



ANNUAL STATEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2024
 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.....AR..... State of Domicile or Port of Entry.....AR.....
 Country of Domicile.....US.....
 Licensed as business type.....OTHER..... Is HMO Federally Qualified?.....
 Incorporated/Organized.....02/05/2017..... Commenced Business.....02/01/2018.....
 Statutory Home Office.....17500 CHENAL PARKWAY, SUITE 300..... LITTLE ROCK, AR, US 72223.....
 Main Administrative Office.....17500 CHENAL PARKWAY, SUITE 300.....
 LITTLE ROCK, AR, US 72223.....
 (Telephone)
 Mail Address.....17500 CHENAL PARKWAY, SUITE 300..... LITTLE ROCK, AR, US 72223.....
 Primary Location of Books and
 Records.....17500 CHENAL PARKWAY, SUITE 300.....
 LITTLE ROCK, AR, US 72223.....
 (Telephone)
 Internet Website Address.....WWW.GETEMPOWERHEALTH.COM.....
 Statutory Statement Contact.....DAVID JOHN ZDECHLIK..... 501-516-2603.....
 (Telephone)
 DAVID.ZDECHLIK@EMPOWERARKANSAS.COM..... 501-516-2603.....
 (E-Mail) (Fax)

OFFICERS

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

OTHER

SUZANNE LYNETTE TIPTON, CHIEF COMPLIANCE OFFICER... MARIA ROBERTA HALILI OPPEDISANO, CHIEF HUMAN
 DAVID JOHN ZDECHLIK, VICE PRESIDENT..... RESOURCES OFFICER.....
 DEBRA MUNRO LEISS, VICE PRESIDENT..... CRAIG SCOTT STEVENS, VICE PRESIDENT.....

DIRECTORS OR TRUSTEES

ELIZABETH HEISLER GINTY, CHAIRPERSON..... MARK ANTHONY HARTMAN, TREASURER.....
 DAVID LAMAR NORSWORTHY..... DR. JOSHUA BRIAN WILSON.....
 DR. STEVEN FRANKLIN COLLIER..... TANNER JOE COPE.....

State of Arkansas.....
 County of FAULKNER..... SS

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

x Mitch Morris x Martin W. Catron x Gregory M. Lueck
 Douglas Mitchell Morris Martin Wayne Catron Greg Mark Lueck
 CEO CFO COO

Subscribed and sworn to before me
 this 13th day of
February, 2025

x

COLBY CAMPBELL
 FAULKNER COUNTY
 NOTARY PUBLIC -- ARKANSAS
 My Commission Expires April 12th, 2034
 Commission No. 00001452

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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	66,682,218		66,682,218	111,508,723
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	2,229,963		2,229,963	3,451,063
2.2 Common stocks.....				4,737,157
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....				
3.2 Other than first liens.....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$..... encumbrances).....				
4.2 Properties held for the production of income (less \$..... encumbrances).....				
4.3 Properties held for sale (less \$..... encumbrances).....				
5. Cash (\$.....11,217,607, Schedule E - Part 1), cash equivalents (\$.....12,408,414, Schedule E - Part 2) and short-term investments (\$.....0, Schedule DA).....	23,626,021		23,626,021	10,917,634
6. Contract loans (including \$..... premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA).....				
9. Receivables for securities.....				
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets.....				
12. Subtotals, cash and invested assets (Lines 1 to 11).....	92,538,202		92,538,202	130,614,578
13. Title plants less \$..... charged off (for Title insurers only).....				
14. Investment income due and accrued.....	434,024		434,024	636,058
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,059,255		1,059,255	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums).....				
15.3 Accrued retrospective premiums (\$.....) and contracts subject to redetermination (\$.....).....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....				
16.2 Funds held by or deposited with reinsured companies.....				
16.3 Other amounts receivable under reinsurance contracts.....				
17. Amounts receivable relating to uninsured plans.....				
18.1 Current federal and foreign income tax recoverable and interest thereon.....	274,198		274,198	504,446
18.2 Net deferred tax asset.....	1,375,497		1,375,497	963,114
19. Guaranty funds receivable or on deposit.....				
20. Electronic data processing equipment and software.....	2,541,136	2,541,136	-	
21. Furniture and equipment, including health care delivery assets (\$.....).....	988,773	988,773	-	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....				
23. Receivables from parent, subsidiaries and affiliates.....				
24. Health care (\$.....1,059,255) and other amounts receivable.....	36,993	36,993	-	9,767,006
25. Aggregate write-ins for other-than-invested assets.....	749,345	749,345	-	
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	99,997,423	4,316,247	95,681,176	142,485,202
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27).....	99,997,423	4,316,247	95,681,176	142,485,202
Details of Write-Ins				
1101.....				
1102.....				
1103.....				
1198. Summary of remaining write-ins for Line 11 from overflow page.....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....				
2501. PREPAID EXPENSES.....	749,345	749,345	-	
2502.....				
2503.....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	749,345	749,345	-	

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$..... reinsurance ceded)	28,242,781		28,242,781	28,288,790
2. Accrued medical incentive pool and bonus amounts	786,725		786,725	754,470
3. Unpaid claims adjustment expenses	628,360		628,360	627,567
4. Aggregate health policy reserves, including the liability of \$..... for medical loss ratio rebate per the Public Health Service Act	18,723,434		18,723,434	55,601,514
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	7,149,859		7,149,859	8,492,524
10.1 Current federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15. Amounts due to parent, subsidiaries and affiliates	2,200,000		2,200,000	
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$..... authorized reinsurers, \$..... unauthorized reinsurers and \$..... certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$.....) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$..... current)	294,529		294,529	339,768
24. Total liabilities (Lines 1 to 23)	58,025,688		58,025,688	94,104,633
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX		7,695,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	25,000	25,000
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	37,630,488	40,660,569
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$.....)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$.....)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	37,655,488	48,380,569
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	95,681,176	142,485,202
Details of Write-Ins				
2301. Deferred Revenue	294,529		294,529	339,768
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	294,529		294,529	339,768
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	XXX	183,227	216,836
2. Net premium income (including \$..... non-health premium income)	XXX	402,391,705	450,545,717
3. Change in unearned premium reserves and reserve for rate credits	XXX	36,878,080	(10,104,641)
4. Fee-for-service (net of \$..... medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	(11,716,754)	11,012,142
7. Aggregate write-ins for other non-health revenues	XXX	4,773	4,749
8. Total revenues (Lines 2 to 7)	XXX	427,557,804	451,457,967
Hospital and Medical:			
9. Hospital/medical benefits		228,411,437	243,711,037
10. Other professional services		79,864,938	65,614,082
11. Outside referrals			
12. Emergency room and out-of-area		7,979,528	8,110,580
13. Prescription drugs		39,926,128	46,144,290
14. Aggregate write-ins for other hospital and medical			1,477,142
15. Incentive pool, withhold adjustments and bonus amounts		1,341,400	1,351,310
16. Subtotal (Lines 9 to 15)		357,523,431	366,408,441
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		357,523,431	366,408,441
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$.....0 cost containment expenses		3,065,278	3,378,785
21. General administrative expenses		68,188,753	68,038,795
22. Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)		428,777,462	437,826,021
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(1,219,658)	13,631,946
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		2,664,973	3,667,984
26. Net realized capital gains (losses) less capital gains tax of \$.....		(335,006)	(538,621)
27. Net investment gains (losses) (Lines 25 plus 26)		2,329,967	3,129,363
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29. Aggregate write-ins for other income or expenses		2,366,558	
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	3,476,867	16,761,309
31. Federal and foreign income taxes incurred	XXX	1,114,167	3,032,962
32. Net income (loss) (Lines 30 minus 31)	XXX	2,362,700	13,728,347
Details of Write-Ins			
0601. OTHER REVENUE / EXPENSE	XXX	(11,716,754)	11,012,142
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	(11,716,754)	11,012,142
0701. VENDOR DISCOUNTS	XXX	4,773	4,749
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	4,773	4,749
1401. ARPA CLAIMS			1,477,142
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			1,477,142
2901. COMMUNITY INVESTMENTS		2,366,558	
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		2,366,558	

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

		1	2
CAPITAL & SURPLUS ACCOUNT		Current Year	Prior Year
33.	Capital and surplus prior reporting year.....	48,380,569	60,209,376
34.	Net income or (loss) from Line 32.....	2,362,700	13,728,347
35.	Change in valuation basis of aggregate policy and claim reserves.....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....50,995.....	191,845	1,213,732
37.	Change in net unrealized foreign exchange capital gain or (loss).....		
38.	Change in net deferred income tax.....	463,378	
39.	Change in nonadmitted assets.....	(548,004)	(3,350,632)
40.	Change in unauthorized and certified reinsurance.....		
41.	Change in treasury stock.....		
42.	Change in surplus notes.....		
43.	Cumulative effect of changes in accounting principles.....		
44.	Capital Changes:		
44.1	Paid in.....	(7,695,000)	(22,305,000)
44.2	Transferred from surplus (Stock Dividend).....		
44.3	Transferred to surplus.....		
45.	Surplus adjustments:		
45.1	Paid in.....	-	
45.2	Transferred to capital (Stock Dividend).....		
45.3	Transferred from capital.....		
46.	Dividends to stockholders.....	(5,500,000)	(1,115,250)
47.	Aggregate write-ins for gains or (losses) in surplus.....		
48.	Net change in capital and surplus (Lines 34 to 47).....	(10,725,081)	(11,828,803)
49.	Capital and surplus end of reporting year (Line 33 plus 48).....	37,655,488	48,380,569
Details of Write-Ins			
4701.		
4702.		
4703.		
4798.	Summary of remaining write-ins for Line 47 from overflow page.....		
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	401,332,450	408,334,779
2. Net investment income	2,996,526	3,807,381
3. Miscellaneous income	(1,969,174)	11,016,891
4. Total (Lines 1 to 3)	402,359,802	423,159,051
5. Benefit and loss related payments	357,537,185	383,334,836
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	70,229,345	71,455,478
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$..... tax on capital gains (losses)	883,919	4,701,999
10. Total (Lines 5 through 9)	428,650,449	459,492,313
11. Net cash from operations (Line 4 minus Line 10)	(26,290,647)	(36,333,262)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	43,992,836	49,277,626
12.2 Stocks	6,598,439	1,052,317
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		(15,525)
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	50,591,275	50,314,418
13. Cost of investments acquired (long-term only):		
13.1 Bonds		17,832,110
13.2 Stocks	28,200	53,486
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	28,200	17,885,596
14. Net increase / (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	50,563,075	32,428,822
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	(7,695,000)	(22,305,000)
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	5,500,000	1,115,250
16.6 Other cash provided (applied)	1,630,956	(3,450,419)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(11,564,044)	(26,870,669)
Reconciliation of Cash, Cash Equivalents and Short-Term Investments		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	12,708,384	(30,775,109)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	10,917,638	41,692,747
19.2 End of year (Line 18 plus Line 19.1)	23,626,022	10,917,638

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

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income	402,391,705								402,391,705					
2. Change in unearned premium reserves and reserve for rate credit	36,878,080								36,878,080					
3. Fee-for-service (net of \$..... medical expenses)														XXX
4. Risk revenue														XXX
5. Aggregate write-ins for other health care related revenues	(11,716,754)								(11,716,754)					XXX
6. Aggregate write-ins for other non-health care related revenues	4,773	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,773
7. Total revenues (Lines 1 to 6)	427,557,804								427,553,031					4,773
8. Hospital/medical benefits	228,411,437								228,411,437					XXX
9. Other professional services	79,864,938								79,864,938					XXX
10. Outside referrals														XXX
11. Emergency room and out-of-area	7,979,528								7,979,528					XXX
12. Prescription drugs	39,926,128								39,926,128					XXX
13. Aggregate write-ins for other hospital and medical														XXX
14. Incentive pool, withhold adjustments and bonus amounts	1,341,400								1,341,400					XXX
15. Subtotal (Lines 8 to 14)	357,523,431								357,523,431					XXX
16. Net reinsurance recoveries														XXX
17. Total hospital and medical (Lines 15 minus 16)	357,523,431								357,523,431					XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....0 cost containment expenses	3,065,278								3,065,278					
20. General administrative expenses	68,188,753								68,188,753					
21. Increase in reserves for accident and health contracts														XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	428,777,462								428,777,462					
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(1,219,658)								(1,224,431)					4,773
Details of Write-Ins														
0501. PRTF / AUCITY ADJ.	(11,716,754)								(11,716,754)					XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page														XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	(11,716,754)								(11,716,754)					XXX
0601. VENDOR DISCOUNTS	4,773	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,773
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	4,773	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,773
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page														XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1.	Comprehensive (hospital and medical) individual.....				
2.	Comprehensive (hospital and medical) group.....				
3.	Medicare Supplement.....				
4.	Vision only.....				
5.	Dental only.....				
6.	Federal Employees Health Benefits Plan.....				
7.	Title XVIII – Medicare.....				
8.	Title XIX – Medicaid.....	402,391,705			402,391,705
9.	Credit A&H.....				
10.	Disability Income.....				
11.	Long-Term Care.....				
12.	Other health.....				
13.	Health subtotal (Lines 1 through 12).....	402,391,705			402,391,705
14.	Life.....				
15.	Property/casualty.....				
16.	Totals (Lines 13 to 15).....	402,391,705			402,391,705

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	356,228,040								356,228,040					
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	356,228,040								356,228,040					
2. Paid medical incentive pools and bonuses	1,309,145								1,309,145					
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	28,242,781								28,242,781					
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net	28,242,781								28,242,781					
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct														
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net														
5. Accrued medical incentive pools and bonuses, current year	786,725								786,725					
6. Net health care receivables (a)														
7. Amounts recoverable from reinsurers December 31, current year														
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	28,288,790								28,288,790					
8.2 Reinsurance assumed														
8.3 Reinsurance ceded														
8.4 Net	28,288,790								28,288,790					
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct														
9.2 Reinsurance assumed														
9.3 Reinsurance ceded														
9.4 Net														
10. Accrued medical incentive pools and bonuses, prior year	754,470								754,470					
11. Amounts recoverable from reinsurers December 31, prior year														
12. Incurred benefits:														
12.1 Direct	356,182,031								356,182,031					
12.2 Reinsurance assumed														
12.3 Reinsurance ceded														
12.4 Net	356,182,031								356,182,031					
13. Incurred medical incentive pools and bonuses	1,341,400								1,341,400					

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	6,634,783								6,634,783					
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	6,634,783								6,634,783					
2. Incurred but Unreported:														
2.1 Direct	21,607,998								21,607,998					
2.2 Reinsurance assumed														
2.3 Reinsurance ceded														
2.4 Net	21,607,998								21,607,998					
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct														
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net														
4. TOTALS:														
4.1 Direct	28,242,781								28,242,781					
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net	28,242,781								28,242,781					

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 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual						
2. Comprehensive (hospital and medical) group						
3. Medicare Supplement						
4. Vision Only						
5. Dental Only						
6. Federal Employees Health Benefits Plan						
7. Title XVIII – Medicare						
8. Title XIX – Medicaid	24,983,825	331,244,215	1,506	28,241,275	24,985,331	28,288,789
9. Credit A&H						
10. Disability Income						
11. Long-Term Care						
12. Other health						
13. Health subtotal (Lines 1 to 12)	24,983,825	331,244,215	1,506	28,241,275	24,985,331	28,288,789
14. Health care receivables (a)						
15. Other non-health						
16. Medical incentive pools and bonus amounts	859,385	449,760		786,725	859,385	754,470
17. Totals (Lines 13 - 14 + 15 + 16)	25,843,210	331,693,975	1,506	29,028,000	25,844,716	29,043,259

(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)
GRAND TOTAL

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior		266,661	266,947	267,160	267,158
2. 2020		328,487	324,967	325,000	324,919
3. 2021	XXX	312,285	339,616	339,661	339,599
4. 2022	XXX	XXX	307,181	333,446	333,154
5. 2023	XXX	XXX	XXX	346,902	371,030
6. 2024	XXX	XXX	XXX	XXX	331,694

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior		266,879	266,947		267,158
2. 2020		329,182	325,020		324,919
3. 2021	XXX	350,078	340,376	1	339,599
4. 2022	XXX	XXX	342,558	57	333,154
5. 2023	XXX	XXX	XXX	26,843	371,032
6. 2024	XXX	XXX	XXX	XXX	360,722

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

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2020	411,620	324,919	6,156	1.895	331,075	80.432	–	–	331,075	80.432
2. 2021	431,338	339,599	6,283	1.850	345,882	80.188	–	–	345,882	80.188
3. 2022	431,802	333,154	3,778	1.134	336,932	78.029	–	–	336,932	78.029
4. 2023	452,365	371,030	3,379	0.911	374,409	82.767	2	–	374,411	82.767
5. 2024	427,557	331,694	3,065	0.924	334,759	78.296	29,028	628	364,415	85.232

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020.....										
2. 2021.....										
3. 2022.....										
4. 2023.....										
5. 2024.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020										
2. 2021										
3. 2022										
4. 2023										
5. 2024										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020										
2. 2021										
3. 2022										
4. 2023										
5. 2024										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020										
2. 2021										
3. 2022										
4. 2023										
5. 2024										

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

FEDERAL EMPLOYEES HEALTH BENEFITS PLAN

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020										
2. 2021										
3. 2022										
4. 2023										
5. 2024										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020.....										
2. 2021.....										
3. 2022.....										
4. 2023.....										
5. 2024.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior		266,661	266,947	267,160	267,158
2. 2020		328,487	324,967	325,000	324,919
3. 2021	XXX	312,285	339,616	339,661	339,599
4. 2022	XXX	XXX	307,181	333,446	333,154
5. 2023	XXX	XXX	XXX	346,902	371,030
6. 2024	XXX	XXX	XXX	XXX	331,694

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior		266,879	266,947		267,158
2. 2020		329,182	325,020		324,919
3. 2021	XXX	350,078	340,376	1	339,599
4. 2022	XXX	XXX	342,558	57	333,154
5. 2023	XXX	XXX	XXX	26,843	371,032
6. 2024	XXX	XXX	XXX	XXX	360,722

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

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2020	411,620	324,919	6,156	1.895	331,075	80.432	–	–	331,075	80.432
2. 2021	431,338	339,599	6,283	1.850	345,882	80.188	–	–	345,882	80.188
3. 2022	431,802	333,154	3,778	1.134	336,932	78.029	–	–	336,932	78.029
4. 2023	452,365	371,030	3,379	0.911	374,409	82.767	2	–	374,411	82.767
5. 2024	427,557	331,694	3,065	0.924	334,759	78.296	29,028	628	364,415	85.232

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior					
2. 2020					
3. 2021	XXX				
4. 2022	XXX	XXX			
5. 2023	XXX	XXX	XXX		
6. 2024	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020										
2. 2021										
3. 2022										
4. 2023										
5. 2024										

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UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves													
2. Additional policy reserves (a)													
3. Reserve for future contingent benefits													
4. Reserve for rate credits or experience rating refunds (including \$..... for investment income)	18,723,434								18,723,434				
5. Aggregate write-ins for other policy reserves													
6. Totals (gross)	18,723,434								18,723,434				
7. Reinsurance ceded													
8. Totals (Net) (Page 3, Line 4)	18,723,434								18,723,434				
9. Present value of amounts not yet due on claims													
10. Reserve for future contingent benefits													
11. Aggregate write-ins for other claim reserves													
12. Totals (gross)													
13. Reinsurance ceded													
14. Totals (Net) (Page 3, Line 7)													
Details of Write-Ins													
0501.													
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page													
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)													
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page													
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)													

(a) Includes \$ – premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$..... for occupancy of own building)	-	-	246,492	-	246,492
2. Salaries, wages and other benefits	-	-	33,743,852	-	33,743,852
3. Commissions (less \$..... ceded plus \$..... assumed)	-	-	-	-	-
4. Legal fees and expenses	-	-	756,239	-	756,239
5. Certifications and accreditation fees	-	-	1,850	-	1,850
6. Auditing, actuarial and other consulting services	-	-	3,285,389	-	3,285,389
7. Traveling expenses	-	-	1,549,789	-	1,549,789
8. Marketing and advertising	-	-	234,442	-	234,442
9. Postage, express and telephone	-	-	371,519	-	371,519
10. Printing and office supplies	-	-	32,007	-	32,007
11. Occupancy, depreciation and amortization	-	-	308,414	-	308,414
12. Equipment	-	-	325,573	-	325,573
13. Cost or depreciation of EDP equipment and software	-	-	2,118,584	-	2,118,584
14. Outsourced services including EDP, claims, and other services	-	3,065,278	12,340,039	-	15,405,317
15. Boards, bureaus and association fees	-	-	647,714	-	647,714
16. Insurance, except on real estate	-	-	344,902	-	344,902
17. Collection and bank service charges	-	-	826	-	826
18. Group service and administration fees	-	-	-	-	-
19. Reimbursements by uninsured plans	-	-	-	-	-
20. Reimbursements from fiscal intermediaries	-	-	-	-	-
21. Real estate expenses	-	-	-	-	-
22. Real estate taxes	-	-	-	-	-
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	-	-	347	-	347
23.2 State premium taxes	-	-	9,728,881	-	9,728,881
23.3 Regulatory authority licenses and fees	-	-	173,397	-	173,397
23.4 Payroll taxes	-	-	1,949,635	-	1,949,635
23.5 Other (excluding federal income and real estate taxes)	-	-	3,616	-	3,616
24. Investment expenses not included elsewhere	-	-	-	150,409	150,409
25. Aggregate write-ins for expenses	-	-	25,246	-	25,246
26. Total expenses incurred (Lines 1 to 25)	-	3,065,278	68,188,753	150,409	(a) 71,404,440
27. Less expenses unpaid December 31, current year	-	628,360	7,149,859	-	7,778,219
28. Add expenses unpaid December 31, prior year	-	627,567	8,492,524	-	9,120,091
29. Amounts receivable relating to uninsured plans, prior year	-	-	-	-	-
30. Amounts receivable relating to uninsured plans, current year	-	-	-	-	-
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	-	3,064,485	69,531,418	150,409	72,746,312
Details of Write-Ins					
2501. GIFTS	-	-	3,172	-	3,172
2502. CHARITABLE CONTRIBUTIONS	-	-	-	-	-
2503. FOOD/SUPPLIES FOR MEMBERS	-	-	2,204	-	2,204
2598. Summary of remaining write-ins for Line 25 from overflow page	-	-	19,870	-	19,870
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	-	-	25,246	-	25,246

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) 620,519	556,955
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 638,514	461,011
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 200,193	148,267
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	28,200	28,200
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) 1,481,697	1,620,949
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	2,969,123	2,815,382
11.	Investment expenses		(g) 150,409
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		150,409
17.	Net investment income (Line 10 minus Line 16)		2,664,973
Details of Write-Ins			
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$60,845 accrual of discount less \$190,364 amortization of premium and less \$ paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ 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 \$93,190 accrual of discount less \$190,353 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 \$ 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	(280,184)		(280,184)		
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	(423,978)		(423,978)		
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	(216,334)		(216,334)	318,398	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	585,490		585,490	(75,558)	
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	(335,006)		(335,006)	242,840	
Details of Write-Ins						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 – Col. 1)
1. Bonds (Schedule D).....			
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			
2.2 Common stocks.....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale.....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			
6. Contract loans.....			
7. Derivatives (Schedule DB).....			
8. Other invested assets (Schedule BA).....			
9. Receivables for securities.....			
10. Securities lending reinvested collateral assets (Schedule DL).....			
11. Aggregate write-ins for invested assets.....			
12. Subtotals, cash and invested assets (Lines 1 to 11).....			
13. Title plants (for Title insurers only).....			
14. Investment income due and accrued.....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			
16.2 Funds held by or deposited with reinsured companies.....			
16.3 Other amounts receivable under reinsurance contracts.....			
17. Amounts receivable relating to uninsured plans.....			
18.1 Current federal and foreign income tax recoverable and interest thereon.....			
18.2 Net deferred tax asset.....			
19. Guaranty funds receivable or on deposit.....			
20. Electronic data processing equipment and software.....	2,541,136	1,602,687	(938,449)
21. Furniture and equipment, including health care delivery assets.....	988,773	1,339,916	351,143
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			
23. Receivables from parent, subsidiaries and affiliates.....			
24. Health care and other amounts receivable.....	36,993	12,794	(24,199)
25. Aggregate write-ins for other-than-invested assets.....	749,345	812,846	63,501
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,316,247	3,768,243	(548,004)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28. Total (Lines 26 and 27).....	4,316,247	3,768,243	(548,004)
Details of Write-Ins			
1101.....			
1102.....			
1103.....			
1198. Summary of remaining write-ins for Line 11 from overflow page.....			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....			
2501. PREPAID EXPENSES.....	749,345	812,846	63,501
2502.....			
2503.....			
2598. Summary of remaining write-ins for Line 25 from overflow page.....			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	749,345	812,846	63,501

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.....	13,655	14,844	15,334	15,338	15,351	183,227
2. Provider Service Organizations.....						
3. Preferred Provider Organizations.....						
4. Point of Service.....						
5. Indemnity Only.....						
6. Aggregate write-ins for other lines of business.....						
7. Total.....	13,655	14,844	15,334	15,338	15,351	183,227
Details of Write-Ins						
0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page.....						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....						

Notes to the 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, and 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 #	2024	2023
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 2,362,700	\$ 13,728,347
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 2,362,700</u>	<u>\$ 13,728,347</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 37,655,488	\$ 48,380,569
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 37,655,488</u>	<u>\$ 48,380,569</u>

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 Policy

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 the highest and high quality are stated at cost or amortized cost, and all other redeemable preferred stocks 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.
- (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 - Not Applicable

Notes to the Financial Statements

3. **Business Combinations and Goodwill** - Not Applicable

4. **Discontinued Operations** - Not Applicable

5. **Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets - Not Applicable
- M. Working Capital Finance Investments - Not Applicable
- N. Offsetting and Netting of Assets and Liabilities - Not Applicable
- O. 5GI Securities - Not Applicable
- P. Short Sales - Not Applicable
- Q. Prepayment Penalty and Acceleration Fees

The Company had a prepayment penalty and acceleration fees of \$0 and \$7,190 at December 31, 2024, and associated with one CUSIP December 31, 2023, respectively.

General Account

(1) Number of CUSIPs.....	
(2) Aggregate amount of investment income.....	\$.....

R. Reporting Entity's Share of Cash Pool by Asset Type - Not Applicable

Notes to the Financial Statements

5. Investments (Continued)

S. Aggregate Collateral Loans by Qualifying Investment Collateral

Collateral Type	Aggregate Collateral Loan	Admitted	Nonadmitted
(1) Cash, Cash Equivalent & ST Investments			
a. Affiliated.....	\$.....	\$.....	\$.....
b. Unaffiliated.....			
(2) Bonds			
a. Affiliated.....			
b. Unaffiliated.....			
(3) Loan-Backed and Structured Securities			
a. Affiliated.....			
b. Unaffiliated.....			
(4) Preferred Stocks			
a. Affiliated.....			
b. Unaffiliated.....			
(5) Common Stocks			
a. Affiliated.....			
b. Unaffiliated.....			
(6) Real Estate			
a. Affiliated.....			
b. Unaffiliated.....			
(7) Mortgage Loans			
a. Affiliated.....			
b. Unaffiliated.....			
(8) Joint Ventures, Partnerships, LLC			
a. Affiliated.....			
b. Unaffiliated.....			
(9) Other Qualifying Investments			
a. Affiliated.....			
b. Unaffiliated.....			
(10) Collateral Does not Qualify as an Investment			
a. Affiliated.....			
b. Unaffiliated.....			
(11) Total.....	\$.....	\$.....	\$.....

6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

7. Investment Income

A. Due and Accrued Income Excluded from Surplus

All investment income due and accrued with amounts that are over 90 days past due are non-admitted.

B. Total Amount Excluded - Not Applicable

C. The gross, nonadmitted and admitted amounts for interest income due and accrued

Interest Income Due and Accrued	Amount
1. Gross.....	\$..... 434,024
2. Nonadmitted.....	\$.....
3. Admitted.....	\$..... 434,024

D. The aggregate deferred interest - Not Applicable

E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance - Not Applicable

8. Derivative Instruments - Not Applicable

Notes to the Financial Statements

9. Income Taxes

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	2024			2023			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 1,643,421	\$ 340,176	\$ 1,983,597	\$ 1,288,582	\$ 322,332	\$ 1,610,914	\$ 354,839	\$ 17,844	\$ 372,683
(b) Statutory valuation allowance adjustments		340,176	340,176		322,332	322,332		17,844	17,844
(c) Adjusted gross deferred tax assets (1a - 1b)	1,643,421	-	1,643,421	1,288,582	-	1,288,582	354,839	-	354,839
(d) Deferred tax assets nonadmitted									
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 1,643,421	\$ -	\$ 1,643,421	\$ 1,288,582	\$ -	\$ 1,288,582	\$ 354,839	\$ -	\$ 354,839
(f) Deferred tax liabilities	267,924		267,924	325,468		325,468	(57,544)		(57,544)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 1,375,497	\$ -	\$ 1,375,497	\$ 963,113	\$ -	\$ 963,113	\$ 412,384	\$ -	\$ 412,384

(2) Admission calculation components SSAP No. 101

	2024			2023			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 1,612,397		\$ 1,612,397	\$ 1,288,582		\$ 1,288,582	\$ 323,815		\$ 323,815
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	15,414		15,414				15,414		15,414
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	15,414		15,414				15,414		15,414
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	5,513,286	XXX	XXX	7,039,563	XXX	XXX	(1,526,277)
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	15,610		15,610	(325,468)		(325,468)	341,078		341,078
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 1,643,421	\$ -	\$ 1,643,421	\$ 963,114	\$ -	\$ 963,114	\$ 680,307	\$ -	\$ 680,307

(3) Ratio used as basis of admissibility

	2024	2023
(a) Ratio percentage used to determine recovery period and threshold limitation amount	276.000 %	382.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 36,755,239	\$ 46,930,418

(4) Impact of tax-planning strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

	2024		2023		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 1,643,421	\$ -	\$ 1,288,582	\$ -	\$ 354,839	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 1,643,421	\$ -	\$ 1,288,582	\$ -	\$ 354,839	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

Notes to the Financial Statements

9. Income Taxes (Continued)

C. Major Components of Current Income Taxes Incurred

	(1) 2024	(2) 2023	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ 1,058,686	\$ 2,971,888	\$ (1,913,202)
(b) Foreign			
(c) Subtotal (1a+1b)	\$ 1,058,686	\$ 2,971,888	\$ (1,913,202)
(d) Federal income tax on net capital gains			
(e) Utilization of capital loss carry-forwards			
(f) Other	55,481	61,075	(5,594)
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	<u>\$ 1,114,167</u>	<u>\$ 3,032,963</u>	<u>\$ (1,918,796)</u>
	(1) 2024	(2) 2023	(3) Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 617,038	\$ 461,286	\$ 155,752
(2) Unearned premium reserve			
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	906,412	791,331	115,081
(11) Net operating loss carry-forward			
(12) Tax credit carry-forward			
(13) Other	119,971	35,965	84,006
(99) Subtotal (Sum of 2a1 through 2a13)	<u>\$ 1,643,421</u>	<u>\$ 1,288,582</u>	<u>\$ 354,839</u>
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted			
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	<u>\$ 1,643,421</u>	<u>\$ 1,288,582</u>	<u>\$ 354,839</u>
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward	204,871	136,030	68,841
(3) Real estate			
(4) Other	135,305	186,302	(50,997)
(99) Subtotal (2e1+2e2+2e3+2e4)	<u>\$ 340,176</u>	<u>\$ 322,332</u>	<u>\$ 17,844</u>
(f) Statutory valuation allowance adjustment	340,176	322,331	17,845
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 1,643,421</u>	<u>\$ 1,288,582</u>	<u>\$ 354,839</u>
	(1) 2024	(2) 2023	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 33,972	\$ 70,233	\$ (36,261)
(2) Fixed assets	167,863	218,326	(50,463)
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other	66,089	36,909	29,180
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	<u>\$ 267,924</u>	<u>\$ 325,468</u>	<u>\$ (57,544)</u>
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	<u>\$</u>	<u>\$</u>	<u>\$</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 267,924</u>	<u>\$ 325,468</u>	<u>\$ (57,544)</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 1,375,497</u>	<u>\$ 963,114</u>	<u>\$ 412,383</u>

Notes to the Financial Statements

9. Income Taxes (Continued)

The change in 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):

	Current Period	Prior Year	Change (Col. 1 - Col. 2)
Adjusted gross deferred tax assets	\$ 1,983,597	\$ 1,610,913	\$ 372,684
Total deferred tax liabilities	267,924	325,468	(57,544)
Net deferred tax assets (liabilities)	1,715,673	1,285,445	430,228
Statutory valuation allowance adjustment	340,176	322,331	17,845
Net deferred tax assets (liabilities) after statutory valuation allowance	1,375,497	963,114	412,383
Tax effect of unrealized gains (losses)			50,995
Change in net deferred income tax			<u>\$ 463,378</u>

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

[Table]

Statutory valuation allowance

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2024 and 2023 was \$(340,176) and \$(322,331), respectively. The net change in the total valuation allowance adjustments for the year ended December 31, 2024 was \$17,845.

D. Among the More Significant Book to Tax Adjustments

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:

	2024	Effective Tax Rate
Income Before Taxes	\$ 730,142	21.000 %
Tax-Exempt Interest	-	-
Dividends Received Deduction	(18,243)	-0.525 %
Proration	4,561	0.131 %
Meals & Entertainment, Lobbying Expenses, Etc.	31,516	0.906 %
Statutory Valuation Allowance Adjustment	17,845	0.513 %
Deferred Taxes on Nonadmitted Assets	(115,081)	-3.310 %
Other, Including Prior Year True-Up	48	0.001 %
Total	<u>\$ 650,788</u>	<u>18.718 %</u>

	2024	Effective Tax Rate
Federal & Foreign Income Taxes Incurred [Expense/(Benefit)]	\$ 1,114,167	32.045 %
Tax on Capital Gains/(Losses)		
Change in Net Deferred Income Tax [Charge/(Benefit)]	(463,379)	-13.327 %
Total statutory income taxes	<u>\$ 650,788</u>	<u>18.718 %</u>

E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2024, the Company had net operating loss carryforwards of \$0.

At December 31, 2024, the Company had capital loss carryforwards expiring through the year 2026 of \$56,627, the year 2027 of \$52,513, the year 2028 of \$531,431, and the year 2029 of \$335,006.

(2) Income tax expense available for recoupment

The following is income tax expense for 2022, 2023, and 2024 that is available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
2022	\$ -	\$ -	\$ -
2023	3,027,369		3,027,369
2024	1,058,686		1,058,686

(3) Deposits admitted under IRS Code Section 6603 - Not Applicable

The aggregate amount of deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code was NONE as of December 31, 2024.

F. Consolidated Federal Income Tax Return - Not Applicable

G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

H. Repatriation Transition Tax (RTT) - Not Applicable

I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

A. Nature of the Relationship

Notes to the Financial Statements

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

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 December 20, 2024 the company redeemed TSCFIEP LLC common interest of \$7,695,000. Also on December 20, 2024, the Company declared distributions of \$5,500,000 to its other owners.

On April 18, 2023, the Company paid \$22,305,000 to TSCFIEP LLC to redeem the Preferred Interest Equity balance.

C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable

D. Amounts Due to or from Related Parties

At December 31, 2024 and December 31, 2023, the Company reported \$2,200,000 and \$0, respectively, amounts due to affiliates.

E. Management and Service Contracts and Cost Sharing Arrangements

The Company entered into an administrative services agreement effective November 18, 2021, whereas, the company amended the contract with Access Health on December 1, 2022. This provider provides network contracting, network management, and provider credentialing services. For the years ended December 31, 2024 and 2023 the Company paid Access Health \$1,455,947 and \$1,723,434, respectively.

F. Guarantees or Contingencies - Not Applicable

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

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.

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

M. All SCA Investments - Not Applicable

N. Investment in Insurance SCAs - Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

11. Debt - Not Applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. Outstanding Shares

On February 4, 2022, the Company issued a Common Interest to TSCFI EP LLC in the amount of \$7,695,000.

On December 20, 2024 the company redeemed TSCFIEP LLC common interest of \$7,695,000.

B. Preferred Stock

On February 4, 2022, the Company issued a Preferred Interest to TSCFI EP LLC in the amount of \$22,305,000.

On April 18, 2023, the Company paid \$22,305,000 to TSCFIEP LLC to redeem the Preferred Interest Equity balance.

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 \$3,300,000 and \$1,115,250 were paid in 2024 and 2023, respectively.

E. Maximum Ordinary Dividend

Within the limitations of (C) above, the Company may pay \$13,728,347 in ordinary dividends during 2024 without restrictions, other than state notification requirements.

F. Surplus Restrictions - Not Applicable

G. Surplus Advances - Not Applicable

H. Stock Held for Special Purposes - Not Applicable

I. Changes in Special Surplus Funds - Not Applicable

Notes to the Financial Statements

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)

J. Unassigned Funds (Surplus)

The portion of unassigned funds represented by cumulative unrealized investment gains was \$242,840 and \$1,213,732 at December 31, 2024 and 2023, respectively.

K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable

L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable

M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments - Not Applicable

B. Assessments

(1) The Company is subject to guaranty funds 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) Assets (Liabilities) recognized from paid and accrued premium tax offsets and policy surcharges - Not Applicable

(3) Guaranty fund liabilities and assets related to long-term care insolvencies - Not Applicable

C. Gain Contingencies - Not Applicable

D. Claims Related Extra Contractual Obligation and 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, 2024 or 2023.

Provisions for uncollectible amounts

At December 31, 2024, and 2023, the Company reported admitted assets of \$0 in provider receivables. At December 31, 2024, and 2023, the Company recorded allowances for uncollectible amounts of \$0 and \$94,687, 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.

15. Leases

A. Lessee Operating Lease

(1) Leasing arrangements

(a) 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 a rent escalation clause in the office lease. Related lease expense for 2024 and 2023 was \$605,632 and \$432,094 respectively.

(2) For leases having initial or remaining noncancelable lease terms in excess of one year

(a) Minimum aggregate rental commitments at year end

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1. 2025.....	\$.....	617,306
2. 2026.....		578,825
3. 2027.....		489,095
4. 2028.....		182,526
5. 2029.....		5,937
6. Thereafter.....		—
7. Total (sum of 1 through 6).....	<u>\$.....</u>	<u>1,873,689</u>

(b) Sublease minimum rentals to be received - Not Applicable

(3) For sale-leaseback transactions - Not Applicable

B. Lessor Leases - Not Applicable

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 - Not Applicable

Notes to the Financial Statements

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities (Continued)

C. Wash Sales

- (1) 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.
- (2) Details by NAIC designation 3 or below, or unrated of securities sold during the year ended December 31, 2024 and reacquired within 30 days of the sale date - Not Applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - Not Applicable

20. Fair Value Measurements

A. Fair Value Measurement

- (1) Fair value at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Perpetual preferred stock: Industrial and misc.....	\$.....	\$..... 2,052,098	\$.....	\$.....	\$..... 2,052,098
Common stock: Industrial and misc.....		144,742			144,742
Cash Equivalents: U.S. Governments, Industrial and misc money market funds.....	12,408,414				12,408,414
Total assets at fair value/NAV.....	<u>\$..... 12,408,414</u>	<u>\$..... 2,196,840</u>	<u>\$.....</u>	<u>\$.....</u>	<u>\$..... 14,605,254</u>
b. Liabilities at fair value					
Total liabilities at fair value.....	<u>\$.....</u>	<u>\$.....</u>	<u>\$.....</u>	<u>\$.....</u>	<u>\$.....</u>

- (2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

- (3) Policy on transfers into and out of Level 3 - Not Applicable

- (4) For the Level 2 preferred stocks in Note 20 A. (1), market quotes and pricing services were utilized to develop the fair value of the assets.

- (5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bond.....	\$..... 64,050,515	\$..... 66,682,218	\$..... 9,836,598	\$..... 54,213,917	\$.....	\$.....	\$.....
Redeemable Preferred Stocks.....	144,742	177,865		144,742			
Perpetual preferred stock.....	2,052,098	2,052,098		2,052,098			
Common stock.....							
Short term investments.....							
Cash and cash equivalents.....	23,626,021	23,626,021	23,626,021				

D. Not Practicable to Estimate Fair Value - Not Applicable

E. Nature and Risk of Investments Reported at NAV - Not Applicable

21. Other Items

A. Unusual or Infrequent Items - Not Applicable

B. Troubled Debt Restructuring - Not Applicable

C. Other Disclosures - Not Applicable

D. Business Interruption Insurance Recoveries - Not Applicable

E. State Transferable and Non-Transferable Tax Credits - Not Applicable

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, 2024 and 2023.
- (2) Direct exposure through investments in subprime mortgage loans - Not Applicable
- (3) Direct exposure through other investments - Not Applicable
- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage - Not Applicable

G. Retained Assets - Not Applicable

H. Insurance-Linked Securities (ILS) 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

Notes to the Financial Statements

22. Events Subsequent

Subsequent events have been considered through February 28, 2025 for the statutory statement issued on March 1, 2025. There were no events occurring subsequent to February 28, 2025 requiring recognition or disclosure.

23. Reinsurance - Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate

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. Method Used to Record

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

C. Amount and Percent of Net Retrospective Premiums

The amount of net premiums written by the Company at December 31, 2024 and 2023 that were subject to retrospective rating features was \$402,391,705 and \$450,545,717, respectively, which represented 100% and 100%, respectively, of the total net premiums written.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

E. Risk-Sharing Provisions of the Affordable Care Act (ACA) - Not Applicable

25. Change in Incurred Claims and Claim Adjustment Expenses

No significant change.

A. Reasons for Changes in the Provision for Incurred Claim and Claim Adjustment Expenses Attributable to Insured Events of Prior Years

None

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Claims and Claim Adjustment Expenses

None

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:..... \$-
- 2. Date of the most recent evaluation of this liability:..... 12/31/2024
- 3. Was anticipated investment income utilized in the calculation?..... NO

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?..... NO
If yes, complete Schedule Y, Parts 1, 1A, 2, and 3.
- 1.2. If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?..... N/A
- 1.3. State Regulating?..... ARKANSAS
- 1.4. Is the reporting entity publicly traded or a member of a publicly traded group?..... NO
- 1.5. If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....
- 2.1. Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?..... NO
- 2.2. If yes, date of change:.....
- 3.1. State as of what date the latest financial examination of the reporting entity was made or is being made..... 12/31/2021
- 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..... 12/31/2021
- 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)..... 06/08/2023
- 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
- 3.6. Have all of the recommendations within the latest financial examination report been complied with?..... YES
- 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?..... NO
- 4.12. renewals?..... NO
- 4.2. During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
- 4.21. sales of new business?..... NO
- 4.22. renewals?..... NO
- 5.1. Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?..... NO
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 | 2 | 3 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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?..... NO
- 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?..... NO
- 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 | 2 |
|-------------|----------------|
| Nationality | Type of Entity |
| | |
- 8.1. Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?..... NO
- 8.2. If response to 8.1 is yes, please identify the name of the DIHC.....
- 8.3. Is the company affiliated with one or more banks, thrifts or securities firms?..... NO
- 8.4. If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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?..... NO.....
- 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?..... NO.....
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
ForvisMazars, 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?..... NO.....
- 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?..... NO.....
- 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.....
- 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?..... NO.....
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved.....
- 12.13 Total book / adjusted carrying value..... \$.....
- 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?..... None.....
- 13.2. Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?..... YES.....
- 13.3. Have there been any changes made to any of the trust indentures during the year?..... NO.....
- 13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?.....
- 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.....
- 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?..... NO.....
- 14.21. If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3. Have any provisions of the code of ethics been waived for any of the specified officers?..... NO.....
- 14.31. If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1. Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?..... NO.....
- 15.2. If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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
- 17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? YES
- 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

FINANCIAL

- 19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? NO
- 20.1. Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 - 20.11 To directors or other officers \$ -
 - 20.12 To stockholders not officers \$ -
 - 20.13 Trustees, supreme or grand (Fraternal only) \$ -
- 20.2. Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
 - 20.21 To directors or other officers \$ -
 - 20.22 To stockholders not officers \$ -
 - 20.23 Trustees, supreme or grand (Fraternal only) \$ -
- 21.1. Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? NO
- 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? NO
- 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? NO
- 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? NO
- 24.2. If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

- 25.01. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03) NO
- 25.02. If no, give full and complete information, relating thereto
EMPOWER'S CUSTODIAN RAYMOND JAMES IS IN POSSESSION OF STOCKS, BONDS, AND OTHER SECURITIES
- 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 \$
- 25.05. For the reporting entity's securities lending program, report amount of collateral for other programs \$
- 25.06. Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? N/A
- 25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? N/A
- 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? N/A

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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..... \$
 25.092. Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... \$
 25.093. Total payable for securities lending reported on the liability page..... \$

26.1. Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03)..... NO

26.2. If yes, state the amount thereof at December 31 of the current year:
 26.21. Subject to repurchase agreements..... \$
 26.22. Subject to reverse repurchase agreements..... \$
 26.23. Subject to dollar repurchase agreements..... \$
 26.24. Subject to reverse dollar repurchase agreements..... \$
 26.25. Placed under option agreements..... \$
 26.26. Letter stock or securities restricted as to sale - excluding FHLB Capital Stock..... \$
 26.27. FHLB Capital Stock..... \$
 26.28. On deposit with states..... \$
 26.29. On deposit with other regulatory bodies..... \$
 26.30. Pledged as collateral - excluding collateral pledged to an FHLB..... \$
 26.31. Pledged as collateral to FHLB - including assets backing funding agreements..... \$
 26.32. Other..... \$

26.3. For category (26.26) provide the following:

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

27.1. Does the reporting entity have any hedging transactions reported on Schedule DB?..... NO

27.2. If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement..... N/A

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?..... NO

27.4. If the response to 27.3 is YES, does the reporting entity utilize:
 27.41 Special accounting provision of SSAP No. 108.....
 27.42 Permitted accounting practice.....
 27.43 Other accounting guidance.....

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:
 • 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?..... NO

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

29. Excluding items in Schedule E- Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the *NAIC Financial Condition Examiners Handbook*?..... YES

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

1	2
Name of Custodian(s)	Custodian's Address
RAYMOND JAMES.....	2900 HIGHWAY 280, SUITE 100 BIRMINGHAM, AL 35233.....

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	2	3
Name(s)	Location(s)	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?..... NO

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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. This includes both primary and sub-advisors. 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	2
Name of Firm or Individual	Affiliation
PARKWAY ADVISORS LP	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

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

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

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)])? NO

30.2. If yes, complete the following schedule:

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

30.3. For each mutual fund listed in the table above, complete the following schedule:

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

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1. Bonds	\$ 66,682,218	\$ 64,050,515	\$ (2,631,703)
31.2. Preferred Stocks	2,229,963	2,196,841	(33,122)
31.3. Totals	\$ 68,912,181	\$ 66,247,356	\$ (2,664,825)

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

Published Market 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

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

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

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? NO

35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:

- a. The security was either:
 - i. issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

- ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons ("waived submission PLR securities").
- b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.
- c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.
- d. Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.

Has the reporting entity self-designated PLGI to securities, all of which meet the above requirement and as specified in the P&P Manual?..... NO.....

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- a. The shares were purchased prior to January 1, 2019.
 - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 - d. The fund only or predominantly holds bonds in its portfolio.
 - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?..... NO.....

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying 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?..... NO.....

38.1. Does the reporting entity directly hold cryptocurrencies?..... NO.....

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?..... NO.....

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.....
 39.22 Immediately converted to U.S. dollars.....

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

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

OTHER

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

40.2. List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations, and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

41.1. Amount of payments for legal expenses, if any?..... \$..... 756,239

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

1 Name	2 Amount Paid
MITCHEL WILLIAMS SELIG GATES & WOODYARD.....	\$..... 280,000
WRIGHT, LINDSEY, & JENNINGS..... 175,546

42.1. Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any?..... \$..... 156,000

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

1 Name	2 Amount Paid
WRIGHT, LINDSEY, & JENNINGS.....	\$..... 96,000
CHRIS CALDWELL..... 60,000

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

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

2. Health Test:

		1	2
		Current Year	Prior Year
2.1	Premium Numerator	\$ 439,269,785	\$ 440,441,076
2.2	Premium Denominator	\$ 439,269,785	\$ 440,441,076
2.3	Premium Ratio (2.1/2.2)	100.000 %	100.000 %
2.4	Reserve Numerator	\$ 47,752,940	\$ 84,644,774
2.5	Reserve Denominator	\$ 47,752,940	\$ 84,644,774
2.6	Reserve Ratio (2.4/2.5)	100.000 %	100.000 %

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? NO
- 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
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? YES
- 5.1 Does the reporting entity have stop-loss reinsurance? NO
- 5.2 If no, explain:
REPORTING ENTITY IS NOT INVOLVED IN ANY REINSURANCE CONTRACTS IN 2024 nor 2023
- 5.3 Maximum retained risk (see instructions)
5.31 Comprehensive Medical \$
- 5.32 Medical Only \$
- 5.33 Medicare Supplement \$
- 5.34 Dental and Vision \$
- 5.35 Other Limited Benefit Plan \$
- 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:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? YES
- 7.2 If no, give details
- 8. Provide the following information regarding participating providers:
8.1 Number of providers at start of reporting year 40,947
- 8.2 Number of providers at end of reporting year 41,950
- 9.1 Does the reporting entity have business subject to premium rate guarantees? NO
- 9.2 If yes, direct premium earned:

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 9.21 Business with rate guarantees between 15-36 months \$
- 9.22 Business with rate guarantees over 36 months \$
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? YES
- 10.2 If yes:
 - 10.21 Maximum amount payable bonuses \$ 1,186,720
 - 10.22 Amount actually paid for year bonuses \$ 1,154,465
 - 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, NO
 - 11.13 An Individual Practice Association (IPA), or, NO
 - 11.14 A Mixed Model (combination of above)? NO
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? YES
- 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. \$ 13,628,516
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? NO
- 11.6 If the amount is calculated, show the calculation
INCLUDED IN EMPOWER HEALTHCARE SOLUTIONS RISK BASED CAPITAL CALCULATION

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

1
Name of Service Area
ARKANSAS

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

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

- 15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).
 - 15.1 Direct Premium Written \$
 - 15.2 Total Incurred Claims \$
 - 15.3 Number of Covered Lives \$

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

- 16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? NO
- 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? NO

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2024	2023	2022	2021	2020
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	95,681,176	142,485,202	195,266,060	151,585,674	228,518,875
2. Total liabilities (Page 3, Line 24)	58,025,688	94,104,633	135,056,684	97,467,554	179,456,877
3. Statutory minimum capital and surplus requirement	13,628,516	14,147,757	30,000,000	28,309,790	24,888,906
4. Total capital and surplus (Page 3, Line 33)	37,655,488	48,380,569	60,209,376	54,118,120	49,061,998
Income Statement (Page 4)					
5. Total revenues (Line 8)	427,557,804	451,457,967	432,051,518	420,791,859	411,619,778
6. Total medical and hospital expenses (Line 18)	357,523,431	366,408,441	332,196,567	345,299,808	300,297,384
7. Claims adjustment expenses (Line 20)	3,065,278	3,378,785	3,707,073	8,131,801	5,929,729
8. Total administrative expenses (Line 21)	68,188,753	68,038,795	59,499,033	62,025,473	68,367,090
9. Net underwriting gain (loss) (Line 24)	(1,219,658)	13,631,946	36,648,845	5,334,777	37,025,575
10. Net investment gain (loss) (Line 27)	2,329,967	3,129,363	2,062,615	561,471	790,954
11. Total other income (Lines 28 plus 29)	2,366,558		(9,348,573)		(18,520,076)
12. Net income or (loss) (Line 32)	2,362,700	13,728,347	23,985,979	4,193,857	13,347,271
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(26,290,647)	(36,333,262)	62,237,225	(69,338,409)	25,661,728
Risk-Based Capital Analysis					
14. Total adjusted capital	37,655,488	48,380,569	60,209,376	54,118,120	49,061,998
15. Authorized control level risk-based capital	13,628,516	14,147,757	13,604,382	14,155,554	12,444,453
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	15,351	13,655	20,224	20,461	18,719
17. Total members months (Column 6, Line 7)	183,227	216,836	240,654	236,822	208,466
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	81.4	83.2	79.1	82.1	73.0
20. Cost containment expenses	—				
21. Other claims adjustment expenses	0.7	0.8	0.9	1.9	1.4
22. Total underwriting deductions (Line 23)	97.6	99.4	94.2	98.7	91.0
23. Total underwriting gain (loss) (Line 24)	(0.3)	3.1	8.7	1.3	9.0
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	25,844,716	26,297,810	29,821,438	34,444,550	28,330,209
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	29,043,259	36,189,855	38,421,411	38,972,610	61,207,037
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31					
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3—Accounting Changes and Correction of Errors?
If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Allocated by States and Territories

1	Direct Business Only									
	2	3	4	5	6	7	8	9	10	
States, Etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property / Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1. Alabama	AL	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	L		402,391,705					402,391,705	
5. California	CA	N								
6. Colorado	CO	N								
7. Connecticut	CT	N								
8. Delaware	DE	N								
9. District of Columbia	DC	N								
10. Florida	FL	N								
11. Georgia	GA	N								
12. Hawaii	HI	N								
13. Idaho	ID	N								
14. Illinois	IL	N								
15. Indiana	IN	N								
16. Iowa	IA	N								
17. Kansas	KS	N								
18. Kentucky	KY	N								
19. Louisiana	LA	N								
20. Maine	ME	N								
21. Maryland	MD	N								
22. Massachusetts	MA	N								
23. Michigan	MI	N								
24. Minnesota	MN	N								
25. Mississippi	MS	N								
26. Missouri	MO	N								
27. Montana	MT	N								
28. Nebraska	NE	N								
29. Nevada	NV	N								
30. New Hampshire	NH	N								
31. New Jersey	NJ	N								
32. New Mexico	NM	N								
33. New York	NY	N								
34. North Carolina	NC	N								
35. North Dakota	ND	N								
36. Ohio	OH	N								
37. Oklahoma	OK	N								
38. Oregon	OR	N								
39. Pennsylvania	PA	N								
40. Rhode Island	RI	N								
41. South Carolina	SC	N								
42. South Dakota	SD	N								
43. Tennessee	TN	N								
44. Texas	TX	N								
45. Utah	UT	N								
46. Vermont	VT	N								
47. Virginia	VA	N								
48. Washington	WA	N								
49. West Virginia	WV	N								
50. Wisconsin	WI	N								
51. Wyoming	WY	N								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CAN	N								
58. Aggregate Other Alien	OT	XXX								
59. Subtotal	XXX			402,391,705					402,391,705	
60. Reporting entity contributions for Employee Benefit Plans	XXX									
61. Total (Direct Business)	XXX			402,391,705					402,391,705	
Details of Write-Ins										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX									
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX									

(a) Active Status Counts

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

(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

NONE