



**HEALTH ANNUAL STATEMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2022  
 OF THE CONDITION AND AFFAIRS OF THE  
**EMPOWER HEALTHCARE SOLUTIONS LLC**

NAIC Group Code 0000 0000 NAIC Company Code 16244 Employer's ID Number 82-1454637  
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: Other

Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized 02/05/2017 Commenced Business 02/01/2018

Statutory Home Office 1401 W. CAPITOL AVENUE, SUITE 430 LITTLE ROCK, AR, US 72201  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1401 W. CAPITOL AVENUE, SUITE 430  
(Street and Number)  
LITTLE ROCK, AR, US 72201 501-350-2308  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1401 W. CAPITOL AVENUE, SUITE 430 LITTLE ROCK, AR, US 72201  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1401 W. CAPITOL AVENUE, SUITE 430  
(Street and Number)  
LITTLE ROCK, AR, US 72201 501-539-2659  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address WWW.GETEMPOWERHEALTH.COM

Statutory Statement Contact David John Zdechlik 501-516-2603  
(Name) (Area Code) (Telephone Number)  
david.zdechlik@empowerarkansas.com 501-516-2603  
(E-mail Address) (FAX Number)

**OFFICERS**

CHIEF EXECUTIVE OFFICER <u>DOUGLAS MITCHELL MORRIS</u>	CHIEF FINANCIAL OFFICER <u>MARTIN WAYNE CATRON</u>
CHIEF OPERATING OFFICER <u>GREGORY MARK LUECK</u>	CHIEF MEDICAL OFFICER <u>DR. BRADLEY CANADA DINER</u>

**OTHER**

<u>SUZANNE LYNETTE TIPTON, CHIEF COMPLIANCE OFFICER</u>	<u>DR. AMY MARIE COBB, VICE PRESIDENT COORDINATED CARE</u>	<u>SYLVIA ANN SHERRILL, VICE PRESIDENT HEALTH SERVICES AND QUALITY</u>
<u>DAVID JOHN ZDECHLIK, VICE PRESIDENT FINANCE</u>	<u>DEBRA MUNRO LEISS, VICE PRESIDENT BUSINESS INTELLIGENCE AND ENTERPRISE APPLICATIONS</u>	

**DIRECTORS OR TRUSTEES**

<u>ELIZABETH HEISLER GINTY, CHAIRMAN</u>	<u>DR. JOSHUA BRIAN WILSON, SECRETARY</u>	<u>MARK ANTHONY HARTMAN, TREASURER</u>
<u>DAVID LAMAR NORSWORTHY</u>	<u>DR. STEVEN FRANKLIN COLLIER</u>	<u>TANNER JOE COPE</u>
<u>BRANDY LEANN GAINES</u>		

State of Arkansas SS  
 County of PULASKI

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.

*Mitch Morris*

Douglas Mitchell Morris  
 Chief Executive Officer

*Martin W. Catron*

Martin Wayne Catron  
 Chief Financial Officer

*Gregory M. Lueck*

Gregory Mark Lueck  
 Chief Operating Officer

Subscribed and sworn to before me this 28 day of FEBRUARY 2023

*Ryan J. Childers*  
 RYAN CHILDERS  
 APRIL 15, 2023

- a. Is this an original filing? ..... Yes [ X ] No [ ]  
 b. If no,  
 1. State the amendment number.....  
 2. Date filed .....02/28/2023  
 3. Number of pages attached.....

RYAN J. CHILDERS  
 PULASKI COUNTY  
 NOTARY PUBLIC - ARKANSAS  
 My Commission Expires April 15, 2029  
 Commission No. 12707474

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	143,212,340		143,212,340	109,547,428
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	4,027,600		4,027,600	4,879,783
2.2 Common stocks .....	4,343,480		4,343,480	5,531,029
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ encumbrances) .....			0	0
5. Cash (\$ ..... 23,614,613 , Schedule E - Part 1), cash equivalents (\$ ..... 15,475,352 , Schedule E - Part 2) and short-term investments (\$ ..... 2,602,783 , Schedule DA) .....	41,692,748	0	41,692,748	28,136,679
6. Contract loans, (including \$ ..... premium notes) .....			0	0
7. Derivatives (Schedule DB) .....			0	0
8. Other invested assets (Schedule BA) .....			0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	193,276,168	0	193,276,168	148,094,919
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	758,272		758,272	427,108
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	1,412,317
18.2 Net deferred tax asset .....	847,531		847,531	1,580,103
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	384,089		384,089	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	71,227
24. Health care (\$ ..... 0 ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	417,611	417,611	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	195,683,671	417,611	195,266,060	151,585,674
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	195,683,671	417,611	195,266,060	151,585,674
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. OTHER RECEIVABLE .....	1,307	1,307	0	0
2502. PREPAID EXPENSES .....	363,581	363,581	0	0
2503. PROVIDER ADVANCES .....	52,723	52,723	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	417,611	417,611	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....0 reinsurance ceded) .....	35,477,510		35,477,510	37,491,231
2. Accrued medical incentive pool and bonus amounts .....	712,345		712,345	1,214,744
3. Unpaid claims adjustment expenses.....	765,175		765,175	835,740
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	87,707,811		87,707,811	48,029,751
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....			0	0
9. General expenses due or accrued.....	8,392,814		8,392,814	9,896,088
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....	1,164,591		1,164,591	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....			0	0
12. Amounts withheld or retained for the account of others.....			0	0
13. Remittances and items not allocated.....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....			0	0
16. Derivatives.....			0	0
17. Payable for securities.....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans.....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current).....	836,438	0	836,438	0
24. Total liabilities (Lines 1 to 23).....	135,056,684	0	135,056,684	97,467,554
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	7,695,000	0
27. Preferred capital stock.....	XXX	XXX	22,305,000	0
28. Gross paid in and contributed surplus.....	XXX	XXX	25,000	22,330,000
29. Surplus notes.....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	30,184,376	31,788,120
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ).....	XXX	XXX		0
32.2 ..... shares preferred (value included in Line 27 \$ ..... ).....	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	60,209,376	54,118,120
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	195,266,060	151,585,674
<b>DETAILS OF WRITE-INS</b>				
2301. Dividends Payable to Shareholders .....	836,438		836,438	
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	836,438	0	836,438	0
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	240,654	236,822
2. Net premium income ( including \$ ..... non-health premium income) .....	XXX	480,462,240	468,594,491
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	(60,546,452)	(47,802,632)
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX	0	
5. Risk revenue .....	XXX	0	
6. Aggregate write-ins for other health care related revenues .....	XXX	12,135,715	0
7. Aggregate write-ins for other non-health revenues .....	XXX	15	0
8. Total revenues (Lines 2 to 7) .....	XXX	432,051,518	420,791,859
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		223,286,627	237,699,182
10. Other professional services .....		53,793,714	51,627,912
11. Outside referrals .....		0	5,711,545
12. Emergency room and out-of-area .....		9,169,057	7,231,479
13. Prescription drugs .....		44,266,478	42,952,714
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		1,680,691	76,976
16. Subtotal (Lines 9 to 15) .....	0	332,196,567	345,299,808
<b>Less:</b>			
17. Net reinsurance recoveries .....		0	
18. Total hospital and medical (Lines 16 minus 17) .....	0	332,196,567	345,299,808
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$ .....0 cost containment expenses ....		3,707,073	8,131,801
21. General administrative expenses .....		59,499,033	62,025,473
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		0	
23. Total underwriting deductions (Lines 18 through 22).....	0	395,402,673	415,457,082
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	36,648,845	5,334,777
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		2,117,604	606,206
26. Net realized capital gains (losses) less capital gains tax of \$ .....		(54,989)	(44,735)
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	2,062,615	561,471
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			0
29. Aggregate write-ins for other income or expenses .....	0	(9,348,573)	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	29,362,887	5,896,248
31. Federal and foreign income taxes incurred .....	XXX	5,376,908	1,702,391
32. Net income (loss) (Lines 30 minus 31)	XXX	23,985,979	4,193,857
<b>DETAILS OF WRITE-INS</b>			
0601. Other Revenue / Expense .....	XXX	12,135,715	
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	12,135,715	0
0701. Vendor Discounts .....	XXX	15	
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	15	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. ARPA Payments .....		(12,326,365)	0
2902. Community Investments .....		2,977,792	
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	(9,348,573)	0

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

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	54,118,120	49,061,998
34. Net income or (loss) from Line 32 .....	23,985,979	4,193,857
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	(2,463,299)	449,424
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0
38. Change in net deferred income tax .....	(732,572)	213,941
39. Change in nonadmitted assets .....	262,565	198,900
40. Change in unauthorized and certified reinsurance .....	0	
41. Change in treasury stock .....	0	
42. Change in surplus notes .....	0	
43. Cumulative effect of changes in accounting principles.....		0
44. Capital Changes:		
44.1 Paid in .....	30,000,000	
44.2 Transferred from surplus (Stock Dividend).....	0	
44.3 Transferred to surplus.....	0	0
45. Surplus adjustments:		
45.1 Paid in .....	(22,305,000)	0
45.2 Transferred to capital (Stock Dividend) .....		0
45.3 Transferred from capital .....	(18,822,003)	0
46. Dividends to stockholders .....	(3,066,938)	0
47. Aggregate write-ins for gains or (losses) in surplus .....	(767,476)	0
48. Net change in capital and surplus (Lines 34 to 47) .....	6,091,256	5,056,122
49. Capital and surplus end of reporting period (Line 33 plus 48)	60,209,376	54,118,120
<b>DETAILS OF WRITE-INS</b>		
4701. Prior Period Corrections .....	(767,476)	
4702. ....	0	
4703. ....	0	
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	(767,476)	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	459,343,848	344,232,959
2. Net investment income .....	2,398,852	901,087
3. Miscellaneous income .....	12,135,730	
4. Total (Lines 1 through 3) .....	473,878,430	345,134,046
5. Benefit and loss related payments .....	334,712,687	345,043,206
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	74,128,518	66,678,248
8. Dividends paid to policyholders .....		0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	2,800,000	2,751,001
10. Total (Lines 5 through 9) .....	411,641,205	414,472,455
11. Net cash from operations (Line 4 minus Line 10) .....	62,237,225	(69,338,409)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	16,385,127	42,873,315
12.2 Stocks .....	685,835	479,460
12.3 Mortgage loans .....	0	
12.4 Real estate .....	0	
12.5 Other invested assets .....	0	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(1,009)	3,464
12.7 Miscellaneous proceeds .....	0	
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	17,069,953	43,356,239
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	50,689,497	92,036,212
13.2 Stocks .....	1,136,337	10,423,133
13.3 Mortgage loans .....	0	
13.4 Real estate .....	0	
13.5 Other invested assets .....	0	
13.6 Miscellaneous applications .....	0	
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	51,825,834	102,459,345
14. Net increase (decrease) in contract loans and premium notes .....	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(34,755,881)	(59,103,106)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	(18,822,003)	
16.2 Capital and paid in surplus, less treasury stock .....	7,695,000	0
16.3 Borrowed funds .....	0	
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	
16.5 Dividends to stockholders .....	3,066,938	
16.6 Other cash provided (applied) .....	268,666	(461,407)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(13,925,275)	(461,407)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	13,556,069	(128,902,922)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	28,136,678	157,039,600
19.2 End of year (Line 18 plus Line 19.1) .....	41,692,747	28,136,678

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

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	480,462,240							480,462,240	0	
2. Change in unearned premium reserves and reserve for rate credit	(60,546,452)							(60,546,452)		
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	12,135,715	0	0	0	0	0	0	12,135,715	0	XXX
6. Aggregate write-ins for other non-health care related revenues	15	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15
7. Total revenues (Lines 1 to 6)	432,051,518	0	0	0	0	0	0	432,051,503	0	15
8. Hospital/medical benefits	223,286,627							223,286,627		XXX
9. Other professional services	53,793,714							53,793,714		XXX
10. Outside referrals	0							0		XXX
11. Emergency room and out-of-area	9,169,057							9,169,057		XXX
12. Prescription drugs	44,266,478							44,266,478		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	1,680,691							1,680,691		XXX
15. Subtotal (Lines 8 to 14)	332,196,567	0	0	0	0	0	0	332,196,567	0	XXX
16. Net reinsurance recoveries	0							0		XXX
17. Total medical and hospital (Lines 15 minus 16)	332,196,567	0	0	0	0	0	0	332,196,567	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ cost containment expenses	3,707,074							3,707,074		
20. General administrative expenses	59,499,033							59,499,033		
21. Increase in reserves for accident and health contracts	0							0		XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	395,402,674	0	0	0	0	0	0	395,402,674	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	36,648,844	0	0	0	0	0	0	36,648,829	0	15
DETAILS OF WRITE-INS										
0501. Other Revenue / Expense	12,135,715							12,135,715		XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	12,135,715	0	0	0	0	0	0	12,135,715	0	XXX
0601. Vendor Discounts	15	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15
0602. Other Revenue / Expense	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	15	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**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 .....				0
2. Comprehensive (hospital and medical) group .....				0
3. Medicare Supplement .....				0
4. Dental only .....				0
5. Vision only .....				0
6. Federal Employees Health Benefits Plan .....	0			0
7. Title XVIII - Medicare .....	0			0
8. Title XIX - Medicaid .....	480,462,240			480,462,240
9. Credit A&H .....				0
10. Disability Income .....				0
11. Long-Term Care .....				0
12. Other health .....				0
13. Health subtotal (Lines 1 through 12) .....	480,462,240	0	0	480,462,240
14. Life .....	0			0
15. Property/casualty .....	0			0
16. Totals (Lines 13 to 15)	480,462,240	0	0	480,462,240

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2 - CLAIMS INCURRED DURING THE YEAR**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision 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 .....	332,775,347								332,775,347					
1.2 Reinsurance assumed .....	0													
1.3 Reinsurance ceded .....	0													
1.4 Net .....	332,775,347	0	0	0	0	0	0	0	332,775,347	0	0	0	0	0
2. Paid medical incentive pools and bonuses .....	2,182,977								2,182,977					
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct .....	35,477,510	0	0	0	0	0	0	0	35,477,510	0	0	0	0	0
3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net .....	35,477,510	0	0	0	0	0	0	0	35,477,510	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct .....	0													
4.2 Reinsurance assumed .....	0													
4.3 Reinsurance ceded .....	0													
4.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year .....	712,345								712,345					
6. Net health care receivables (a) .....	245,750								245,750					
7. Amounts recoverable from reinsurers December 31, current year .....	0													
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct .....	37,491,231			0	0	0	0	0	37,491,231				0	0
8.2 Reinsurance assumed .....	0													
8.3 Reinsurance ceded .....	0													
8.4 Net .....	37,491,231	0	0	0	0	0	0	0	37,491,231	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct .....	0			0	0	0	0	0	0				0	0
9.2 Reinsurance assumed .....	0			0	0	0	0	0	0				0	0
9.3 Reinsurance ceded .....	0			0	0	0	0	0	0				0	0
9.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year .....	1,214,744			0	0	0	0	0	1,214,744				0	0
11. Amounts recoverable from reinsurers December 31, prior year .....	0			0	0	0	0	0	0				0	0
12. Incurred Benefits:														
12.1 Direct .....	330,515,876	0	0	0	0	0	0	0	330,515,876	0	0	0	0	0
12.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.4 Net .....	330,515,876	0	0	0	0	0	0	0	330,515,876	0	0	0	0	0
13. Incurred medical incentive pools and bonuses .....	1,680,578	0	0	0	0	0	0	0	1,680,578	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision 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 .....	10,356,682								10,356,682					
1.2 Reinsurance assumed .....	0													
1.3 Reinsurance ceded .....	0													
1.4 Net .....	10,356,682	0	0	0	0	0	0	0	10,356,682	0	0	0	0	0
2. Incurred but Unreported:														
2.1 Direct .....	22,060,128								22,060,128					
2.2 Reinsurance assumed .....	0													
2.3 Reinsurance ceded .....	0													
2.4 Net .....	22,060,128	0	0	0	0	0	0	0	22,060,128	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct .....	3,060,700								3,060,700					
3.2 Reinsurance assumed .....	0													
3.3 Reinsurance ceded .....	0													
3.4 Net .....	3,060,700	0	0	0	0	0	0	0	3,060,700	0	0	0	0	0
4. TOTALS:														
4.1 Direct .....	35,477,510	0	0	0	0	0	0	0	35,477,510	0	0	0	0	0
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net .....	35,477,510	0	0	0	0	0	0	0	35,477,510	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**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 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	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 .....					0	
2. Comprehensive (hospital and medical) group .....					0	
3. Medicare Supplement .....					0	0
4. Dental Only .....					0	0
5. Vision Only .....					0	0
6. Federal Employees Health Benefits Plan .....					0	0
7. Title XVIII - Medicare .....					0	0
8. Title XIX - Medicaid .....	27,597,343	304,647,803	812,824	34,664,686	28,410,167	37,491,231
9. Credit A&H .....					0	
10. Disability Income .....					0	
11. Long-Term Care .....					0	
12. Other health .....					0	0
13. Health subtotal (Lines 1 to 12) .....	27,597,343	304,647,803	812,824	34,664,686	28,410,167	37,491,231
14. Health care receivables (a) .....					0	284,564
15. Other non-health .....					0	0
16. Medical incentive pools and bonus amounts .....	1,411,271	771,706	0	712,345	1,411,271	1,214,744
17. Totals (Lines 13 - 14 + 15 + 16)	29,008,614	305,419,509	812,824	35,377,031	29,821,438	38,421,411

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

## UNDERWRITING AND INVESTMENT EXHIBIT

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

**Section A - Paid Health Claims - Title XIX**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	0	0	0	0	0
2. 2018 .....				0	0
3. 2019 .....	XXX			266,661	266,947
4. 2020 .....	XXX	XXX		328,487	324,967
5. 2021 .....	XXX	XXX	XXX	312,285	339,616
6. 2022 .....	XXX	XXX	XXX	XXX	307,181

**Section B - Incurred Health Claims - Title XIX**

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 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	0	0	0	0	0
2. 2018 .....				0	0
3. 2019 .....	XXX			266,879	266,947
4. 2020 .....	XXX	XXX		329,182	325,020
5. 2021 .....	XXX	XXX	XXX	350,078	340,376
6. 2022 .....	XXX	XXX	XXX	XXX	342,558

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	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. 2018 .....		0	0	0.0	0	0.0	0	0	0	0.0
2. 2019 .....	381,681	266,947	787	0.3	267,734	70.1	0	0	267,734	70.1
3. 2020 .....	411,620	324,967	6,156	1.9	331,123	80.4	53	1	331,177	80.5
4. 2021 .....	431,338	339,616	6,283	1.9	345,899	80.2	760	16	346,675	80.4
5. 2022 .....	431,802	307,181	3,778	1.2	310,959	72.0	35,377	748	347,084	80.4

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

**Section A - Paid Health Claims - Grand Total**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	0	0	0	0	0
2. 2018 .....	0	0	0	0	0
3. 2019 .....	XXX	0	0	266,661	266,947
4. 2020 .....	XXX	XXX	0	328,487	324,967
5. 2021 .....	XXX	XXX	XXX	312,285	339,616
6. 2022 .....	XXX	XXX	XXX	XXX	307,181

**Section B - Incurred Health Claims - Grand Total**

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 2018	2 2019	3 2020	4 2021	5 2022
1. Prior .....	0	0	0	0	0
2. 2018 .....	0	0	0	0	0
3. 2019 .....	XXX	0	0	266,879	266,947
4. 2020 .....	XXX	XXX	0	329,182	325,020
5. 2021 .....	XXX	XXX	XXX	350,078	340,376
6. 2022 .....	XXX	XXX	XXX	XXX	342,558

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	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. 2018 .....	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2019 .....	381,681	266,947	787	0.3	267,734	70.1	0	0	267,734	70.1
3. 2020 .....	411,620	324,967	6,156	1.9	331,123	80.4	53	1	331,177	80.5
4. 2021 .....	431,338	339,616	6,283	1.9	345,899	80.2	760	16	346,675	80.4
5. 2022 .....	431,802	307,181	3,778	1.2	310,959	72.0	35,377	748	347,084	80.4

12.GT

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision 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 .....	0												
2. Additional policy reserves (a) .....	0												
3. Reserve for future contingent benefits .....	0								0				
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) ..	87,707,811								87,707,811				
5. Aggregate write-ins for other policy reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	87,707,811	0	0	0	0	0	0	0	87,707,811	0	0	0	0
7. Reinsurance ceded .....	0												
8. Totals (Net)(Page 3, Line 4) .....	87,707,811	0	0	0	0	0	0	0	87,707,811	0	0	0	0
9. Present value of amounts not yet due on claims .....	0												
10. Reserve for future contingent benefits .....	0												
11. Aggregate write-ins for other claim reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross) .....	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded .....	0												
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. ....													
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC  
**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 (\$ ..... for occupancy of own building) .....		9,121	146,392	383	155,896
2. Salary, wages and other benefits .....		1,562,237	25,074,116	65,627	26,701,980
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....					0
4. Legal fees and expenses .....		145,732	2,339,027	6,122	2,490,881
5. Certifications and accreditation fees .....		259	4,163	11	4,433
6. Auditing, actuarial and other consulting services ... ..		144,736	2,323,031	6,080	2,473,847
7. Traveling expenses .....		90,283	1,449,049	3,792	1,543,124
8. Marketing and advertising .....		5,201	83,474	218	88,893
9. Postage, express and telephone .....		19,307	309,883	811	330,001
10. Printing and office supplies .....		1,074	17,241	45	18,360
11. Occupancy, depreciation and amortization .....					0
12. Equipment .....		20,516	329,288	862	350,666
13. Cost or depreciation of EDP equipment and software .....		12,716	204,086	534	217,336
14. Outsourced services including EDP, claims, and other services .....		837,445	13,441,102	35,178	14,313,725
15. Boards, bureaus and association fees .....		36,573	587,000	1,536	625,109
16. Insurance, except on real estate .....		20,750	333,048	872	354,670
17. Collection and bank service charges .....		6,896	110,683	290	117,869
18. Group service and administration fees .....					0
19. Reimbursements by uninsured plans .....					0
20. Reimbursements from fiscal intermediaries .....					0
21. Real estate expenses .....					0
22. Real estate taxes .....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....		9	150		159
23.2 State premium taxes .....		690,291	11,079,268	28,997	11,798,556
23.3 Regulatory authority licenses and fees .....		5,504	88,333	231	94,068
23.4 Payroll taxes .....		92,885	1,490,817	3,902	1,587,604
23.5 Other (excluding federal income and real estate taxes) .....					0
24. Investment expenses not included elsewhere .....			0	0	0
25. Aggregate write-ins for expenses .....	0	5,538	88,882	230	94,650
26. Total expenses incurred (Lines 1 to 25) .....	0	3,707,073	59,499,033	155,721	(a) .....63,361,827
27. Less expenses unpaid December 31, current year .....		765,175	8,370,907	21,908	9,157,990
28. Add expenses unpaid December 31, prior year .....	0	835,740	9,896,088	0	10,731,828
29. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year .....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	3,777,638	61,024,214	133,813	64,935,665
<b>DETAILS OF WRITE-INS</b>					
2501. Other .....		656	10,529	25	11,210
2502. Bad Debt Expense .....		4,438	71,227	186	75,851
2503. Books & Periodicals .....					0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	444	7,126	19	7,589
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	5,538	88,882	230	94,650

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 141,722	168,156
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 1,124,859	1,382,240
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 256,740	272,583
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	95,413	95,413
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract Loans		
6. Cash, cash equivalents and short-term investments	(e) 292,296	354,933
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	1,911,030	2,273,325
11. Investment expenses		(g) 122,591
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 33,130
13. Interest expense		(h) 0
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		155,721
17. Net investment income (Line 10 minus Line 16)		2,117,604
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 142,449 accrual of discount less \$ 754,817 amortization of premium and less \$ 316,432 paid for accrued interest on purchases.
- (b) Includes \$ 55 accrual of discount less \$ 99 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 \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(16,798)	0	(16,798)	0	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(10,285)	0	(10,285)	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	(53,441)	0	(53,441)	(1,199,548)	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	26,544	0	26,544	(1,263,751)	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans		0	0	0	0
4. Real estate		0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments	(1,009)		(1,009)		
7. Derivative instruments			0		
8. Other invested assets		0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(54,989)	0	(54,989)	(2,463,299)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			0
2.2 Common stocks .....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale .....			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....	0		0
6. Contract loans .....			0
7. Derivatives (Schedule DB) .....			0
8. Other invested assets (Schedule BA) .....			0
9. Receivables for securities .....			0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only) .....			0
14. Investment income due and accrued .....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..			0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			0
16.2 Funds held by or deposited with reinsured companies .....			0
16.3 Other amounts receivable under reinsurance contracts .....			0
17. Amounts receivable relating to uninsured plans .....			0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0
18.2 Net deferred tax asset .....			0
19. Guaranty funds receivable or on deposit .....			0
20. Electronic data processing equipment and software .....			0
21. Furniture and equipment, including health care delivery assets .....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0
23. Receivable from parent, subsidiaries and affiliates .....			0
24. Health care and other amounts receivable .....	0	284,564	284,564
25. Aggregate write-ins for other than invested assets .....	417,611	395,612	(21,999)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	417,611	680,176	262,565
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27)	417,611	680,176	262,565
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. ADVANCE CONSULTING PAYROLL SECURITY DEPOSIT .....	1,307	43,077	41,770
2502. PREPAID EXPENSES .....	363,581	211,158	(152,423)
2503. PROVIDER ADVANCES .....	52,723	141,377	88,654
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	417,611	395,612	(21,999)

**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 .....	20,461	19,475	19,903	20,413	20,224	240,654
2. Provider Service Organizations .....	0					
3. Preferred Provider Organizations .....	0					
4. Point of Service .....	0					
5. Indemnity Only .....	0					
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	20,461	19,475	19,903	20,413	20,224	240,654
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying financial statements of Empower Healthcare Solutions, LLC (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:

	SSAP #	F/S Page	F/S Line #	2022	2021
<b>Net Income</b>					
(1) Empower Healthcare Solutions, LLC, state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$23,985,979	\$4,193,857
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:					
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$23,985,979	\$4,193,857
<b>Surplus</b>					
(5) Empower Healthcare Solutions, LLC, state basis (Page 3, Line 33, Column 3 & 4)	XXX	XXX	XXX	\$59,892,316	\$54,118,120
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:					
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$59,892,316	\$54,118,120
				\$59,892,316	\$54,118,120

## NOTES TO FINANCIAL STATEMENTS

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

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### C. Accounting Policies

Health premiums are earned over the term of the related insurance policies. Premiums written are reported net of experience rating refunds. Premiums paid prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates are subject to approval by the Centers for Medicare and Medicaid Services. Expenses are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) Common stocks of unaffiliated companies are stated at fair value based upon security ratings prescribed by various third-party pricing sources.
- (4) Redeemable preferred stocks of unaffiliated companies of highest and high quality are stated at cost or amortized cost, and all other redeemable preferred stock are reported at lower of cost, amortized cost or fair value. Perpetual preferred stocks are carried at fair value, not to exceed any currently effective call prices.
- (5) The Company has no mortgage loans - real estate.
- (6) The Company has no loan-backed securities.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no derivative instruments.
- (10) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (11) Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (12) The Company has not modified its capitalization policy from the prior period.

## NOTES TO FINANCIAL STATEMENTS

(13) The Company has no pharmaceutical rebate receivables.

### D. Going Concern

Management has assessed the Company's ability to continue as a going concern and noted no issues.

### 2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2022 and 2021.

### 3. Business Combinations and Goodwill

#### A. Statutory Purchase Method

Not applicable.

#### B. Statutory Merger

Not applicable.

#### C. Assumption Reinsurance

Not applicable.

#### D. Impairment Loss

Not applicable.

### 4. Discontinued Operations

The Company had no operations that were discontinued during 2022 or 2021.

### 5. Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2022 or 2021.

#### B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2022 or 2021.

#### C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2022 or 2021.

#### D. Loan-Backed Securities

(1) The Company did not have loan-backed securities at December 31, 2022 or 2021.

(2) The Company did not recognize other-than-temporary impairments ("OTTI") on its loan-backed securities during the three months ended December 31, 2022 or 2021.

(3) The Company did not hold OTTI on its loan-backed securities at December 31, 2022 or 2021.

(4) The Company had no impaired loan-backed securities for which an OTTI had not been recognized in earnings at December 31, 2022 or 2021.

(5) The Company had no impaired loan-backed securities at December 31, 2022 or 2021.

## NOTES TO FINANCIAL STATEMENTS

### **E. Dollar Repurchase Agreements and/or Securities Lending Transactions**

The Company did not enter into repurchase agreements or securities lending transactions at December 31, 2022 or 2021.

### **F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2022 or 2021.

### **G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing**

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2022 or 2021.

### **H. Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

### **I. Reverse Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

### **J. Real Estate**

The Company did not have investments in real estate and did not engage in retail land sales operations during 2022 or 2021.

### **K. Investments in Low-Income Housing Tax Credits**

The Company did not invest in properties generating low-income housing tax credits during 2022 or 2021.

### **L. Restricted Assets**

The Company did not have any restricted or pledged assets at December 31, 2022 or 2021.

### **M. Working Capital Finance Investments**

The Company did not have any working capital finance investments at December 31, 2022 or 2021.

### **N. Offsetting and Netting of Assets and Liabilities**

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2022 or 2021.

### **O. 5GI Securities**

The Company has no 5GI Securities as of December 31, 2022 or 2021.

### **P. Short Sales**

The Company did not have any short sales at December 31, 2022 or 2021.

### **Q. Prepayment Penalty and Acceleration Fees**

The Company had a prepayment penalty and acceleration fees of \$2,476 associated with two CUSIPs at December 31, 2022 and did not have any prepayment penalty or acceleration fees at December 31, 2021.

### **R. Reporting Entity's Share of Cash Pool by Asset Type**

The Company did not participate in a cash pool at December 31, 2022 or 2021.



**NOTES TO FINANCIAL STATEMENTS**

C. **Current tax and change in deferred tax:**

(1) Current income taxes incurred consist of the following major components:

Description	2022	2021
	(a) Federal	5,354,277
(b) Foreign	0	0
(c) Subtotal	5,354,277	1,699,551
(d) Federal income tax on net capital gains	0	(9,052)
(e) Utilization of capital loss carryforwards	0	0
(f) Other, including prior year underaccrual (overaccrual)	22,630	0
(g) Federal and foreign income taxes incurred	5,376,907	1,690,499

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

DTAs Resulting From Book/Tax Differences In	December 31, 2022	December 31, 2021	Change
	(2) <b>DTAs Resulting From Book/Tax Differences In</b>		
(a) <b>Ordinary</b>			
(1) Discounting of unpaid losses	736,517	822,508	(85,991)
(2) Unearned premium reserve	0	0	0
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrual	0	0	0
(7) Fixed assets	0	0	0
(8) Compensation and benefit accrual	0	0	0
(9) Pension accrual	0	0	0
(10) Nonadmitted assets	87,698	142,837	(55,139)
(11) Net operating loss carryforward	0	0	0
(12) Tax credit carryforward	0	0	0
(13) Other	27,930	727,591	(699,661)
(99) Gross ordinary DTAs	852,145	1,692,936	(840,791)
(b) Statutory valuation adjustment adjustment - ordinary (-)	0	0	0
(c) Nonadmitted ordinary DTAs (-)	(0)	0	(0)
(d) Admitted ordinary DTAs	852,145	1,692,936	(840,791)
(e) <b>Capital</b>			
(1) Investments	0	0	0
(2) Net capital loss carryforward	23,439	0	23,439
(3) Real estate	0	0	0
(4) Other	0	0	0
(5) Unrealized capital losses	340,162	0	340,162
(99) Gross capital DTAs	363,601	0	363,601
(f) Statutory valuation adjustment adjustment - capital (-)	(363,601)	0	(363,601)
(g) Nonadmitted capital DTAs (-)	(0)	0	(0)
(h) Admitted capital DTAs	0	0	0
(i) <b>Admitted DTAs</b>	852,145	1,692,936	(840,791)

## NOTES TO FINANCIAL STATEMENTS

## C. Current tax and change in deferred tax (continued)

	December 31, 2022	December 31, 2021	Change
<b>(3) DTLs Resulting From Book/Tax Differences In</b>			
<b>(a) Ordinary</b>			
<b>(1) Investments</b>	(4,614)	0	(4,614)
<b>(2) Fixed assets</b>	0	0	0
<b>(3) Deferred and uncollected premium</b>	0	0	0
<b>(4) Policyholder reserves</b>	0	0	0
<b>(5) Other</b>	0	0	0
<b>(99) Ordinary DTLs</b>	<u>(4,614)</u>	<u>0</u>	<u>(4,614)</u>
<b>(b) Capital</b>			
<b>(1) Investments</b>	0	0	0
<b>(2) Real estate</b>	0	0	0
<b>(3) Other</b>	0	0	0
<b>(4) Unrealized capital gains</b>	0	(112,834)	112,834
<b>(99) Capital DTLs</b>	<u>0</u>	<u>(112,834)</u>	<u>112,834</u>
<b>(c) DTLs</b>	<u>(4,614)</u>	<u>(112,834)</u>	<u>108,220</u>
<b>(4) Net deferred tax assets/liabilities</b>	<u>847,531</u>	<u>1,580,102</u>	<u>(732,571)</u>

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2022	December 31, 2021	Change
Total deferred tax assets	1,215,746	1,692,936	(477,190)
Total deferred tax liabilities	(4,614)	(112,834)	108,220
Net deferred tax assets/liabilities	1,211,132	1,580,102	(368,970)
Statutory valuation allowance adjustment (*see explanation below)	(363,601)	0	(363,601)
Net deferred tax assets/liabilities after SVA	847,531	1,580,102	(732,571)
Tax effect of unrealized gains/(losses)	(340,162)	112,834	(452,996)
Change in net deferred income tax [(charge)/benefit]	<u>507,370</u>	<u>1,692,936</u>	<u>(1,185,567)</u>

**\* Statutory valuation allowance**

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2022 and 2021 was \$363,601 and \$0, respectively. The net change in the total valuation allowance adjustments for the year ended December 31, 2022 was \$363,601.

**NOTES TO FINANCIAL STATEMENTS**

**D. Reconciliation of federal income tax rate to actual effective rate:**

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	Amount	Tax Effect	Effective Tax Rate
Income Before Taxes	29,362,886	6,166,206	21.00%
Tax-Exempt Interest	0	0	0.00%
Dividends Received Deduction	(96,139)	(20,189)	-0.07%
Proration	24,035	5,047	0.02%
Meals & Entertainment, Lobbying Expenses, Etc.	0	0	0.00%
Statutory Valuation Allowance Adjustment	1,731,434	363,601	1.24%
Deferred Taxes on Nonadmitted Assets	262,565	55,139	0.19%
Other, Including Prior Year True-Up	(7,330)	(7,330)	-0.02%
<b>Total</b>	<b>6,562,474</b>	<b>6,562,474</b>	<b>22.35%</b>
Federal & Foreign Income Taxes Incurred [Expense/(Benefit)]	5,376,907	18.31%	
Tax on Capital Gains/(Losses)	0	0.00%	
Change in Net Deferred Income Tax [Charge/(Benefit)]	1,185,567	4.04%	
Total Statutory Income Taxes	<u>6,562,473</u>	<u>22.35%</u>	

**E. Carryforwards, recoverable taxes, and IRC §6603 deposits:**

At December 31, 2022, the Company had net operating loss carryforwards expiring through the year 20XX of: \$0  
 At December 31, 2022, the Company had capital loss carryforwards expiring through the year 2027 of: \$111,616

The following is income tax expense for 2020, 2021, and 2022 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2020	N/A	0	0
2021	1,710,444	0	1,710,444
2022	5,354,277	0	5,354,277
<b>Total</b>	<u>7,064,721</u>	<u>0</u>	<u>7,064,721</u>

The aggregate amount of deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code was \$0, as of December 31, 2022

**F. The Company's federal income tax return is consolidated with the following entities:**

The Company's Federal income tax return is not consolidated with any other entities.

## NOTES TO FINANCIAL STATEMENTS

### G. Federal or Foreign Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

The Company is no longer subject to Federal or state examination prior to 2019.

### H. Repatriation Transition Tax (RTT)

Not Applicable

### I. Alternative Minimum Tax (AMT) Credit

The AMT Credit was recognized as a deferred tax asset / current year recoverable.

(1).	Gross AMT Credit Recognized as:		\$
a.	Current year recoverable	-	
b.	Deferred tax asset (DTA)	-	
(2).	Beginning Balance of AMT Credit Carryforward	\$	-
(3).	Amounts Recovered	\$	-
(4).	Adjustments	\$	-
(5).	Ending Balance of AMT Credit Carryforward	\$	-
(6).	Reduction for Sequestration		NONE
(7).	Nonadmitted by Reporting Entity	\$	-
(8).	Reporting Entity Ending Balance	\$	-

The Inflation Reduction Act (Act) was enacted on August 16, 2022, and included a new corporate alternative minimum tax (CAMT). The Act and the CAMT will go into effect for tax years beginning after 2022. The Company has determined it does not expect to be subject to the CAMT in 2023.

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

### A. Nature of the Relationship

The Company is an Arkansas domiciled company formed by Beacon Health Options, Inc. ("BHO"), Arkansas Community Health Network, LLC, Preferred Family Healthcare, Inc., Woodruff Health Group, LLC, Independent Case Management, Inc., Arkansas Healthcare Alliance, LLC, and Statera, LLC. The Company was granted authority by the AID to conduct business in Arkansas as a Risk-based Provider Organization ("RPO"), limited to plans established under the Medicaid Provider-Led Organized Care System.

### B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

On March 9, 2022 the Company repaid the capital contributions of \$22,305,000 to BHO. On June 28, 2022 the Company paid retained earnings of \$18,822,003 to BHO.

On February 4, 2022 TSCFI EP LLC became the new equity partner in the Company contributing capital of \$30,000,000.

### C. Transactions with Related Parties who are not Reported on Schedule Y

The Company has no transactions with related parties who are not reported on Schedule Y.

## NOTES TO FINANCIAL STATEMENTS

### **D. Amounts Due to or from Related Parties**

At December 31, 2022 and 2021, the Company reported \$0 and \$71,227 due from affiliates and no amounts due to affiliates. The receivable balance represents intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

### **E. Management and Service Contracts and Cost Sharing Arrangements**

The Company had entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. During 2021, the costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs included expenses such as salaries, employee benefits, information technology, pharmacy benefits administration, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which supported the Company's operations. These costs were allocated based on various utilization statistics. This agreement was terminated effective December 31, 2021.

The Company entered into an administrative services agreement effective January 1, 2022 with Access Health to provide payroll services, network contracting, network management and provider credentialing services. During 2022 the Company paid Access Health \$26,099,369.

### **F. Guarantees or Contingencies for Related Parties**

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

### **G. Nature of Control Relationships that Could Affect Operations or Financial Position**

Effective January 1, 2022, BHO is no longer an equity partner in the Company. On February 4, 2022 TSCFI EP LLC became the new equity partner in the Company contributing capital of \$30,000,000

The Company is owned equally by the following six companies: TSCFI EP LLC, Arkansas Community Health Network, LLC, Woodruff Health Group, LLC, Independent Case Management, Inc., Arkansas Healthcare Alliance, LLC, and Statera, LLC. In 2021 Members of the Board were paid \$5,000 per month. In 2022 this amount was increased to \$7,000. In addition, the Chairman of the Board for each subcommittee were also paid an additional \$3,000.

### **H. Amount Deducted for Investment in Upstream Company**

The Company does not own shares of upstream intermediate entities.

### **I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets**

The Company does not have investments in affiliates greater than 10% of admitted assets.

### **J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated "SCA" Companies**

Not applicable.

### **K. Investment in a Foreign Insurance Subsidiary**

The Company does not have investments in foreign insurance subsidiaries.

## NOTES TO FINANCIAL STATEMENTS

**L. Investment in Downstream Non-insurance Holding Companies**

The Company does not have investments in downstream non-insurance holding companies.

**M. All SCA Investments**

The Company has no SCA Investments.

**N. Investment in Insurance SCAs**

The Company does not have investments in Insurance SCAs.

**O. SCA or SSAP 48 Entity Loss Tracking**

The Company does not have losses on investments in Insurance SCAs and/or joint ventures, partnerships or LLCs.

**11. Debt**

**A. Capital Notes and Other Debt**

The Company had no capital notes or other debt outstanding at December 31, 2022 and 2021.

**B. FHLB Federal Home Loan Bank Agreements**

The Company had no FHL agreements outstanding at December 31, 2022 and 2021.

**C. All Other Debt**

The Company had no other debt outstanding at December 31, 2022 and 2021.

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

**A. Defined Benefit Plan**

Not applicable.

**B. Not applicable.**

**C. Not applicable.**

**D. Not applicable.**

**E. Defined Contribution Plans**

Not applicable.

**F. Multiemployer Plans**

The Company does not participate in a multiemployer plan.

**G. Consolidated/Holding Company Plans**

Not applicable.

**H. Post Employment Benefits and Compensated Absences**

Not applicable.

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

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Outstanding Shares

On February 4, 2022, the Company issued Common Stock to TSCFI EP LLC, \$7,695,000.

#### B. Preferred Stock

On February 4, 2022, the Company issued Preferred Stock to TSCFI EP LLC, \$22,305,000.

#### C. Dividend Restrictions

Under Arkansas law, the amount of ordinary dividends a domestic insurer is permitted to pay is limited to an amount not exceeding the greater of 10% of total surplus, net gain from operations, or net gain from operations from the 3 calendar years preceding the dividend less dividends paid for those 3 years.

#### D. Dividends Paid

Dividends of \$2,230,500 were paid in 2022. There were no paid dividends in 2021.

#### E. Maximum Ordinary Dividend

Within the limitations of (C) above, the Company may pay \$5,989,231 in ordinary dividends during 2023 without restrictions, other than state notification requirements.

#### F. Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2022 or 2021.

#### G. Mutual Surplus Advances

Not applicable.

#### H. Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2022 or 2021.

#### I. Changes in Special Surplus Funds

There are no special surplus funds at December 31, 2022 or 2021.

#### J. Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized investment gains (losses) was (\$2,463,299) and \$449,424 at December 31, 2022 and 2021, respectively.

#### K. Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

#### L. Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

#### M. Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

## NOTES TO FINANCIAL STATEMENTS

### 14. Liabilities, Contingencies and Assessments

#### A. Contingent Commitments

The Company had no contingent commitments at December 31, 2022 or 2021.

#### B. Assessments

(1) The Company is subject to guaranty fund and other assessments by the state in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued either at the time of the assessment or at the time the losses are incurred.

(2) Not applicable.

(3) Not applicable.

#### C. Gain Contingencies

The Company has no gain contingencies at December 31, 2022 or 2021.

#### D. Claims-Related Extra Contractual Obligation and the Bad Faith Losses Stemming From Lawsuits

Not applicable.

#### E. Joint and Several Liabilities

Not applicable.

#### F. All Other Contingencies

From time to time, the Company is party to various legal proceedings, many of which involve claims for coverage encountered in the ordinary course of business. The Company, like HMOs and health insurers generally, exclude certain healthcare and other services from coverage under their HMO, PPO and other plans. The Company is, in the ordinary course of business, subject to the claims of their enrollees arising out of decisions to restrict or deny reimbursement for uncovered services. The loss of even one such claim, if it results in a significant punitive damage award, could have a material adverse effect on the Company. In addition, the risk of potential liability under punitive damage theories may increase significantly the difficulty of obtaining reasonable reimbursement of coverage claims.

The Company has no known material contingencies at December 31, 2022 or 2021.

#### Provisions for uncollectible amounts

At December 31, 2022 and 2021, the Company reported admitted assets of \$0 in premium receivables. At December 31, 2022 and 2021, the Company recorded allowances for uncollectible amounts of \$193,027 and \$94,862, respectively. These receivables are not deemed to be uncollectible, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

## NOTES TO FINANCIAL STATEMENTS

### 15. Leases

#### A. Lessee Operating Lease

- The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Certain leases have the right to renew. There is an escalation clauses for the new office lease. Related lease expense for 2022 and 2021 was \$311,688 and \$11,225, respectively.
- At December 31, 2022, the minimum aggregate rental commitments are as follows:

	Year Ending December 31		Operating Leases
1	2023	\$	465,778
2	2024		549,234
3	2025		401,971
4	2026		391,975
5	2027		342,188
6	Total		\$2,151,146

- The Company has not entered into any material sale-leaseback transactions.

#### B. Lessor Leases

- The Company has not entered into any operating leases.
- The Company has not entered into any leveraged leases.

### 16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Not applicable.

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

#### A. Transfers of Receivables Reported as Sales

Not applicable.

#### B. Transfer and Servicing of Financial Assets

(1) Not applicable.

#### C. Wash Sales

- In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
- At December 31, 2022 and December 31, 2021, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

## NOTES TO FINANCIAL STATEMENTS

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

## A. Administrative Services Only Plans

Not applicable.

## B. Administrative Services Contract Plans

Not applicable.

## C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract

Not applicable.

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

Not applicable

## 20. Fair Value Measurements

ii.

(1) Fair Value Measurements at December 31, 2022

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value NAV	Total
Perpetual preferred stock	\$ —	\$ 3,824,548	\$ —	\$ —	\$ 3,824,548
Industrial and misc					
Total perpetual preferred stocks	\$ —	\$ 3,824,548	\$ —	\$ —	\$ 3,824,548
Redeemable preferred stock					
Industrial and misc	\$ —	\$ 65,532	\$ —	\$ —	\$ 65,532
Total redeemable preferred stocks	\$ —	\$ 65,532	\$ —	\$ —	\$ 65,532
Bonds					
U.S. governments	\$ —	\$ —	\$ —	\$ —	\$ —
Industrial and misc	\$ —	\$ —	\$ —	\$ —	\$ —
Total Bonds	\$ —	\$ —	\$ —	\$ —	\$ —
Common stock					
Industrial and misc	\$ 4,343,479	\$ —	\$ —	\$ —	\$ 4,343,479
Total common stocks	\$ 4,343,479	\$ —	\$ —	\$ —	\$ 4,343,479
Cash Equivalents					
U.S. governments, Industrial and misc money market funds	\$ 7,992,311	\$ —	\$ —	\$ —	\$ 7,992,311
Total cash equivalents	\$ 7,992,311	\$ —	\$ —	\$ —	\$ 7,992,311
Total Assets at fair value / NAV	\$12,335,790	\$ 3,890,080	\$ —	\$ —	\$16,225,870

## NOTES TO FINANCIAL STATEMENTS

### B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2022 and December 31, 2021.

### C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value	
						NAV	NAV
Bonds	\$ 133,885,658	\$ 143,212,040	\$ 18,549,906	\$ 115,335,751	\$ —	\$ —	\$ —
Redemnable preferred stock	\$ 167,860	\$ 203,053	\$ —	\$ 167,860	\$ —	\$ —	\$ —
Perpetual preferred stock	\$ 3,824,548	\$ 3,824,548	\$ —	\$ 3,824,548	\$ —	\$ —	\$ —
Common stock	\$ 4,343,479	\$ 4,343,479	\$ 4,343,479	\$ —	\$ —	\$ —	\$ —
Short term investments	\$ 2,592,954	\$ 2,602,784	\$ 2,592,954	\$ —	\$ —	\$ —	\$ —
Cash and cash equivalents	\$ 15,476,311	\$ 15,475,352	\$ 15,476,311	\$ —	\$ —	\$ —	\$ —

### D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate at fair value.

### E. Investments Measured at Net Asset Value

The Company has no investments measured at net asset value.

## 21. Other Items

### A. Unusual or Infrequent Items

The spread of the COVID-19 virus caused significant financial market volatility, economic uncertainty, and interruptions to normal business activities. The public health emergency is set to expire in April 2023. The ultimate impact to the Company is unknown, but management expects continued interruptions to claim and premium activity, investment values, as well as possible impacts to liquidity.

### B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2022 and 2021.

### C. Other Disclosures

Not applicable at December 31, 2022 and 2021.

### D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2022 and 2021.

### E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2022 and 2021.

### F. Subprime Mortgage-Related Risk Exposure

(1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The Company did not have investments in subprime mortgage backed securities at December 31, 2022 and 2021.

## NOTES TO FINANCIAL STATEMENTS

- (2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2022 and 2021.
- (3) The Company did not have subprime mortgage-related risk exposure at December 31, 2022 and 2021.
- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2022 and 2021.

### **G. Retained Assets**

The Company does not have retained assets at December 31, 2022 and 2021.

### **H. Insurance-Linked Securities Contracts**

Not applicable.

### **I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy**

Not applicable.

### **22. Events Subsequent**

Subsequent events have been considered through February 28, 2023 for the statutory statement issued on March 1, 2023. There were no events occurring subsequent to December 31, 2022 requiring recognition or disclosure.

### **23. Reinsurance**

Not applicable.

### **24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

**A.** The Company sells health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.

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

**C.** The amount of net premiums written by the Company at December 31, 2022 and 2021 that were subject to retrospective rating features was \$492,597,970 and \$468,594,491, respectively, which represented 100% and 100%, respectively, of the total net premiums written.

**D.** Not applicable.

### **E. Risk Sharing Provisions of the Affordable Care Act ("ACA")**

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk sharing provisions (YES/NO)? NO
- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year.  
Not applicable.
- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.  
Not applicable.

**NOTES TO FINANCIAL STATEMENTS**

- (4) Roll-forward of Risk Corridors Asset and Liability balances by Program benefit Year.  
Not applicable.
- (5) ACA Risk Corridors Receivable as of Reporting Date.  
Not applicable.
- 25. Change in Incurred Claims and Claim Adjustment Expenses**  
No significant change.
- 26. Intercompany Pooling Arrangements**  
Not applicable.
- 27. Structured Settlements**  
Not applicable.
- 28. Health Care Receivables**  
Not Applicable.
- 29. Participating Policies**  
Not applicable.
- 30. Premium Deficiency Reserves**

1. Liability carried for premium deficiency reserves	\$	0
2. Date of the most recent evaluation of this liability		December 31, 2022
3. Was anticipated investment income utilized in the calculation?		Yes No X
- 31. Anticipated Salvage and Subrogation**  
Not applicable.

# 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 [ X ]  
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 [ X ]
- 1.3 State Regulating? ..... Arkansas
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 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. .... 12/31/2021
- 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). .... 06/05/2021
- 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 [ X ] No [ ] N/A [ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ X ] No [ ] N/A [ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 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

## GENERAL INTERROGATORIES

- 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 the 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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 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?  
FORVIS, 111 Center Street, Suite 1600, LITTLE ROCK, ARKANSAS 72201 .....
- 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 the 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 the 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?  
DAVID NEIMAN, WAKELY CONSULTING GROUP, LLC. 9777 PYRAMID COURT, SUITE 260, ENGLEWOOD, CO 80112. ACTUARY WITH CONSULTING FIRM. ....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved ..... 0
- 12.13 Total book/adjusted carrying value ..... \$ .....0
- 12.2 If, yes provide explanation:  
.....
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:  
.....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]
- 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 [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
.....

**ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC  
GENERAL INTERROGATORIES**

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? ..... Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

**BOARD OF DIRECTORS**

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

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$ .....0
  - 20.12 To stockholders not officers.....\$ .....0
  - 20.13 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$ .....0
  - 20.22 To stockholders not officers.....\$ .....0
  - 20.23 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$ .....
  - 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 [ ] No [ X ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$ .....
- 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.

Name of Third-Party	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 [ ]

**ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC**  
**GENERAL INTERROGATORIES**

- 25.02 If no, give full and complete information relating thereto  
 .....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 .....
- 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. .... \$ .....0
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. .... \$ .....0
- 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 securities 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. .... \$ .....0
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ .....0
- 25.093 Total payable for securities lending reported on the liability page. .... \$ .....0

- 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 [ ] No [ X ]
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements ..... \$ .....0
- 26.22 Subject to reverse repurchase agreements ..... \$ .....0
- 26.23 Subject to dollar repurchase agreements ..... \$ .....0
- 26.24 Subject to reverse dollar repurchase agreements ..... \$ .....0
- 26.25 Placed under option agreements ..... \$ .....0
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock ..... \$ .....0
- 26.27 FHLB Capital Stock ..... \$ .....0
- 26.28 On deposit with states ..... \$ .....0
- 26.29 On deposit with other regulatory bodies ..... \$ .....0
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB ..... \$ .....0
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements ..... \$ .....0
- 26.32 Other ..... \$ .....0

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 ]
- 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 [ ]
- 27.42 Permitted accounting practice ..... Yes [ ] No [ ]
- 27.43 Other accounting guidance ..... Yes [ ] No [ ]
- 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 [ ]
- 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 [ X ] No [ ]
- 28.2 If yes, state the amount thereof at December 31 of the current year. .... \$ .....203,053
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
FIRST SECURITY BANK .....	521 PRESIDENT CLINTON AVENUE, SUITE 800, LITTLE ROCK, ARKANSAS 72201 .....
	2900 HIGHWAY 280
	SUITE 100
RAYMOND JAMES .....	BIRMINGHAM, AL 35223 .....

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**GENERAL INTERROGATORIES**

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 [ X ] No [ ]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
FIRST SECURITY BANK .....	RAYMOND JAMES .....	07/01/2022 .....	CHANGED CUSTODIANS FROM FIRST SECURITY BANK TO RAYMOND JAMES .....

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 of Firm or Individual	2 Affiliation
PARKWAY ADVISORS .....	U.....
First Security Bank .....	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 [ X ] 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 [ X ] No [ ]

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

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

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 [ X ] No [ ]

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
19247U-10-6 .....	COHEN & STEERS INSTL REALTY SHARES FUND .....	1,593,688
30.2999 - Total		1,593,688

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
COHEN & STEERS INSTL REALTY SHARES FUND .....	Prologis Inc. ....	159,369 ..	12/31/2022 ..
COHEN & STEERS INSTL REALTY SHARES FUND .....	Welltower Inc. ....	114,746 ..	12/31/2022 ..
COHEN & STEERS INSTL REALTY SHARES FUND .....	American Tower Corporation .....	109,964 ..	12/31/2022 ..
COHEN & STEERS INSTL REALTY SHARES FUND .....	Public Storage .....	109,964 ..	12/31/2022 ..
COHEN & STEERS INSTL REALTY SHARES FUND .....	Digital Realty Trust Inc. ....	101,996 ..	12/31/2022 ..

**GENERAL INTERROGATORIES**

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	2	3
	Statement (Admitted Value)	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds .....	7,483,041	7,483,041	0
31.2 Preferred stocks .....	4,027,600	3,992,406	(35,194)
31.3 Totals	11,510,641	11,475,447	(35,194)

31.4 Describe the sources or methods utilized in determining 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 [ X ] 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 [ X ] 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:  
N/A .....

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] 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 [ X ]

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 a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

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 [ X ]

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 to the following:  
a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.  
b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.  
c. If the investment is with a related party or affiliate, then the reporting entity has 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 [ X ] N/A [ ]

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC  
**GENERAL INTERROGATORIES**

38.1 Does the reporting entity directly hold cryptocurrencies? ..... Yes [ ] No [ X ]

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

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

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

**OTHER**

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... \$ ..... 0

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	2
Name	Amount Paid

41.1 Amount of payments for legal expenses, if any? ..... \$ ..... 1,304,552

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	2
Name	Amount Paid
BASS BERRY SIMS .....	297,820
BUTLER SNOW .....	354,558
FRIDAY ELDREDGE & CLARK LLP .....	191,824
POLINELLI LLP .....	364,581
WRIGHT LINDSEY & JENNINGS .....	95,769

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? ..... \$ ..... 32,000

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	2
Name	Amount Paid
WRIGHT LINDSEY & JENNINGS .....	32,000

# 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 ..... \$ \_\_\_\_\_ 0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. .... \$ \_\_\_\_\_ 0

1.6 Individual policies: Most current three years:

1.61 Total premium earned ..... \$ ..... 0

1.62 Total incurred claims ..... \$ ..... 0

1.63 Number of covered lives ..... 0

All years prior to most current three years:

1.64 Total premium earned ..... \$ ..... 0

1.65 Total incurred claims ..... \$ ..... 0

1.66 Number of covered lives ..... 0

1.7 Group policies: Most current three years:

1.71 Total premium earned ..... \$ ..... 0

1.72 Total incurred claims ..... \$ ..... 0

1.73 Number of covered lives ..... 0

All years prior to most current three years:

1.74 Total premium earned ..... \$ ..... 0

1.75 Total incurred claims ..... \$ ..... 0

1.76 Number of covered lives ..... 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	480,462,240	468,594,491
2.2 Premium Denominator .....	480,462,240	468,594,491
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	123,897,666	86,735,726
2.5 Reserve Denominator .....	123,897,666	86,735,726
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 [ ]

5.1 Does the reporting entity have stop-loss reinsurance? ..... Yes [ ] No [ X ]

5.2 If no, explain:  
THE COMPANY BELIEVES IT HAS ADEQUATE SURPLUS TO ABSORB SIGNIFICANT FLUCTUATIONS IN UNDERWRITING RISK. ....

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... \$ .....

5.32 Medical Only ..... \$ .....

5.33 Medicare Supplement ..... \$ .....

5.34 Dental & Vision ..... \$ .....

5.35 Other Limited Benefit Plan ..... \$ .....

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 .....

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?..... Yes [ X ] No [ ]

7.2 If no, give details  
.....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year ..... 21,784

8.2 Number of providers at end of reporting year ..... 27,887

9.1 Does the reporting entity have business subject to premium rate guarantees? ..... Yes [ ] No [ X ]

9.2 If yes, direct premium earned: 9.21 Business with rate guarantees between 15-36 months.. \$.....

9.22 Business with rate guarantees over 36 months ..... \$.....

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC  
**GENERAL INTERROGATORIES**

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

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ ..... 1,484,051

10.22 Amount actually paid for year bonuses.....\$ .....771,707

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 [ X ]

11.13 An Individual Practice Association (IPA), or, ..... Yes [ ] No [ X ]

11.14 A Mixed Model (combination of above)? .... Yes [ ] No [ X ]

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

11.3 If yes, show the name of the state requiring such minimum capital and surplus. .... ARKANSAS

11.4 If yes, show the amount required. .... \$ 30,000,000

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

11.6 If the amount is calculated, show the calculation  
RBC CALCULATION: REQUIREMENT IS 200% OF ACL .....

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

1 Name of Service Area

13.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

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

13.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

13.4 If yes, please provide the balance of 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 [ X ]

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 gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

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 ]

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**FIVE-YEAR HISTORICAL DATA**

	1 2022	2 2021	3 2020	4 2019	5 2018
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28) .....	195,266,060	151,585,674	228,518,875	193,191,182	8,834,977
2. Total liabilities (Page 3, Line 24) .....	135,056,684	97,467,554	179,456,877	158,653,694	2,647,663
3. Statutory minimum capital and surplus requirement .....	30,000,000	28,309,790	24,888,906	27,321,422	6,000,000
4. Total capital and surplus (Page 3, Line 33) .....	60,209,376	54,118,120	49,061,998	34,537,488	6,187,314
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8) .....	432,051,518	420,791,859	411,619,778	381,681,050	0
6. Total medical and hospital expenses (Line 18) .....	332,196,567	345,299,808	300,297,384	300,291,875	0
7. Claims adjustment expenses (Line 20) .....	3,707,073	8,131,801	5,929,729	0	0
8. Total administrative expenses (Line 21) .....	59,499,033	62,025,473	68,367,090	64,363,939	(156,314)
9. Net underwriting gain (loss) (Line 24) .....	36,648,845	5,334,777	37,025,575	17,025,236	156,314
10. Net investment gain (loss) (Line 27) .....	2,062,615	561,471	790,954	0	0
11. Total other income (Lines 28 plus 29) .....	(9,348,573)	0	(18,520,076)	0	0
12. Net income or (loss) (Line 32) .....	23,985,979	4,193,857	13,347,271	12,659,986	156,314
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11) .....	62,237,225	(69,338,409)	25,661,728	167,310,524	2,803,977
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital .....	60,209,376	54,118,120	49,061,998	34,537,488	6,187,314
15. Authorized control level risk-based capital .....	13,604,382	14,155,554	12,444,453	12,418,828	13,650
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7) .....	20,224	20,461	18,719	18,245	0
17. Total members months (Column 6, Line 7) .....	240,654	236,822	208,466	181,050	0
<b>Operating Percentage</b> (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 (Lines 18 plus Line 19) .....	79.1	82.1	73.0	78.7	0.0
20. Cost containment expenses .....	0.0				
21. Other claims adjustment expenses .....	0.9	1.9	1.4	0.0	0.0
22. Total underwriting deductions (Line 23) .....	94.2	98.7	91.0	95.5	0.0
23. Total underwriting gain (loss) (Line 24) .....	8.7	1.3	9.0	4.5	0.0
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5) .....	29,821,438	34,444,550	28,330,209	0	0
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)] .....	38,421,411	38,972,610	61,207,037	0	0
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
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) .....					
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0				
30. Affiliated mortgage loans on real estate .....		0			
31. All other affiliated .....		0			
32. Total of above Lines 26 to 31 .....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above .....		0			

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: Not Applicable .....

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE EMPOWER HEALTHCARE SOLUTIONS LLC

**SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS**

**Allocated by States and Territories**

States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	N								0	
2. Alaska	AK	N								0	
3. Arizona	AZ	N								0	
4. Arkansas	AR	L		480,462,240						480,462,240	
5. California	CA	N								0	
6. Colorado	CO	N								0	
7. Connecticut	CT	N								0	
8. Delaware	DE	N								0	
9. District of Columbia	DC	N								0	
10. Florida	FL	N								0	
11. Georgia	GA	N								0	
12. Hawaii	HI	N								0	
13. Idaho	ID	N								0	
14. Illinois	IL	N								0	
15. Indiana	IN	N								0	
16. Iowa	IA	N								0	
17. Kansas	KS	N								0	
18. Kentucky	KY	N								0	
19. Louisiana	LA	N								0	
20. Maine	ME	N								0	
21. Maryland	MD	N								0	
22. Massachusetts	MA	N								0	
23. Michigan	MI	N								0	
24. Minnesota	MN	N								0	
25. Mississippi	MS	N								0	
26. Missouri	MO	N								0	
27. Montana	MT	N								0	
28. Nebraska	NE	N								0	
29. Nevada	NV	N								0	
30. New Hampshire	NH	N								0	
31. New Jersey	NJ	N								0	
32. New Mexico	NM	N								0	
33. New York	NY	N								0	
34. North Carolina	NC	N								0	
35. North Dakota	ND	N								0	
36. Ohio	OH	N								0	
37. Oklahoma	OK	N								0	
38. Oregon	OR	N								0	
39. Pennsylvania	PA	N								0	
40. Rhode Island	RI	N								0	
41. South Carolina	SC	N								0	
42. South Dakota	SD	N								0	
43. Tennessee	TN	N								0	
44. Texas	TX	N								0	
45. Utah	UT	N								0	
46. Vermont	VT	N								0	
47. Virginia	VA	N								0	
48. Washington	WA	N								0	
49. West Virginia	WV	N								0	
50. Wisconsin	WI	N								0	
51. Wyoming	WY	N								0	
52. American Samoa	AS	N								0	
53. Guam	GU	N								0	
54. Puerto Rico	PR	N								0	
55. U.S. Virgin Islands	VI	N								0	
56. Northern Mariana Islands	MP	N								0	
57. Canada	CAN	N								0	
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	480,462,240	0	0	0	0	0	480,462,240	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX									0	
61. Totals (Direct Business)	XXX	0	0	480,462,240	0	0	0	0	0	480,462,240	0
DETAILS OF WRITE-INS											
58001.	XXX										
58002.	XXX										
58003.	XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

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

(b) Explanation of basis of allocation by states, premiums by state, etc.  
100% Arkansas premium

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

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**NONE**

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 25

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2504. Charitable Contributions .....		187	3,000	8	3,195
2505. Gifts .....		257	4,126	11	4,394
2597. Summary of remaining write-ins for Line 25 from overflow page	0	444	7,126	19	7,589