



ANNUAL STATEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2023
 OF THE CONDITION AND AFFAIRS OF THE
MERIT HEALTH INSURANCE COMPANY

NAIC Group Code..... 5036,..... 5036..... NAIC Company Code..... 18750..... Employer's ID Number..... 36-3856181.....
 (Current) (Prior)

Organized under the Laws of..... AZ..... State of Domicile or Port of Entry..... AZ.....
 Country of Domicile..... US.....
 Licensed as business type..... Life, Accident & Health..... Is HMO Federally Qualified?.....
 Incorporated/Organized..... 11/23/1992..... Commenced Business..... 01/08/1993.....
 Statutory Home Office..... 4600 E. Washington St., Suite 300..... Phoenix, AZ, US 85034.....
 Main Administrative Office..... 463 Mountain View Drive Suite 301.....
 Colchester, VT, US 05446..... 312-637-6103.....
 (Telephone)
 Mail Address..... 463 Mountain View Drive Suite 301..... Colchester, VT, US 05446.....
 Primary Location of Books and
 Records..... 2900 Ames Crossing Road.....
 Eagan, MN, US 55121..... 312-637-6103.....
 (Telephone)
 Internet Website Address..... N/A.....
 Statutory Statement Contact..... Eleanor S Smith..... 312-637-6103.....
 (Telephone)
 eleanor.s.smith@marsh.com..... 000-000-0000.....
 (E-Mail) (Fax)

OFFICERS

..... Mostafa M Kamal, President..... Terry L Baumgard, Treasurer.....
 Alicia M Dessner, Assistant Secretary.....

OTHER

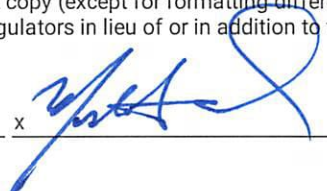
..... David A Schlett, Vice-President..... Michael J Kolar, Secretary.....

DIRECTORS OR TRUSTEES

..... Mostafa M Kamal..... Michael J Kolar.....
 Terry L Baumgard..... David A Schlett.....
 Alicia M Dessner.....

State of FLORIDA
 County of MIAMI-DADE 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 _____ x _____ x 

Subscribed and sworn to before me
 this 20th day of
FEBRUARY, 2024

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

x Ronina Remedy, NOTARY PUBLIC



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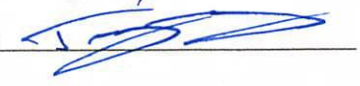
Mostafa M Kamal Michael J Kolar
Terry L Baumgard David A Schlett
Alicia M Dessner

State of Minnesota
County of Hennepin SS

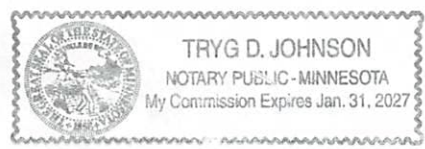
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x  x

Subscribed and sworn to before me
this 16th day of February, 2024

x 

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b. If no:
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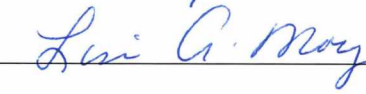
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x  x

Subscribed and sworn to before me
 this 19 day of
February, 2024
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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).....	3,169,827		3,169,827	3,140,761
2. Stocks (Schedule D):				
2.1 Preferred stocks.....				
2.2 Common stocks.....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....				
3.2 Other than first liens.....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....				
4.2 Properties held for the production of income (less \$ encumbrances).....				
4.3 Properties held for sale (less \$ encumbrances).....				
5. Cash (\$ 4,827, Schedule E - Part 1), cash equivalents (\$ 33,167,111, Schedule E - Part 2) and short-term investments (\$, Schedule DA).....	33,171,938		33,171,938	31,631,783
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).....	36,341,765		36,341,765	34,772,543
13. Title plants less \$ charged off (for Title insurers only).....				
14. Investment income due and accrued.....	235,264		235,264	25,802
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 (including \$ earned but unbilled premiums).....				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$).....				2,104,766
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.....				3,574,232
18.1 Current federal and foreign income tax recoverable and interest thereon.....				
18.2 Net deferred tax asset.....				
19. Guaranty funds receivable or on deposit.....				
20. Electronic data processing equipment and software.....				
21. Furniture and equipment, including health care delivery assets (\$).....				
22. Net adjustment in assets and liabilities due to foreign exchange rates.....				
23. Receivables from parent, subsidiaries and affiliates.....	6,334		6,334	
24. Health care (\$) and other amounts receivable.....				
25. Aggregate write-ins for other-than-invested assets.....				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	36,583,364		36,583,364	40,477,343
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27).....	36,583,364		36,583,364	40,477,343
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 Postage.....				
2502.....				
2503.....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....				

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)				
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act				
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	494,712		494,712	349,570
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	23,951		23,951	
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				23,951
16. Derivatives				
17. Payable for securities	301,455		301,455	
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)				
24. Total liabilities (Lines 1 to 23)	820,118		820,118	373,521
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	2,000,000	2,000,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	21,020,001	21,020,001
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	85,502	
31. Unassigned funds (surplus)	XXX	XXX	12,657,743	17,083,821
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	35,763,246	40,103,822
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	36,583,364	40,477,343
Details of Write-Ins				
2301.				
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)				
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. Other Comprehensive Income	XXX	XXX	85,502	
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	85,502	

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	XXX		
2. Net premium income (including \$ non-health premium income)	XXX		(818,217)
3. Change in unearned premium reserves and reserve for rate credits	XXX		(50,497)
4. Fee-for-service (net of \$ medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	(5,678,998)	
7. Aggregate write-ins for other non-health revenues	XXX		
8. Total revenues (Lines 2 to 7)	XXX	(5,678,998)	(868,714)
Hospital and Medical:			
9. Hospital/medical benefits			(106)
10. Other professional services			
11. Outside referrals			
12. Emergency room and out-of-area			
13. Prescription drugs		193	(2,742,631)
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)		193	(2,742,738)
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		193	(2,742,738)
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ cost containment expenses			
21. General administrative expenses		113,149	372,893
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)		113,342	(2,369,845)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(5,792,340)	1,501,131
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,660,535	54,367
26. Net realized capital gains (losses) less capital gains tax of \$			
27. Net investment gains (losses) (Lines 25 plus 26)		1,660,535	54,367
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			
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	(4,131,805)	1,555,498
31. Federal and foreign income taxes incurred	XXX	297,000	326,655
32. Net income (loss) (Lines 30 minus 31)	XXX	(4,428,805)	1,228,843
Details of Write-Ins			
0601. Bad Debt Contra	XXX	(5,678,998)	
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	(5,678,998)	
0701.	XXX		
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		
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.			
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)			

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

	1	2
CAPITAL & SURPLUS ACCOUNT	Current Year	Prior Year
33. Capital and surplus prior reporting year.....	40,103,822	38,673,586
34. Net income or (loss) from Line 32.....	(4,428,805)	1,228,843
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....		
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....		
39. Change in nonadmitted assets.....	2,727	201,393
40. Change in unauthorized and certified reinsurance.....		
41. Change in treasury stock.....		
42. Change in surplus notes.....		
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in.....		
44.2 Transferred from surplus (Stock Dividend).....		
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....	-	
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....		
47. Aggregate write-ins for gains or (losses) in surplus.....	85,502	
48. Net change in capital and surplus (Lines 34 to 47).....	(4,340,576)	1,430,236
49. Capital and surplus end of reporting year (Line 33 plus 48).....	35,763,246	40,103,822
Details of Write-Ins		
4701. OCI.....	85,502	
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).....	85,502	

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,104,766	(811,915)
2. Net investment income	1,422,006	22,342
3. Miscellaneous income	(5,678,998)	13,345,488
4. Total (Lines 1 to 3)	(2,152,226)	12,555,914
5. Benefit and loss related payments	193	(21,239,853)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	(3,606,226)	1,656,265
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	273,049	498,895
10. Total (Lines 5 through 9)	(3,332,984)	(19,084,693)
11. Net cash from operations (Line 4 minus Line 10)	1,180,758	31,640,608
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		3,170,000
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	301,455	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	301,455	3,170,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds		3,126,117
13.2 Stocks		
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)	-	3,126,117
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)	301,455	43,883
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	-	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	57,943	(131,551)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	57,943	(131,551)
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)	1,540,155	31,552,939
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	31,631,783	78,843
19.2 End of year (Line 18 plus Line 19.1)	33,171,938	31,631,783

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														
2. Change in unearned premium reserves and reserve for rate credit														
3. Fee-for-service (net of \$ medical expenses)														XXX
4. Risk revenue														XXX
5. Aggregate write-ins for other health care related revenues	(5,678,998)												(5,678,998)	XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6)	(5,678,998)												(5,678,998)	
8. Hospital/medical benefits														XXX
9. Other professional services														XXX
10. Outside referrals														XXX
11. Emergency room and out-of-area														XXX
12. Prescription drugs	193												193	XXX
13. Aggregate write-ins for other hospital and medical														XXX
14. Incentive pool, withhold adjustments and bonus amounts														XXX
15. Subtotal (Lines 8 to 14)	193												193	XXX
16. Net reinsurance recoveries														XXX
17. Total hospital and medical (Lines 15 minus 16)	193												193	XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ cost containment expenses														XXX
20. General administrative expenses	113,149													113,149
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)	113,342													113,342
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(5,792,340)													(5,792,340)
Details of Write-Ins														
0501. Allowance for Doubtful Accounts	(5,678,998)													(5,678,998)
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)	(5,678,998)													(5,678,998)
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
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)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page														XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

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.....	NONE				
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.....					
9.	Credit A&H.....					
10.	Disability Income.....					
11.	Long-Term Care.....					
12.	Other health.....					
13.	Health subtotal (Lines 1 through 12).....					
14.	Life.....					
15.	Property/casualty.....					
16.	Totals (Lines 13 to 15).....					

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	193												193	
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	193												193	
2. Paid medical incentive pools and bonuses														
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct														
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net														
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct														
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net														
5. Accrued medical incentive pools and bonuses, current year														
6. Net 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														
8.2 Reinsurance assumed														
8.3 Reinsurance ceded														
8.4 Net														
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct														
9.2 Reinsurance assumed														
9.3 Reinsurance ceded														
9.4 Net														
10. Accrued medical incentive pools and bonuses, prior year														
11. Amounts recoverable from reinsurers December 31, prior year														
12. Incurred benefits:														
12.1 Direct	193												193	
12.2 Reinsurance assumed														
12.3 Reinsurance ceded														
12.4 Net	193												193	
13. Incurred medical incentive pools and bonuses														

(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														
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net														
2. Incurred but Unreported:														
2.1 Direct														
2.2 Reinsurance assumed														
2.3 Reinsurance ceded														
2.4 Net														
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														
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net														

NONE

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.....						
9. Credit A&H.....						
10. Disability Income.....						
11. Long-Term Care.....						
12. Other health.....						
13. Health subtotal (Lines 1 to 12).....					193	193
14. Health care receivables (a).....						
15. Other non-health.....						
16. Medical incentive pools and bonus amounts.....						
17. Totals (Lines 13 - 14 + 15 + 16).....					193	193

(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 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior.....	670,224	670,224	670,224	670,224	670,224
2.	2019.....	50,542	50,542	50,542	50,542	50,542
3.	2020.....	XXX	42,978	42,978	42,978	42,978
4.	2021.....	XXX	XXX	1,466	1,466	1,466
5.	2022.....	XXX	XXX	XXX	(2,743)	(2,743)
6.	2023.....	XXX	XXX	XXX	XXX	–

Section B – Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior.....	670,224	670,224	670,224	670,224	670,224
2.	2019.....	50,542	50,542	50,542	50,542	50,542
3.	2020.....	XXX	42,978	42,978	42,978	42,978
4.	2021.....	XXX	XXX	1,466	1,466	1,466
5.	2022.....	XXX	XXX	XXX	(2,743)	(2,743)
6.	2023.....	XXX	XXX	XXX	XXX	–

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

Years in which Premiums were Earned and Claims were Incurred		1	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.	2019.....	48,155	50,542			50,542	104.957	–		50,542	104.957
2.	2020.....	37,225	42,978			42,978	115.455	–		42,978	115.455
3.	2021.....	(195)	1,466			1,466	(751.795)	–		1,466	(751.795)
4.	2022.....	(818)	(2,743)			(2,743)	335.330	–		(2,743)	335.330
5.	2023.....		–			–		–		–	

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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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019.....	NONE									
2. 2020.....										
3. 2021.....										
4. 2022.....										
5. 2023.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			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	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. 2019.....	NONE									
2. 2020.....										
3. 2021.....										
4. 2022.....										
5. 2023.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019.....	NONE									
2. 2020.....										
3. 2021.....										
4. 2022.....										
5. 2023.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			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	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. 2019.....	NONE									
2. 2020.....										
3. 2021.....										
4. 2022.....										
5. 2023.....										

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

FEDERAL EMPLOYEES HEALTH BENEFITS PLAN

Section A – Paid Health Claims

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

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020					
4. 2021		XXX			
5. 2022		XXX	XXX		
6. 2023		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	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. 2019										
2. 2020										
3. 2021										
4. 2022										
5. 2023										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior.....	NONE				
2. 2019.....					
3. 2020.....					
4. 2021.....			XXX		
5. 2022.....			XXX	XXX	
6. 2023.....			XXX	XXX	XXX

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019.....	NONE									
2. 2020.....										
3. 2021.....										
4. 2022.....										
5. 2023.....										

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

TITLE XIX MEDICAID

Section A – Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	.....	385,749	385,749	385,749	385,749	385,749
2. 2019	.....				
3. 2020	.....	XXX				
4. 2021	.....	XXX	XXX			
5. 2022	.....	XXX	XXX	XXX		
6. 2023	.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	.....	385,749	385,749	385,749	385,749	385,749
2. 2019	.....				
3. 2020	.....	XXX				
4. 2021	.....	XXX	XXX			
5. 2022	.....	XXX	XXX	XXX		
6. 2023	.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred		1	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. 2019	NONE									
2. 2020										
3. 2021										
4. 2022										
5. 2023										

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

OTHER HEALTH

Section A – Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior.....	284,475	284,475	284,475	284,475	284,475
2.	2019.....	50,542	50,542	50,542	50,542	50,542
3.	2020.....	XXX	42,978	42,978	42,978	42,978
4.	2021.....	XXX	XXX	1,466	1,466	1,466
5.	2022.....	XXX	XXX	XXX	(2,743)	(2,743)
6.	2023.....	XXX	XXX	XXX	XXX	–

Section B – Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior.....	284,475	284,475	284,475	284,475	284,475
2.	2019.....	50,542	50,542	50,542	50,542	50,542
3.	2020.....	XXX	42,978	42,978	42,978	42,978
4.	2021.....	XXX	XXX	1,466	1,466	1,466
5.	2022.....	XXX	XXX	XXX	(2,743)	(2,743)
6.	2023.....	XXX	XXX	XXX	XXX	–

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

Years in which Premiums were Earned and Claims were Incurred		1	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.	2019.....	48,155	50,542			50,542	104.957	–		50,542	104.957
2.	2020.....	37,225	42,978			42,978	115.455	–		42,978	115.455
3.	2021.....	(195)	1,466			1,466	(751.795)	–		1,466	(751.795)
4.	2022.....	(818)	(2,743)			(2,743)	335.330	–		(2,743)	335.330
5.	2023.....		–			–		–		–	

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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)													
5. Aggregate write-ins for other policy reserves													
6. Totals (gross)													
7. Reinsurance ceded													
8. Totals (Net) (Page 3, Line 4)													
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)													
NONE													
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)					
2. Salaries, wages and other benefits					
3. Commissions (less \$ ceded plus \$ assumed)					
4. Legal fees and expenses					
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services			108,085		108,085
7. Traveling expenses					
8. Marketing and advertising					
9. Postage, express and telephone					
10. Printing and office supplies					
11. Occupancy, depreciation and amortization					
12. Equipment					
13. Cost or depreciation of EDP equipment and software			2,478		2,478
14. Outsourced services including EDP, claims, and other services					
15. Boards, bureaus and association fees					
16. Insurance, except on real estate					
17. Collection and bank service charges			(55,609)		(55,609)
18. Group service and administration fees					
19. Reimbursements by uninsured plans					
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses					
22. Real estate taxes					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					
23.2 State premium taxes					
23.3 Regulatory authority licenses and fees			58,194		58,194
23.4 Payroll taxes					
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses					
26. Total expenses incurred (Lines 1 to 25)			113,149	(a)	113,149
27. Less expenses unpaid December 31, current year			494,712		494,712
28. Add expenses unpaid December 31, prior year			349,570		349,570
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)			(31,994)		(31,994)
Details of Write-Ins					
2501. Management Agreement Charges					
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)					

(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) 37,354	99,948
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a)	
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 1,414,298	1,560,587
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	1,451,652	1,660,535
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		
17.	Net investment income (Line 10 minus Line 16)		1,660,535
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 \$ 29,067 accrual of discount less \$ 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 \$ accrual of discount less \$ amortization of premium.

(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes \$ interest on surplus notes and \$ interest on capital notes.

(i) Includes \$ 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					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)					
NONE						
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.....			
21. Furniture and equipment, including health care delivery assets.....			
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			
23. Receivables from parent, subsidiaries and affiliates.....			
24. Health care and other amounts receivable.....			
25. Aggregate write-ins for other-than-invested assets.....		2,727	2,727
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....		2,727	2,727
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28. Total (Lines 26 and 27).....		2,727	2,727
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 Postage.....		2,727	2,727
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).....		2,727	2,727

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....						
2. Provider Service Organizations.....						
3. Preferred Provider Organizations.....						
4. Point of Service.....						
5. Indemnity Only.....						
6. Aggregate write-ins for other lines of business.....						
7. Total.....						
NONE						
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

Merit Health Insurance Company (the "Company") prepares its statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the Arizona Department of Insurance (the "Department"), which represents a comprehensive basis of accounting other than U.S. generally accepted accounting principles. The Department requires that insurance companies domiciled in Arizona prepare their statutory-basis financial statements in accordance with the Codified National Association of Insurance Commissioners' ("NAIC") Statements of Statutory Accounting Principles ("SSAP"), subject to any deviations prescribed or permitted by the Department. The Company is not aware of any differences between the NAIC and the Department with respect to accounting practices that would have an impact on the accompanying statutory-basis financial statements. In addition, the accompanying statutory-basis financial statements have been prepared in accordance with the Annual Statement instructions and the NAIC Accounting Practices and Procedures manual.

	SSAP #	F/S Page	F/S Line #	2023	2022
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (4,428,805)	\$ 1,228,843
(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>\$ (4,428,805)</u>	<u>\$ 1,228,843</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 35,763,246	\$ 40,103,822
(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>\$ 35,763,246</u>	<u>\$ 40,103,822</u>

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

The preparation of financial statements in conformity with statutory accounting practices requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates of the Company include, among other things, contract receivables realization and the establishment of claims unpaid reserves. Actual results could differ from those estimates.

C. Accounting Policy

Fair Value of Financial Instruments

The Company currently does not have any assets or liabilities that are required to be measured at fair value on a recurring basis. SSAP No. 100 "Fair Value Measurements", defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value. The carrying value of the Company's financial instruments classified as current assets (other than short-term investments) and current liabilities approximate fair value due to their short maturities. As of December 31, 2023, the Company had no short-term investments; the carrying value and fair value of the Company's long-term investments totaled \$3,169,827 and \$3,144,356, respectively. As of December 31, 2022, the Company had no short-term investments; the carrying value and fair value of the Company's long-term investments totaled \$3,140,761 and \$3,077,372 respectively.

Contract Receivables

Contract receivables consist of amounts due from customers for capitated services. Collateral is generally not required. Contract receivables are admitted in the accompanying statutory-basis financial statements pursuant to the provisions of SSAP No. 84, "Certain Health Care Receivables and Receivables under Government Insured Plans" ("SSAP 84"). Evaluation of the collectability of amounts receivable is based upon factors surrounding the credit risk of specific customers, historical trends and other information. If it is probable the balance is uncollectible, any uncollectible receivable shall be written off and charged to income in the period the determination is made.

Amounts receivable relating to uninsured plans for claims and other costs paid by the administrator on behalf of the third party at risk and fees related to the services provided by the administrator to the plan are to be segregated from other receivables. In accordance with SSAP 84, receivables associated with uninsured plans are considered an admitted asset, including amounts over ninety days past due.

Revenue Recognition

Revenue associated with providing managed behavioral healthcare and substance abuse services on a risk basis is recognized over the applicable coverage period on a per member basis for covered members. The Company is paid a per member fee for all covered members, and this fee is recorded as revenue in the month in which members are entitled to service. The Company adjusts its revenue for retroactive membership terminations, additions and other changes, when such adjustments are identified, with the exception of retroactivity that can be reasonably estimated. The impact of retroactive rate amendments is generally reported in the accounting period that terms to the amendment are finalized, and that the amendment is executed. Any fees paid prior to the month of service are recorded as deferred revenue.

The Centers for Medicare & Medicaid Services ("CMS") premium, the member premium and the low-income premium subsidy represent payments for the Company's insurance risk coverage under Medicare Part D program and, therefore, are recorded as premium revenues. Premium revenues are recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits.

Low Income Cost Sharing ("LICS"), catastrophic reinsurance and coverage gap subsidies from CMS represent cost reimbursements under the Medicare Part D program. Amounts received for these subsidies are not reflected as premium revenues, but rather are accounted for as deposits, with the related asset or liability recorded in either Accounts receivable related to uninsured plans, net or Amounts held under uninsured plans, net in the balance sheets.

The Company did not generate premium revenue for the period ended December 31, 2023. There was no increase in amounts due from CMS under a risk sharing feature of the Medicare Part D plan design referred to as the "risk corridor". Risk corridor amounts are recorded as an adjustment to premiums. Based on settlement position, amounts due to or from CMS under the risk sharing feature are recorded in either Health Policy Reserves or Accrued Retrospective Premiums in the accompanying balance sheets.

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern (Continued)

Due to the risk corridor, the Company's business is accounted for as a retrospectively rates contract. The Company estimates amounts due to or from CMS under the risk corridor feature using a mathematical approach based on the Company's underwriting experience. It is at least reasonably possible that these estimates could differ from the amounts that are ultimately settled with CMS and that such a change in the estimates could be material to the financial statements. There no premiums written during the year ended December 31, 2023 that were subject to the retrospective feature.

(1) Cash, Cash Equivalents and Short-term Investments

Cash consists of cash on hand and in financial institutions, along with certificates of deposit with maturity dates at the time of acquisition of one year or less. Cash equivalents are short-term, highly liquid interest-bearing investments with maturity dates of three months or less when acquired. Short-term investments have maturities of one year or less at the time of acquisition (excluding those investments classified as cash equivalents) and are recorded at amortized cost using the straight-line basis, except in cases where NAIC designation requires them to be carried at the lower of amortized cost or fair value. As of December 31, 2023, the Company held cash equivalents that consisted of money market mutual funds totaling \$33,168,113. The Company held cash equivalents as of December 31, 2022, that consisted of money market mutual funds totaling \$35,070.

(2) Bonds, mandatory convertible securities, and SVO-identified investments per SSAP No. 26R - Not Applicable

(3) Common stocks - Not Applicable

(4) Preferred stocks - Not Applicable

(5) Mortgage loans - Not Applicable

(6) Loan-backed securities - Not Applicable

(7) Long-term Investments

Long-term investments have maturities in excess of one year from the date of acquisition and are recorded at amortized cost using the straight-line basis, except in cases where NAIC designation requires them to be carried at the lower of amortized cost or fair value. For the periods presented, the Company's long-term investments consist of U.S. Treasury securities.

Investment Securities

The Company periodically evaluates whether any declines in the fair value of investment securities are other-than-temporary. This evaluation consists of a review of several factors, including but not limited to: the length of time and extent that a security has been in an unrealized loss position; the existence of an event that would impair the issuer's future earnings potential; the near-term prospects for recovery of the market value of a security; and the intent and ability of the Company to hold the security until the market value recovers. Declines in value below cost for investments where it is considered probable that all contractual terms of the investment will be satisfied, the decline is due primarily to changes in interest rates (and not because of increased credit risk), and where the Company intends and has the ability to hold the investment for a period of time sufficient to allow a market recovery, are not assumed to be other-than-temporary. As of December 31, 2023, and December 31, 2022, the Company did not have any other-than-temporary impairments.

(8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable

(9) Derivatives - Not Applicable

(10) Investment income as a factor in the premium deficiency calculation - Not Applicable

(11) Claims Costs and Liability for Unpaid Claims

Claims costs are recognized in the period in which covered members receive behavioral healthcare services. In addition to actual benefits paid, claims costs include the impact of accruals for estimates of claims unpaid. Claims unpaid represents the liability for healthcare claims reported but not yet paid and claims incurred but not yet reported ("IBNR") related to the Company's managed healthcare business. Such liabilities are determined by employing actuarial methods that are commonly used by health insurance actuaries and meet actuarial standards of practice.

The IBNR portion of claims unpaid is estimated based on past claims payment experience for member groups, enrollment data, utilization statistics, authorized healthcare services and other factors. This data is incorporated into contract-specific actuarial reserve models and is further analyzed to create "completion factors" that represent the average percentage of total incurred claims that have been paid through a given date after being incurred. Factors that affect estimated completion factors include benefit changes, enrollment changes, shifts in product mix, seasonality influences, provider reimbursement changes, changes in claims inventory levels, the speed of claims processing and changes in paid claim levels. Completion factors are applied to claims paid through the financial statement date to estimate the ultimate claim expense incurred for the current period. Actuarial estimates of claims unpaid are then determined by subtracting the actual paid claims from the estimate of the ultimate incurred claims. For the most recent incurred months (generally the most recent two months), the percentage of claims paid for claims incurred in those months is generally low. This makes the completion factor methodology less reliable for such months. Therefore, incurred claims for any month with a completion factor that is less than 70 percent are generally not projected from historical completion and payment patterns; rather they are projected by estimating claims expense based on recent monthly estimated cost incurred per member per month times membership, taking into account seasonality influences, benefit changes and healthcare trend levels, collectively considered to be "trend factors".

Claims unpaid balances are continually monitored and reviewed. If it is determined that the Company's assumptions in estimating such liabilities are different than actual results, the Company's results of operations and financial position could be impacted in future periods. Adjustments of prior period estimates may result in additional claims costs or a reduction of claims costs in the period an adjustment is made. Further, due to the considerable variability of healthcare costs, adjustments to claims unpaid occur each period and are sometimes significant as compared to the net income recorded in that period. Prior period development is recognized immediately upon the actuary's judgment that a portion of the prior period liability is no longer needed or that additional liability should have been accrued.

Actuarial standards of practice require that claims unpaid be adequate under moderately adverse circumstances. Adverse circumstances are situations in which actual claims experience could be higher than the otherwise estimated value of such claims. In many situations, the claims paid amount experienced will be less than the estimate that satisfies the actuarial standards of practice.

(12) Changes in capitalization policy - Not Applicable

(13) Pharmaceutical rebate receivables - Not Applicable

D. Going Concern

There is no substantial doubt about the Company's ability to continue as a going concern.

Notes to the Financial Statements

2. Accounting Changes and Corrections of Errors - Not Applicable

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

(1) Restricted assets (including pledged)

Restricted Asset Category	(1) Total Gross (Admitted & Nonadmitted) Restricted from Current Year	(2) Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	(3) Increase / (Decrease) (1 - 2)	(4) Total Current Year Nonadmitted Restricted	(5) Total Current Year Admitted Restricted (1 - 4)	(6) Gross (Admitted & Nonadmitted) Restricted to Total Assets	(7) Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	3,204,827	3,175,762	29,065		3,204,827	8.760	8.760
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total restricted assets (Sum of a through n)	<u>\$ 3,204,827</u>	<u>\$ 3,175,762</u>	<u>\$ 29,065</u>	<u>\$</u>	<u>\$ 3,204,827</u>	<u>8.760 %</u>	<u>8.760 %</u>

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(4) Collateral received and reflected as assets within the reporting entity's financial statements - 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 - Not Applicable

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

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

7. Investment Income

A. Due and Accrued Income Excluded from Surplus

The Company admitted all investment income due and accrued as of December 31, 2023 and December 31, 2023, which totaled \$235,264 and \$25,801, respectively.

B. Total Amount Excluded - Not Applicable

Notes to the Financial Statements

7. Investment Income (Continued)

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

	Amount
Interest Income Due and Accrued	
1. Gross.....	\$ 235,264
2. Nonadmitted.....	\$
3. Admitted.....	\$ 235,264

D. The aggregate deferred interest

	Amount
Aggregate Deferred Interest.....	\$

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

	Amount
Cumulative amounts of PIK interest included in the current principal balance.....	\$

8. Derivative Instruments - Not Applicable

9. Income Taxes

For the period prior to January 5, 2022, the Company's federal income tax return is consolidated with Magellan, and its eligible subsidiaries. For the period beginning January 5, 2022, and ending December 1, 2022, the Company's federal income tax return is consolidated with Centene Corporation ("Centene"), and its eligible subsidiaries. For the period December 2, 2022 through December 31, 2022, the Company will file its own federal tax return. The tax sharing agreement with Centene terminated on December 2, 2022, and any taxes due were settled.

Centene allocated federal income tax expense of \$344,939 to the Company for its share of the federal income tax provision for the period from January 5, 2022 through December 1, 2022. In accordance with the Company's prior year tax sharing agreement. For the period beginning January 1, 2022, and ending January 4, 2022, the Company was not allocated any federal income tax expense. For the period from December 2, 2022 through December 31, 2022 the Company recorded a federal income benefit of (\$18,285). The Company recorded a federal tax expense of \$297,000 for the period ending December 31, 2023. The Company pays premium taxes in lieu of state income taxes.

A. Components of the Net Deferred Tax Asset/(Liability) - Not Applicable

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

C. Major Components of Current Income Taxes Incurred

	(1) 2023	(2) 2022	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal.....	\$ 297,000	\$ 326,655	\$ (29,655)
(b) Foreign.....	\$	\$	\$
(c) Subtotal (1a+1b).....	\$ 297,000	\$ 326,655	\$ (29,655)
(d) Federal income tax on net capital gains.....	\$	\$	\$
(e) Utilization of capital loss carry-forwards.....	\$	\$	\$
(f) Other.....	\$	\$	\$
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f).....	\$ 297,000	\$ 326,655	\$ (29,655)

Notes to the Financial Statements

9. Income Taxes (Continued)

	(1) 2023	(2) 2022	(3) Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$	\$	\$
(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			
(11) Net operating loss carry-forward			
(12) Tax credit carry-forward			
(13) Other			
(99) Subtotal (Sum of 2a1 through 2a13)	\$	\$	\$
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted			
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$	\$	\$
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward			
(3) Real estate			
(4) Other			
(99) Subtotal (2e1+2e2+2e3+2e4)	\$	\$	\$
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)			
(i) Admitted deferred tax assets (2d + 2h)	\$	\$	\$
	(1) 2023	(2) 2022	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$	\$	\$
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other			
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$	\$	\$
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$	\$	\$
4. Net deferred tax assets/liabilities (2i - 3c)	\$	\$	\$
D. Among the More Significant Book to Tax Adjustments - Not Applicable			
E. Operating Loss and Tax Credit Carryforwards - Not Applicable			
F. Consolidated Federal Income Tax Return			
(1) For January 1, 2022 through December 1, 2022 federal income tax reporting purposes, the Company's operations were included in Magellan's consolidated federal income tax returns. From January 1, 2023, the Company will file its own federal tax return.			
(2) The Company had a tax allocation agreement with Magellan. The agreement called for an allocation based on the Company's book pre-tax income adjusted for permanent items and considering the ultimate parent's federal statutory rate and applicable state statutory rate. Also, the agreement was to be revenue neutral to Magellan and other Magellan subsidiaries in that the Company's tax liability or benefit is not any different than if it filed separate federal and state income tax returns.			
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			

Notes to the Financial Statements

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

- A. – C. The Company is a direct subsidiary of Morocco Acquisitions, LLC. Morocco Acquisitions is a wholly owned subsidiary of Prime Therapeutics, LLC ("Prime"). Prime is engaged diversified pharmacy solutions serving health plans, employers and government programs.

On December 3, 2022, Prime Therapeutics LLC ("Prime") closed on its acquisition of 100% of the outstanding equity interests of the Magellan Rx Management ("Magellan Rx") line of business of Magellan, which included the Company.

Effective January 1, 2016, the Company entered into an administrative agreement with Magellan Rx Management ("Magellan Rx") to provide pharmacy benefit management for the Medicare Part D members. Magellan Rx will provide network management, network access, help desk services, auditing, mail order pharmacy services, specialty pharmacy, formulary and rebate administration and other core administrative and value added administrative services. There was no administrative fee for December 31, 2023 and 2022. The Company did not submit a bid to CMS to provide services to Medicare Part D members for the year ended December 31, 2023 and exited the Medicare Part D business at December 31, 2020.

Except for amounts due to other Prescription Drug Plans ("PDPs"), all claims paid and incurred for pharmacy claims are based on amounts billed by Magellan Rx filled by pharmacies in Magellan Rx's pharmacy network. Additionally, all pharmaceutical rebates are received or receivable from Magellan Rx, which contracts with pharmaceutical manufacturers for such rebates. Payment terms require settlement of rebates within one hundred and eighty days following the end of each contract quarter following receipt of such rebates by Magellan Rx.

- B. Detail of Related Party Transactions - Not Applicable
- D. Amounts receivable from or payable to parent, subsidiaries and affiliates are non-interest bearing and are settled within ninety days of quarter-end. As of December 31, 2023, the Company reported \$6,334 as the amount due from parent, subsidiaries and affiliates, As of December 31, 2022, the Company reported \$23,951 as the amount due to parent, subsidiaries and affiliates, which is primarily comprised of amounts due for uninsured pharmacy claims processed and management fees. For 2022, under an administrative services agreement between Magellan Healthcare and the Company, Magellan Healthcare performs certain collection and payment activities on behalf of the Company. In addition, Magellan Healthcare performs certain administrative and operational functions, which includes legal, underwriting and accounting services. The amount charged to the Company relating to these services for the year ended December 31, 2022 totaled \$84,800. There were no administrative fees charge to the Company period ended December 31, 2023.
- E. Management Service Contracts and Cost Sharing Arrangements - Not Applicable
- F. As mentioned above, under an administrative services agreement between Magellan Healthcare and the Company, Magellan Healthcare performs certain collection and payment activities on behalf of the Company. In addition, Magellan Healthcare performs certain administrative and operational functions, which includes legal, underwriting and accounting services. The administrative service agreement with Magellan terminated on December 2, 2022 due to sale to Prime.
- G. Nature of Relationships that Could Affect Operations - Not Applicable
- 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. The Company has 10,000,000 shares of common stock authorized, with 2,000,000 shares issued and outstanding at a \$1.00 par value.
- B. Dividend Rate of Preferred Stock - Not Applicable
- C. Dividends to stockholders are limited by Arizona statute, and are generally payable from accumulated surplus funds that are derived from realized net operating profits on its business and realized net capital gains on its investments. Dividend requests over specified thresholds require approval of the Department.
- D. Ordinary Dividends - Not Applicable
- E. Company Profits Paid as Ordinary Dividends - Not Applicable
- 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
- J. Unassigned Funds (Surplus) - Not Applicable
- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. As of December 31, 2023 the Company has not declared or paid a dividend.

Notes to the Financial Statements

14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments - 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 involved in legal actions arising in the ordinary course of business. After taking into consideration legal counsel's evaluation of such actions, management believes that the resolution of such legal actions will not have a material adverse effect on the Company's financial condition or results of operation; however, there can be no assurance in this regard.

The managed healthcare industry is subject to extensive and evolving federal and state regulations. Such laws and regulations cover, but are not limited to, matters such as licensure, accreditation, government healthcare program participation requirements, information privacy and security, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government investigations and allegations have become more frequent concerning possible violations of fraud and abuse and false claims statutes and regulations by healthcare organizations. Violators may be excluded from participating in government healthcare programs, subject to fines or penalties or required to repay amounts received from the government for previously billed services. A violation of such laws and regulations may have a material adverse effect on the Company.

The Company routinely assesses the collectability of its receivables. The Company did not have any allowances recorded on receivables for the years ended December 31, 2023 and December 31, 2022. As of December 31, 2023 and December, 2022, the Company did not have non-admitted rebate receivables.

15. Leases - Not Applicable

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

1. Face Amount of the Company's Financial Instruments with Off-Balance-Sheet Risk

The Company does not have any financial instruments with off-balance sheet risk.

- 2. These financial instruments consist primarily of cash, investments and receivables. The Company's receivables are primarily comprised of contract receivables, rebate receivables, and amounts receivable relating to uninsured plans, all of which are associated with the Medicare Part D Plan.
- 3. The Company maintains its cash and investments with what it believes to be high-quality financial institutions, and invests in exempt money market funds, U.S. Treasury securities, obligations of U.S. government-sponsored agencies and high-quality commercial paper and corporate debt securities that are believed to have minimal credit risk.
- 4. Collateral Policy - Not Applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

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

- A. ASO Plans - Not Applicable
- B. ASC Plans - Not Applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract
 - (1) There were no subsidies from Centers for Medicare and Medicaid Services ("CMS") for the years end December 31, 2023 and December 31, 2022.
 - (2) As of December 31, 2022 amounts receivable relating to uninsured plans includes \$3,574,232 due from CMS or drug manufacturers for LICS, CGDP and drug costs covered by the catastrophic reinsurance feature.
 - (3) Not Applicable
 - (4) As of December 31, 2023, the Company has recorded an allowance for doubtful accounts for the uncollected receivables related to uninsured plans of \$3,754,232.

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 measurements at reporting date

The Company currently does not have any assets or liabilities that are required to be measured and reported at fair value on a recurring basis.

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash	\$	\$	\$	\$ 4,827	\$ 4,827
Exempt MM Mutual Fund				35,002	35,002
Other MM Mutual Fund				33,132,108	33,132,108
Total assets at fair value/NAV	\$	\$	\$	\$ 33,171,938	\$ 33,171,938
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$	\$	\$

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

Notes to the Financial Statements

20. Fair Value Measurements (Continued)

- (3) Policy on transfers into and out of Level 3 - Not Applicable
- (4) For Level 2 obligations of government-sponsored enterprises, valuation is taken from monthly investment brokerage statement.
- (5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

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

Aggregate fair value of all financial instruments and level within the fair value hierarchy in which the fair value measurements fall (excluding Common Stock – Investment in Subsidiary accounted for under the equity method):

Type of Financial Instrument	Aggregate Fair Value			Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
	Value	Admitted Assets						
Cash	\$ 4,827	\$ 4,827					\$ 4,827	
Exempt MM Mutual Fund	35,002	35,002					35,002	
Other MM Mutual Fund	33,132,108	33,132,108					33,132,108	
Bonds	3,144,356	3,169,827	3,144,356					

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

1. On January 4, 2021, Magellan and Centene Corporation ("Centene") entered into an Agreement of Plan of Merger (the "Merger Agreement") by and among Magellan, Centene, and Mayflower Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Centene ("Merger Sub"), pursuant to which, subject to the terms and conditions set forth therein, Merger Sub will merge with and into Magellan, with Magellan surviving such merger (the "Merger") as a wholly-owned subsidiary of Centene. The Merger Agreement closed on January 4, 2022, resulting in Magellan becoming a wholly owned subsidiary of Centene as of such date.
2. On May 5, 2022, Magellan and Centene entered into an Agreement to sell Magellan Rx to Prime, of which Merit Health is a subsidiary. Magellan Rx surviving such merger (the "Merger") as a wholly-owned subsidiary of Prime Therapeutics. The sale closed December 3, 2022, resulting in Magellan Rx becoming a wholly owned subsidiary of Prime as of such date.

D. Business Interruption Insurance Recoveries - Not Applicable

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

F. Subprime-Mortgage-Related Risk Exposure - 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

22. Events Subsequent

Type I – Recognized Subsequent Events - Not Applicable

Type II – Nonrecognized Subsequent Events - Not Applicable

23. Reinsurance - Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate

The Company's Medicare Part D contract with CMS contains a risk corridor feature. Due to the risk corridor feature, the Company's business is accounted for as a retrospectively rated contract. The Company estimates retrospective premium adjustments using a mathematical approach based on the Company's underwriting experience. As of December 31, 2023, there is no accrued retrospective premium adjustments were reported as accrued retrospective premiums. As of December 31, 2022, accrued retrospective premium adjustments were reported as accrued retrospective premiums of \$2,104,766. An allowance for doubtful accounts of \$2,104,766 was recorded for the uncollected accrued retrospective premium adjustment as of December 31, 2023.

B. Method Used to Record

The Company records the risk corridor adjustment as an adjustment to earned premiums.

C. Amount and Percent of Net Retrospective Premiums

There was no retrospective premium risk corridor for the period ended December 31, 2023. The amount of the retrospective premium risk corridor for the period ended December 31, 2022 represented 100% of total 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 - Not Applicable

26. Intercompany Pooling Arrangements - Not Applicable

Notes to the Financial Statements

27. Structured Settlements - Not Applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

The Company has contracted with Magellan Rx for pharmaceutical rebates. Amounts recorded in the Company's financial statements are determined based on the amounts Magellan Rx has collected or expects to collect as invoiced or otherwise confirmed by Magellan Rx. The Company reports pharmaceutical rebates due to/from Magellan Rx as healthcare receivables. The Company had no healthcare receivables for the years ended December 31, 2023 and December 31, 2022.

B. Risk-Sharing Receivables - Not Applicable

29. Participating Policies - Not Applicable

30. Premium Deficiency Reserves

Premium deficiency reserves are established for the amount of the anticipated claims and other acquisition costs, and maintenance costs that have not previously been expensed in excess of the recorded unearned premium reserve and future installment premiums, if any, on existing contracts. As of December 31, 2023, and December 31, 2022 the Company held no premium deficiency reserves.

31. Anticipated Salvage and Subrogation - Not Applicable

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1. Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?..... YES
- If yes, complete Schedule Y, Parts 1, 1A, 2, and 3.
- 1.2. If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?..... YES
- 1.3. State Regulating?..... Arizona
- 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..... 12/31/2020
- 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..... 12/31/2020
- 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)..... 06/27/2022
- 3.4. By what department or departments?
Arizona Department of Insurance
- 3.5. Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?..... N/A
- 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.

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

- 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?
RSM US LLP, 8182 Maryland Ave Unit 900, St. Louis, MO 63105
- 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?..... N/A
- 10.6. If the response to 10.5 is no or n/a, please explain.
Merit Health does not have an Audit Committee because Merit Health is an insurer that is an indirect wholly owned subsidiary of a SOX compliant entity.
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?
Michael Cellini, Senior Manager and Consulting Actuary, Ernst & Young LLP, 5 Times Square, New York, NY 10036
- 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?.....
- 13.2. Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?..... NO
- 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.

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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?..... YES
- 23.2. If yes, indicate any amounts receivable from parent included in the Page 2 amount:..... \$ 6,334
- 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	2
Name of Third-Party	Is the Third-Party Agent a Related Party (Yes/No)

INVESTMENT

- 25.01. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03)..... YES
- 25.02. If no, give full and complete information, relating thereto
- 25.03. For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 25.04. For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions..... \$
- 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?..... NO
- 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)..... YES
- 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..... \$ 3,180,179
 - 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
		\$

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

- 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.....

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..... NO
 - 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 Name of Custodian(s)	2 Custodian's Address
U.S. Bank - Trust Services	205 S. 5th Street, P.O. Box 19264, Springfield, IL 62794-9264

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

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

29.03. Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... NO

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 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. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation

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?..... NO

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

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

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

30.1. Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... NO

30.2. If yes, complete the following schedule:

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

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

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1. Bonds.....	\$.....	\$.....	\$.....
31.2. Preferred Stocks.....	\$.....	\$.....	\$.....
31.3. Totals.....	\$.....	\$.....	\$.....

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

32.1. Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... YES.....

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:

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 the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities?..... 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	2	3
Name of Cryptocurrency	Immediately Converted to USD, Directly Held, or Both	Accepted for Payment of Premiums
.....

OTHER

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

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

1	2
Name	Amount Paid
Sapiens.....	\$.....

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

1	2
Name	Amount Paid
	\$

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

\$

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

1	2
Name	Amount Paid
	\$

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	\$ -	\$ (818,217)
2.2 Premium Denominator	\$	\$ (818,217)
2.3 Premium Ratio (2.1/2.2)		1.000
2.4 Reserve Numerator	\$ -	\$
2.5 Reserve Denominator	\$	\$
2.6 Reserve Ratio (2.4/2.5)	%	%

- 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? NO
- 5.1 Does the reporting entity have stop-loss reinsurance? NO
- 5.2 If no, explain:
Business does not have stop-loss reinsurance
- 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

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 8. Provide the following information regarding participating providers:
 - 8.1 Number of providers at start of reporting year.....
 - 8.2 Number of providers at end of reporting year.....
- 9.1 Does the reporting entity have business subject to premium rate guarantees?..... NO
- 9.2 If yes, direct premium earned:
 - 9.21 Business with rate guarantees between 15-36 months..... \$
 - 9.22 Business with rate guarantees over 36 months..... \$
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... NO
- 10.2 If yes:
 - 10.21 Maximum amount payable bonuses..... \$
 - 10.22 Amount actually paid for year bonuses..... \$
 - 10.23 Maximum amount payable withholds..... \$
 - 10.24 Amount actually paid for year withholds..... \$
- 11.1 Is the reporting entity organized as:
 - 11.12 A Medical Group/Staff Model,..... 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..... New York
- 11.4 If yes, show the amount required..... \$
- 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

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

1
Name of Service Area
Arkansas.....
Arizona.....
Colorado.....
District of Columbia.....
Delaware.....
Georgia.....
Iowa.....
Idaho.....
Illinois.....
Indiana.....
Kentucky.....
Louisiana.....
Maryland.....
Maine.....
Michigan.....
Minnesota.....
Missouri.....
Montana.....
North Carolina.....
North Dakota.....
Nebraska.....
New Hampshire.....
New Mexico.....
Pennsylvania.....
South Dakota.....
Tennessee.....
Texas.....
Utah.....
Virginia.....
West Virginia.....
Vermont.....
Wisconsin.....
Oklahoma.....
South Carolina.....
Alaska.....
Alabama.....
California.....
Connecticut.....
Hawaii.....
Ohio.....
Oregon.....
Massachussets.....
Mississippi.....
Kansas.....
Rhode Island.....
Washington.....
Wyoming.....
New York.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 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?..... YES.....
 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?.....

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2023	2022	2021	2020	2019
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	36,583,364	40,477,343	42,555,308	67,642,195	94,850,711
2. Total liabilities (Page 3, Line 24)	820,118	373,521	3,881,722	17,821,849	60,288,186
3. Statutory minimum capital and surplus requirement		334,945	1,009,990	9,306,334	12,038,857
4. Total capital and surplus (Page 3, Line 33)	35,763,246	40,103,822	38,673,586	49,820,346	34,562,525
Income Statement (Page 4)					
5. Total revenues (Line 8)	(5,678,998)	(868,714)	2,421,627	49,436,212	59,580,737
6. Total medical and hospital expenses (Line 18)	193	(2,742,738)	1,465,516	42,977,930	50,533,819
7. Claims adjustment expenses (Line 20)					
8. Total administrative expenses (Line 21)	113,149	372,893	(1,298,405)	11,346,262	10,125,063
9. Net underwriting gain (loss) (Line 24)	(5,792,340)	1,501,131	2,254,516	(4,887,979)	(1,078,145)
10. Net investment gain (loss) (Line 27)	1,660,535	54,367	(8,163)	77,227	116,479
11. Total other income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	(4,428,805)	1,228,843	1,774,635	(4,268,139)	(759,716)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	1,180,758	31,640,608	20,412,909	6,501,682	595,555
Risk-Based Capital Analysis					
14. Total adjusted capital	35,763,246	40,103,822	38,673,586	49,820,346	34,562,525
15. Authorized control level risk-based capital	67,593	66,989	201,998	1,297,852	1,315,686
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)				51,911	66,566
17. Total members months (Column 6, Line 7)				638,915	738,175
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 %
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)		315.7	60.5	86.9	84.4
20. Cost containment expenses					
21. Other claims adjustment expenses					
22. Total underwriting deductions (Line 23)		272.8	6.9	109.9	101.3
23. Total underwriting gain (loss) (Line 24)		(172.8)	93.1	(9.9)	(1.8)
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	193	(2,742,738)	1,465,588	(92,061)	(8,361)
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]					
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	L								
2. Alaska	AK	L								
3. Arizona	AZ	L								
4. Arkansas	AR	L								
5. California	CA	L								
6. Colorado	CO	L								
7. Connecticut	CT	L								
8. Delaware	DE	L								
9. District of Columbia	DC	L								
10. Florida	FL	N								
11. Georgia	GA	L								
12. Hawaii	HI	L								
13. Idaho	ID	L								
14. Illinois	IL	L								
15. Indiana	IN	L								
16. Iowa	IA	L								
17. Kansas	KS	L								
18. Kentucky	KY	L								
19. Louisiana	LA	L								
20. Maine	ME	L								
21. Maryland	MD	L								
22. Massachusetts	MA	L								
23. Michigan	MI	L								
24. Minnesota	MN	L								
25. Mississippi	MS	L								
26. Missouri	MO	L								
27. Montana	MT	L								
28. Nebraska	NE	L								
29. Nevada	NV	L								
30. New Hampshire	NH	L								
31. New Jersey	NJ	N								
32. New Mexico	NM	L								
33. New York	NY	L								
34. North Carolina	NC	L								
35. North Dakota	ND	L								
36. Ohio	OH	L								
37. Oklahoma	OK	L								
38. Oregon	OR	L								
39. Pennsylvania	PA	L								
40. Rhode Island	RI	L								
41. South Carolina	SC	L								
42. South Dakota	SD	L								
43. Tennessee	TN	L								
44. Texas	TX	L								
45. Utah	UT	L								
46. Vermont	VT	L								
47. Virginia	VA	L								
48. Washington	WA	L								
49. West Virginia	WV	L								
50. Wisconsin	WI	L								
51. Wyoming	WY	L								
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								
60. Reporting entity contributions for Employee Benefit Plans		XXX								
61. Total (Direct Business)		XXX								
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	49	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	8
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

Revenue allocated on state based on where member registers with CMS.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Prime Therapeutics LLC																		26-0076803	DE	
Morocco Acquisition LLC																		88-2206384	DE	
Veridicus Holdings, LLC																		20-5869805	UT	
VeridicusRx, LLC																		20-5869661	UT	
VRx Pharmacy, LLC																		27-1709681	UT	
Alliance Enrollment Technology, LLC																		47-2470083	UT	
Veridicus Acquisition, LLC																		No FEIN	UT	
Veridicus Consulting, LLC																		20-5869938	UT	
Magellan Rx Pharmacy, LLC																		02-0676924	DE	
Magellan Rx Management, LLC																		46-3708039	DE	
VRx, LLC																		27-1175996	UT	
4-D Pharmacy Management Systems, LLC																		38-2828392	MI	
Magellan Pharmacy Solutions, LLC																		45-5337607	DE	
Magellan Method, LLC																		20-3733934	RI	
Magellan Rx Management IPA, LLC																		81-0997690	NY	
Magellan Medicaid Administration, LLC																		54-0849793	VA	
FHC, Inc.																		Canada	Ontario, Canada	
Provider Synergies, LLC																		31-1597878	OH	
Magellan Pharmacy Solutions, LLC																		45-5337607	DE	
Granite Alliance Insurance Company																		46-1792156	UT	15100
Merit Health Insurance Company																		36-3856181	AZ	18750
Prime Together Foundation																		85-3062887	MN	
Prime Landing Insurance Company LLC																		87-4334710	VT	
Ascent Health Services LLC																		83-4454479	DE	
Synergie Medication Collective, LLC																		88-4338512	DE	