1.000

- 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 [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
- 5.2 If no, explain:
Dental and vision insurance is a short-tailed insurance product with very predictable experience. In addition, the maximum policy exposure is limited. Stop-loss reinsurance is not considered necessary.
-
-
-
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$ _____
- 5.32 Medical Only \$ _____
- 5.33 Medicare Supplement \$ _____
- 5.34 Dental and vision \$ _____
- 5.35 Other Limited Benefit Plan \$ _____ 1,500
- 5.36 Other \$ _____

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:

N/A

.....

.....

.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes 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 1,143
 8.2 Number of providers at end of reporting year 1,183

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes No

9.2 If yes, direct premium earned:
 9.21 Business with rate guarantees between 15-36 months 7,481,261
 9.22 Business with rate guarantees over 36 months 980,662

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No

10.2 If yes:
 10.21 Maximum amount payable bonuses \$ _____
 10.22 Amount actually paid for year bonuses \$ _____
 10.23 Maximum amount payable withholds \$ _____
 10.24 Amount actually paid for year withholds \$ _____

11.1 Is the reporting entity organized as:
 11.12 A Medical Group/Staff Model, Yes No
 11.13 An Individual Practice Association (IPA), or, Yes No
 11.14 A Mixed Model (combination of above)? Yes No

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes No

11.3 If yes, show the name of the state requiring such minimum capital and surplus:
 Arkansas

11.4 If yes, show the amount required. \$ _____ 50,000

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No

11.6 If the amount is calculated, show the calculation:

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

1		
Name of Service Area		
Dental Insurance	Arkansas	
Vision Insurance	Arkansas	

13.1 Do you act as a custodian for health savings accounts? Yes No

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ _____

13.3 Do you act as an administrator for health savings accounts? Yes No

13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ _____

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes No N/A

14.2 If the answer to 14.1 is yes, please provide the following:

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 \$ _____
 15.2 Total Incurred Claims \$ _____
 15.3 Number of Covered Lives _____

*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)

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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	2	3	4	5
	2023	2022	2021	2020	2019
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	167,745,107	165,178,475	161,012,747	143,772,913	128,517,777
2. Total liabilities (Page 3, Line 24)	29,938,665	34,254,111	32,240,060	34,581,584	29,182,401
3. Statutory minimum capital and surplus requirement	50,000	50,000	50,000	50,000	50,000
4. Total capital and surplus (Page 3, Line 33)	137,806,442	130,924,363	128,772,899	109,191,329	99,335,376
Income Statement (Page 4)					
5. Total revenues (Line 8)	220,546,408	225,045,900	219,381,195	196,011,444	218,236,236
6. Total medical and hospital expenses (Line 18)	163,065,967	164,368,893	165,311,426	143,632,494	176,636,458
7. Claims adjustment expenses (Line 20)	20,117,514	19,653,792	20,456,873	18,944,845	17,230,081
8. Total administrative expenses (Line 21)	39,039,082	29,413,034	25,725,876	26,226,734	22,193,730
9. Net underwriting gain (loss) (Line 24)	(1,676,156)	11,610,181	7,887,020	7,207,371	2,175,967
10. Net investment gain (loss) (Line 27)	2,087,468	(493,878)	7,333,004	574,528	826,554
11. Total other income (Lines 28 plus 29)	541,362	578,829	649,084	630,983	746,275
12. Net income or (loss) (Line 32)	354,322	11,047,395	15,409,855	8,412,882	3,771,900
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(2,042,285)	15,536,442	9,552,561	9,855,312	4,538,339
Risk-Based Capital Analysis					
14. Total adjusted capital	137,806,442	131,270,220	128,772,899	109,191,329	99,335,376
15. Authorized control level risk-based capital	11,253,567	10,871,322	11,514,489	10,531,620	10,684,591
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	829,389	922,890	892,045	884,018	834,921
17. Total members months (Column 6, Line 7)	10,395,792	10,925,107	10,628,352	8,943,453	7,439,037
Operating Percentage (Page 4) (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 (Line 18 plus Line 19)	73.9	72.8	75.4	73.3	80.9
20. Cost containment expenses					
21. Other claims adjustment expenses					
22. Total underwriting deductions (Line 23)	100.8	94.5	96.6	96.3	99.0
23. Total underwriting gain (loss) (Line 24)	(0.8)	5.1	3.4	3.7	1.0
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	5,793,261	5,770,981	6,398,719	7,144,407	7,302,460
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	6,421,955	6,536,448	6,845,970	7,681,774	8,455,748
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	21,008,314	19,800,837	19,315,901	19,002,482	12,877,043
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	21,008,314	19,800,837	19,315,901	19,002,482	12,877,043
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 []

If no, please explain:

.....

.....

.....

.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	10
	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1. Alabama	AL	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	L	139,061,984	75,162,809					214,224,793	
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	N								
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	139,061,984	75,162,809					214,224,793	
60. Reporting entity contributions for Employee Benefit Plans		X X X								
61. Totals (Direct Business)		X X X	139,061,984	75,162,809					214,224,793	

DETAILS OF WRITE-INS										
5800		X X X								
5800		X X X								
5800		X X X								
5899	Summary of remaining write-ins for Line 58 from overflow page									
5899	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

NONE

- (a) Active Status Counts
- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
 - 2. R - Registered - Non-domiciled RRGs _____
 - 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state _____
 - 4. Q - Qualified - Qualified or accredited reinsurer _____
 - 5. N - None of the above - Not allowed to write business in the state or none of the above codes apply 56

(b) **Explanation of basis of allocation of premiums by states, etc.**

Situs of contract

OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

	Current Year			Prior Year
	1	2	3	4
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. Vehicles	29,125	29,125		
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	29,125	29,125		

OVERFLOW PAGE FOR WRITE-INS

Page 14 - Continuation

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
WRITE-INS AGGREGATED AT LINE 25 FOR UNDERWRITING AND INVESTMENT EXHIBIT	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. Subscriptions			97,095		97,095
2505. Record Storage		8,846	5,897		14,743
2597. Totals (Lines 2501 through 2596) (Page 14, Line 2598)		8,846	102,992		111,838

OVERFLOW PAGE FOR WRITE-INS

Page 16 - Continuation

EXHIBIT OF NONADMITTED ASSETS

<p style="text-align: center;">DETAILS OF WRITE-IN LINES FOR OTHER THAN INVESTED ASSETS AT LINE 25</p>	<p style="text-align: center;">1 Current Year Total Nonadmitted Assets</p>	<p style="text-align: center;">2 Prior Year Total Nonadmitted Assets</p>	<p style="text-align: center;">3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)</p>
2504. Deferred Compensation - 457			
2597. Totals (Lines 2504 through 2596) (Page 16, Line 2598)			