



QUARTERLY STATEMENT

AS OF MARCH 31, 2024
OF THE CONDITION AND AFFAIRS OF THE

QualChoice Life and Health Insurance Company, Inc.

NAIC Group Code 01295 , 01295 NAIC Company Code 70998 Employer's ID Number 71-0386640
(Current Period) (Prior Period)

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

Country of Domicile United States

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

Incorporated/Organized 10/17/1992 Commenced Business 04/25/1965

Statutory Home Office 1 Allied Drive Suite 2520 , Little Rock, AR, US 72202
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 7700 Forsyth Blvd Saint Louis, MO, US 63105 314-725-4477
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 7700 Forsyth Blvd Saint Louis, MO, US 63105
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 7700 Forsyth Blvd Saint Louis, MO, US 63105 314-725-4477
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.qualchoice.com

Statutory Statement Contact Matthew Lueken 309-573-1445
(Name) (Area Code) (Telephone Number) (E-extension)
matthew.lueken@centene.com 314-725-4658
(E-Mail Address) (FAX Number)

OFFICERS

Name	Title	Name	Title
<u>John Patrick Ryan</u>	<u>President</u>	<u>Mark David Sanders</u>	<u>Vice President</u>
<u>Chris Jay Perry</u>	<u>Treasurer</u>	<u>Tricia Lynn Dinkelman</u>	<u>Vice President of Tax</u>

OTHER OFFICERS

<u>Kendra Louise Archer #</u>	<u>Secretary</u>		
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DIRECTORS OR TRUSTEES

<u>Mark David Sanders</u>	<u>Chris Jay Perry</u>	<u>John Patrick Ryan</u>
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State of _____ ss

County of _____

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.

John Patrick Ryan
President

Mark David Sanders
Vice President

Chris Jay Perry
Treasurer

Subscribed and sworn to before me this _____ day of _____

a. Is this an original filing? Yes [] No []

b. If no:

1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

STATEMENT AS OF MARCH 31, 2024 OF THE QualChoice Life and Health Insurance Company, Inc.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols 1 - 2)	
1. Bonds	61,590,292		61,590,292	54,492,479
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$55,807,052), cash equivalents (\$70,668,304) and short-term investments (\$0)	126,475,356		126,475,356	121,484,712
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	188,065,648	0	188,065,648	175,977,191
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	750,305		750,305	699,377
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	267,225		267,225	232,957
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	2,565,641
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,271,819	229,947	1,041,872	978,034
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	436,100		436,100	12,317
24. Health care (\$5,159,445) and other amounts receivable	6,217,890	1,058,445	5,159,445	3,338,428
25. Aggregate write-ins for other-than-invested assets	3,378,063	144,408	3,233,655	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	200,387,050	1,432,800	198,954,250	183,803,945
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	200,387,050	1,432,800	198,954,250	183,803,945
DETAILS OF WRITE-INS				
1101			0	0
1102				
1103				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. CSR Cost Sharing Receivable	3,233,655		3,233,655	0
2502. Accumulated Amortization - Intangibles	(2,340)	(2,340)	0	0
2503. Prepaids	146,748	146,748	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,378,063	144,408	3,233,655	0

STATEMENT AS OF MARCH 31, 2024 OF THE QualChoice Life and Health Insurance Company, Inc.

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ _____ reinsurance ceded).....	29,520,967		29,520,967	29,146,627
2. Accrued medical incentive pool and bonus amounts	170,064		170,064	162,148
3. Unpaid claims adjustment expenses	300,362		300,362	260,928
4. Aggregate health policy reserves including the liability of \$ _____ 19,211,957 for medical loss ratio rebate per the Public Health Service Act	25,312,285		25,312,285	25,046,391
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	4,878,860		4,878,860	4,603,303
9. General expenses due or accrued	2,419,877		2,419,877	1,840,950
10.1 Current federal and foreign income tax payable and interest thereon (including \$ _____ on realized gains (losses))	6,684,768		6,684,768	4,532,701
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ _____ current) and interest thereon \$ _____ (including \$ _____ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	13,061,541		13,061,541	9,614,086
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ _____ authorized reinsurers, \$ _____ unauthorized reinsurers and \$ _____ certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$ _____) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ _____ current)	37,038,792	0	37,038,792	36,928,491
24. Total liabilities (Lines 1 to 23)	119,387,516	0	119,387,516	112,135,625
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1,013,750	1,013,750
27. Preferred capital stock	XXX	XXX	1,500,000	1,500,000
28. Gross paid in and contributed surplus	XXX	XXX	48,680,395	48,680,395
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	28,372,589	20,474,174
32. Less treasury stock, at cost:				
32.1 _____ shares common (value included in Line 26 \$ _____)	XXX	XXX	0	0
32.2 _____ shares preferred (value included in Line 27 \$ _____)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	79,566,734	71,668,319
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	198,954,250	183,803,944
DETAILS OF WRITE-INS				
2301. State Assessment	33,149		33,149	26,722
2302. Cost Sharing Receivable Payable	36,593,701		36,593,701	36,659,315
2303. State Tax Payable	411,942		411,942	242,454
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	37,038,792	0	37,038,792	36,928,491
2501.	XXX	XXX	0	0
2502.	XXX	XXX	0	0
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX	0	0
3002.	XXX	XXX	0	0
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	117,373	154,167	529,995
2. Net premium income (including \$ 547,011 non-health premium income).....	XXX	55,162,655	69,566,493	236,357,179
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		0	0
4. Fee-for-service (net of \$ medical expenses).....	XXX		0	0
5. Risk revenue.....	XXX		0	0
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX	55,162,655	69,566,493	236,357,179
Hospital and Medical:				
9. Hospital/medical benefits.....		22,716,572	25,065,729	106,326,999
10. Other professional services.....		131,574	266,010	1,040,217
11. Outside referrals.....			0	0
12. Emergency room and out-of-area.....		5,218,050	6,464,006	21,506,518
13. Prescription drugs.....		9,371,186	11,608,628	42,892,313
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		201,286	248,888	431,789
16. Subtotal (Lines 9 to 15).....	0	37,638,668	43,653,261	172,197,836
Less:				
17. Net reinsurance recoveries.....			0	0
18. Total hospital and medical (Lines 16 minus 17).....	0	37,638,668	43,653,261	172,197,836
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ (8,269) cost containment expenses.....		(137,814)	665,438	2,377,473
21. General administrative expenses.....		9,021,761	9,762,177	28,882,247
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		1,539,487	0	182,192
23. Total underwriting deductions (Lines 18 through 22).....	0	48,062,102	54,080,876	203,639,748
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	7,100,553	15,485,617	32,717,431
25. Net investment income earned.....		1,722,726	1,191,615	5,752,547
26. Net realized capital gains (losses) less capital gains tax of \$.....		(8,525)	0	(14,411)
27. Net investment gains (losses) (Lines 25 plus 26).....	0	1,714,201	1,191,615	5,738,136
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)].....		(29,399)	(7,641)	(41,153)
29. Aggregate write-ins for other income or expenses.....	0	(97,116)	0	(358,423)
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	8,688,239	16,669,591	38,055,991
31. Federal and foreign income taxes incurred.....	XXX	2,154,333	3,496,519	7,925,547
32. Net income (loss) (Lines 30 minus 31).....	XXX	6,533,906	13,173,072	30,130,444
DETAILS OF WRITE-INS				
0601.....	XXX			
0602.....	XXX			
0603.....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX	0	0	0
0701. Commission on Life Product.....	XXX		0	0
0702.....	XXX			
0703.....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX	0	0	0
1401.....				
1402.....				
1403.....				
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901. Sanctions.....		(97,116)		(358,423)
2902.....				
2903.....				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	(97,116)	0	(358,423)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	71,668,326	55,251,387	55,251,387
34. Net income or (loss) from Line 32	6,533,906	13,173,072	30,130,444
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(28,596)	(39,850)	(63,251)
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax	48,059	(158,564)	(445,829)
39. Change in nonadmitted assets	1,345,045	823,988	1,795,575
40. Change in unauthorized and certified reinsurance	0	0	0
41. Change in treasury stock	0	0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	(15,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	7,898,414	13,798,646	16,416,939
49. Capital and surplus end of reporting period (Line 33 plus 48)	79,566,740	69,050,033	71,668,326
DETAILS OF WRITE-INS			
4701.		0	0
4702.		0	0
4703.		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	58,235,479	78,545,505	241,160,926
2. Net investment income	2,078,946	1,143,417	5,818,592
3. Miscellaneous income	0	0	0
4. Total (Lines 1 to 3)	60,314,425	79,688,922	246,979,518
5. Benefit and loss related payments	42,678,980	47,244,794	162,979,875
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	5,277,291	23,292,940	57,200,748
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ _____ tax on capital gains (losses).....	105,984	10,592	3,535,801
10. Total (Lines 5 through 9)	48,062,255	70,548,326	223,716,424
11. Net cash from operations (Line 4 minus Line 10)	12,252,170	9,140,596	23,263,093
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	172,749	13,572	2,169,771
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	2,266	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	175,015	13,572	2,169,772
13. Cost of investments acquired (long-term only):			
13.1 Bonds	7,407,946	549,874	6,476,340
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	28,596	39,850	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	7,436,542	589,724	6,476,340
14. Net increase/(decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(7,261,527)	(576,152)	(4,306,569)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	15,000,000
16.6 Other cash provided (applied)	1	(1)	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	1	(1)	(15,000,000)
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)	4,990,644	8,564,442	3,956,525
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	121,484,712	117,528,187	117,528,187
19.2 End of period (Line 18 plus Line 19.1)	126,475,356	126,092,629	121,484,712

STATEMENT AS OF MARCH 31, 2024 OF THE QualChoice Life and Health Insurance Company, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	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											
Total Members at end of:														
1. Prior Year	39,094	27,527	8,760	2,166	0	0	0	0	0	0	0	0	541	0
2. First Quarter	39,141	27,022	9,532	2,148	0	0	0	0	0	0	0	0	439	0
3. Second Quarter	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Third Quarter	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Current Year	0													
6. Current Year Member Months	117,497	83,279	26,448	6,458									1,312	
Total Member Ambulatory Encounters for Period:														
7. Physician	182,334	152,779	19,652	9,903										
8. Non-Physician	306,006	262,298	38,558	5,150										
9. Total	488,340	415,077	58,210	15,053	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	8,561	6,307	614	1,640										
11. Number of Inpatient Admissions	1,345	1,005	141	200										
12. Health Premiums Written (a)	55,012,094	41,447,261	12,157,483	1,338,947										68,403
13. Life Premiums Direct	697,572		697,572											
14. Property/Casualty Premiums Written	0													
15. Health Premiums Earned	55,709,666	41,447,261	12,855,055	1,338,947										68,403
16. Property/Casualty Premiums Earned	0													
17. Amount Paid for Provision of Health Care Services	40,384,417	28,232,919	11,003,926	1,119,069										28,501
18. Amount Incurred for Provision of Health Care Services	37,836,668	27,361,583	9,128,459	1,132,033										16,593

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

STATEMENT AS OF MARCH 31, 2024 OF THE QualChoice Life and Health Insurance Company, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 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 Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual	18,043,969	10,188,950	3,278,876	18,772,977	21,322,845	22,345,299
2. Comprehensive (hospital and medical) group	5,388,774	5,615,153	829,891	5,993,977	6,218,665	6,134,290
3. Medicare Supplement	525,418	593,651	14	576,316	525,432	586,214
4. Vision only					.0	.0
5. Dental only					.0	.0
6. Federal Employees Health Benefits Plan					.0	.0
7. Title XVIII - Medicare					.0	.0
8. Title XIX - Medicaid					.0	.0
9. Credit A&H					.0	.0
10. Disability income					.0	.0
11. Long-term care					.0	.0
12. Other health	14,134	14,367		68,916	14,134	80,825
13. Health subtotal (Lines 1 to 12)	23,972,295	16,412,121	4,108,781	25,412,186	28,081,076	29,146,628
14. Health care receivables (a)		3,321,375			.0	.0
15. Other non-health					.0	.0
16. Medical incentive pools and bonus amounts	162,148	31,222	162,103	7,960	324,251	162,148
17. Totals (Lines 13-14+15+16)	24,134,443	13,121,968	4,270,884	25,420,146	28,405,327	29,308,776

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

1. Summary of Significant Accounting Policies

A) Accounting Practices

The financial statements of QualChoice Life and Health Insurance Company, Inc. (the Company) are presented on the basis of accounting practices prescribed or permitted by the Arkansas Department of Insurance (DOI).

The Arkansas DOI recognizes only statutory accounting practices prescribed or permitted by the State of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining solvency under the Arkansas Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted with modifications as a component of prescribed or permitted practices of the state of Arkansas.

NET INCOME	SSAP #	F/S Page	F/S Line	State of	2024	2023
			#	Domicile		
(1) QualChoice Life & Health Insurance Company, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	Arkansas	\$ 6,533,907	\$ 30,130,442
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: e.g., Depreciation of fixed assets				Arkansas	\$ -	\$ -
(3) State Permitted Practices that increase/(decrease) NAIC SAP: e.g., Depreciation of fixed assets, home office property				Arkansas	\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	Arkansas	\$ 6,533,907	\$ 30,130,442
SURPLUS						
(5) QualChoice Life & Health Insurance Company, Inc. state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	Arkansas	\$ 79,566,734	\$ 71,668,319
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: e.g., Goodwill, net e.g., Fixed Assets, net				Arkansas	\$ -	\$ -
(7) State Permitted Practices that increase/(decrease) NAIC SAP: e.g., Home Office Property				Arkansas	\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	Arkansas	\$ 79,566,734	\$ 71,668,319

B) Use of Estimates in the Preparation of the Financial Statement

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

C) Accounting Policy

- Cash and short-term investments are carried at cost, which approximates fair value. Short-term investments include securities purchased within twelve month or less of maturity date.
- Investment grade bonds (NAIC designation 1 or 2) not backed by other loans are valued at amortized cost using the scientific (constant yield) method. Bonds containing call provisions, except "make whole" call provisions, are amortized to the call or maturity value/date which produces the lowest asset value (yield to worst). Bonds which are below investment grade (NAIC designations 3 to 6) are carried at the lower of amortized cost or fair value.
- The Company holds no common stocks.
- The Company holds no preferred stocks.
- The Company holds no mortgage loans.
- Loan-back securities are carried at amortized cost. Adjustments are applied prospectively.
- The Company has no investments in subsidiaries, controlled or affiliated companies.
- The Company has no investments in joint ventures, partnerships, and limited liability companies.

9. The Company holds no derivatives.
10. The Company reviews expectations regarding the profitability of contracts in force to determine whether a premium deficiency reserve is required. The Company considers anticipated investment income when calculating its premium deficiency reserves. The adequacy of reserve requirements is continually reviewed by management, with any reductions in the reserve being recorded as a beneficial effect in the Statement of Revenue and Expenses. The Company has a \$1,721,678 premium deficiency reserve recorded as of March 31, 2024.
11. Unpaid losses and loss adjustment expenses include amounts determined from claims estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount to be adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12. There were no changes to the capitalization policy.
13. Pharmaceutical rebates are based on actual pharmaceutical claims experience.

D) Going Concern

The Company's management has not identified any conditions or events that raise substantial doubt in its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Arkansas. There were no accounting changes or correction or errors from the prior period.

3. Business Combinations and Goodwill

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

4. Discontinued Operations

None

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans – None
- B. Debt Restructuring – None
- C. Reverse Mortgages – None
- D. Loan-Backed Securities
 - 1) The source used to determine prepayment assumptions for all loan-backed securities for the Company was Moody's
 - 2) There were no securities within the scope of this statement with a recognized other-than-temporary impairment.
 - 3) Not applicable

- 4) All impaired securities (fair value is less than cost or amortized) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest impairment remains):

Unrealized Loss	
Less than 12 Months	19,343
12 Months or Longer	242,942
Fair Value	
Less than 12 Months	2,765,156
12 Months or Longer	4,665,804

- 5) For any security in an unrealized loss position, the Company assesses whether it intends to sell the security or if it is more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis for reasons such as liquidity, contractual, or regulatory purposes. If the security meets this criterion, the decline in fair value is other than temporary and is recorded in earnings.

For loan-backed securities in an unrealized loss position, management further evaluates whether the collection of all cash flows is probable. Management utilizes the prospective adjustment method to evaluate the present value of future cash flows. For those loan-back and structured securities (NAIC designated 1 or 2) where management has determined that collection of all contractual cash flows is not probable, the securities are considered other-than-temporarily impaired to the extent amortized cost is greater than the present value of future cash flows.

- 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

Restricted Asset Category	1	2	3	4	5	6	7
	Total (Admitted & Nonadmitted) Gross Restricted from Current Year	Total (Admitted & Nonadmitted) Gross Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
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	1,610,192	1,666,317	(56,124)	(1,986)	1,612,179	0.8%	0.8%
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements).							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	1,610,192	1,666,317	(56,124)	(1,986)	1,612,179	0.8%	0.8%

1. Restricted Assets (Including Pledged)

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

3. Detail of Other Restricted Assets – None

4. Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements – None

M. Working Capital Finance Investments - None

N. Offsetting and Netting of Assets and Liabilities - None

O. 5GI Securities – None

P. Short Sales- None

Q. Prepayment Penalty and Acceleration Fees - Not applicable

R. The financial statements shall disclose the reporting entity’s share of the cash pool by asset type (cash, cash equivalents, or short-term investments). - Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

7. Investment Income

1. All investment income due and accrued with amounts that are over 90 days past due was excluded from surplus.

2. The total amount excluded was \$0.

8. Derivative Instruments

None

9. Income Taxes

No Changes

10. Information Concerning Parent, Subsidiaries and Affiliates

A, B, C, G. Effective 4/1/19, the Company is a wholly-owned subsidiary of Centene Corporation.

Centene Management Company, LLC, a wholly owned subsidiary of Centene Corporation, provides data, claims processing, case management, care coordination and general management services to the Company. Medical and administrative expenses included \$7,423,207 for such services during the period ended March 31, 2024.

Centene Pharmacy Services, Inc., a wholly owned subsidiary Envolve Holdings, Inc., which is a wholly owned subsidiary of Centene Corporation, provides pharmacy benefits management services to the Company. Medical and administrative expenses included \$444,251 for such services during the period ended March 31, 2024.

Envolve Vision, Inc., which is ultimately a wholly owned subsidiary of Centene Corporation, provides managed vision services to the Company. Medical and administrative expenses included \$131,574 for such services during the period ended March 31, 2024.

D. Included in the Company's balance sheet as of March 31, 2024, are the following receivables from and payables to parent, subsidiaries, and affiliates:

Affiliated Entity	2024 Receivable	2024 Payable
QCA Health Plan Inc.	436,100	-
Centene Management Company LLC	-	(12,849,584)
Centene Pharmacy Services, Inc.	-	(108,538)
Envolve Vision, Inc.	-	(103,418)

E. Not Applicable.

F. Not Applicable

H. Not Applicable.

I. Not Applicable.

J. Not Applicable.

K. Not Applicable.

L. Not Applicable.

M. Not Applicable.

N. Not Applicable.

O. Not Applicable.

11. Debt

A. Capital Notes - None

B. As of March 31, 2024, the Company has no outstanding Federal Home Loan Bank Agreements.

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

A. Defined Benefit Plans - None

- B. Description of investment policies and strategies – None
- C. Fair value of each class of plan assets - None
- D. Narrative description of the basis used to determine the overall expected long-term rate-of-return-on-assets assumption - None
- E. Defined Contribution Plans - None
- F. Multiemployer Plans - None
- G. Consolidated/Holding Company Plans - None
- H. Post-Employment Benefits and Compensated Absences - None
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - None

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

- A. No Changes

14. Liabilities, contingencies, and assessments

- A. Contingent Commitments - None
- B. Assessments – None
- C. Gain Contingencies - None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits – None
- E. Joint and Several Liabilities – None
- F. All Other Contingencies – None

15. Leases

None

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

None

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

None

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

None

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

None

20. Fair Value Measurement

Assets Measured at Fair Value on a Recurring Basis

Assets and liabilities recorded at fair value in the statutory statement of admitted assets, liabilities and capital and surplus are categorized based upon the extent to which the fair value estimates are based upon observable or unobservable inputs.

Level inputs are as follows:

Level input	Input definition
Level I	Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at March 31, 2024 for assets and liabilities measured 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, Short Term Investments and Cash Equivalents	\$ 126,475,356	\$ -	\$ -	\$ -	\$ 126,475,356
Perpetual Preferred stock					
Industrial and Misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds					
U.S. Governments	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	-	-	-	-
Hybrid Securities	-	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Common Stock					
Industrial and Misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Derivative assets					
Interest rate contracts	\$ -	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	<u>\$ 126,475,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,475,356</u>
b. Liabilities at fair value					
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following table summarizes fair value measurements by level on December 31, 2023, for assets and liabilities measured 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, Short Term Investments and Cash Equivalents	\$ 121,484,712	\$ -	\$ -	\$ -	\$ 121,484,712
Perpetual Preferred stock					
Industrial and Misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds					
U.S. Governments	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	-	-	-	-
Hybrid Securities	-	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Common Stock					
Industrial and Misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Derivative assets					
Interest rate contracts	\$ -	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 121,484,712	\$ -	\$ -	\$ -	\$ 121,484,712
b. Liabilities at fair value					
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

B. Fair Value Disclosures Under Other Pronouncements

None

C. Aggregate Fair Value for All Financial Statements

The following table summarizes fair value measurements by level on March 31, 2024 for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value		Level I	Level II	Level III	Net Asset Value (NAV)	Not Practicable (Carrying Value)
	Value	Admitted Assets					
Cash, Short Term Investments and cash equivalents	\$126,475,356	\$ 126,475,356	\$ 126,475,356	—	—	—	—
Bonds	\$ 57,481,487	\$ 61,590,292	\$ 1,610,193	55,871,295	—	—	—

The following table summarizes fair value measurements by level on December 31, 2023, for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value		Level I	Level II	Level III	Net Asset Value (NAV)	Not Practicable (Carrying Value)
	Value	Admitted Assets					
Cash, Short Term Investments and cash equivalents	\$121,484,712	\$ 121,484,712	\$ 121,484,712	—	—	—	—
Bonds	\$ 50,353,452	\$ 54,492,479	\$ 1,599,588	48,753,864	—	—	—

D. Not Practicable to Estimate Fair Value

None

E. Investments Measured Using the NAV Practical Expedient

None

21. Other Items

A. Unusual or Infrequent Items –None

B. Troubled Debt Restructuring – None

C. Other Disclosures and Unusual Items – None

- D. Business Interruption Insurance Recoveries – None
- E. State Transferable and Non-transferable Tax Credits – None
- F. Subprime-Mortgage-Related Risk Exposure – None
- G. Retained Assets – The Company participates in a defined contribution benefit plan sponsored by Centene Corporation, an affiliate. The Company has no legal obligation for benefits under this plan. Centene Corporation allocates amounts to the Company based on a percentage. The Company’s share of net expense for the retirement plan was \$0 and \$0 for the periods ended March 31, 2024, and December 31, 2023, respectively.
- H. Insurance-Linked Securities (ILS) Contracts – None
- 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 – None

22. Events Subsequent

Subsequent events have been considered through May 15th, 2024 for the statutory statement issued on May 15th, 2024.

Type I – Recognizable Subsequent Events - None

Type II – Non-recognizable Subsequent Events

23. Reinsurance

No Change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premiums for its comprehensive individual health insurance business in accordance with the regulations put forth in Title 45 of the Code of Federal Regulations Part 153, Subpart F for the ACA Risk Corridors program and Title 45 of the Code of Federal Regulations Part 158 for the ACA MLR Rebate program.
- B. The Company records accrued retrospective premiums through written premium.
- C. The amount of net premiums written by the Company on March 31, 2024 which are subject to retrospective rating features was \$55.2M, which represents 100% of the total net premiums written.
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act –

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ 30,760,424	\$ -	\$ -	\$ -	\$ 30,760,424
(2) Medical loss ratio rebates paid	\$ 30,770,236	\$ -	\$ -	\$ -	\$ 30,770,236
(3) Medical loss ratio rebates unpaid	\$ 23,923,060	\$ -	\$ -	\$ -	\$ 23,923,060
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$ -
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$ -
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ -
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ (4,711,103)	\$ -	\$ -	\$ -	\$ (4,711,103)
(8) Medical loss ratio rebates paid	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Medical loss ratio rebates unpaid	\$ 19,211,957	\$ -	\$ -	\$ -	\$ 19,211,957
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$ -
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$ -
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ -

E. Risk-Sharing provisions of the Affordable Care Act (ACA)

1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?	Yes
2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a) Permanent ACA Risk Adjustment Program	
Assets	
1) Premium adjustments receivable due to ACA Risk Adjustment (including HCRP)	-
Liabilities	
2) Risk adjustment user fees payable for ACA Risk Adjustment	119,032
3) Premium adjustments payable due to ACA Risk Adjustment	2,110,555
Operations (Revenue & Expense)	
4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk adjustment	(6,003,151)
5) Reported in expenses as ACA risk adjustment user fees (incurred/paid)	19,954
b) Transitional ACA Reinsurance Program	
Assets	
1) Amounts recoverable for claims paid due to ACA Reinsurance	-
2) Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	-
3) Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4) Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premiums	-
5) Ceded reinsurance premiums payable due to ACA Reinsurance	-
6) Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-
Operations (Revenue & Expense)	
7) Ceded reinsurance premiums due to ACA Reinsurance	-
8) Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	-
9) ACA Reinsurance contributions - not reported as ceded premium	-
c) Temporary ACA Risk Corridors Program	
Assets	
1) Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2) Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)	
3) Effect of ACA Risk Corridors on net premium income	-
4) Effect of ACA Risk Corridors on change in reserves for rate credits	-

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	5	6	7	8		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 4+8)
a) Permanent ACA Risk Adjustment Program											
1) Premium adjustments receivable	\$ 2,565,641	\$ (941,139)	\$ -	\$ -	\$ 2,565,641	\$ (941,139)	\$ (2,565,641)	\$ (1,169,416)	A	\$ -	\$ (2,110,555)
2) Premium adjustments (payable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	B	\$ -	\$ -
3) Subtotal ACA Permanent Risk Adjustment Program	\$ 2,565,641	\$ (941,139)	\$ -	\$ -	\$ 2,565,641	\$ (941,139)	\$ (2,565,641)	\$ (1,169,416)		\$ -	\$ (2,110,555)
b) Transitional ACA Reinsurance Program											
1) Amounts recoverable for claims paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	C	\$ -	\$ -
2) Amounts recoverable for claims unpaid (contra liability)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	D	\$ -	\$ -
3) Amounts receivable relating to uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	E	\$ -	\$ -
4) Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
5) Ceded reinsurance premiums payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	G	\$ -	\$ -
6) Liability for amounts held under uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	H	\$ -	\$ -
7) Subtotal ACA Transitional Reinsurance Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
c) Temporary ACA Risk Corridors Program											
1) Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	I	\$ -	\$ -
2) Reserve for rate credits or policy experience rating refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	J	\$ -	\$ -
3) Subtotal ACA Risk Corridors Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
d) Total for ACA Risk Sharing Provisions	\$ 2,565,641	\$ (941,139)	\$ -	\$ -	\$ 2,565,641	\$ (941,139)	\$ (2,565,641)	\$ (1,169,416)		\$ -	\$ (2,110,555)

A/B – Adjustment to interim CMS announcement issued March 31, 2024.

4) Rollforward of Risk Corridors Asset and Liability Balances by Program Benefit Year

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	5	6	7	8		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 4+8)
a) 2014											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Reserve for rate credits or policy experience rating refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	B	\$ -	\$ -
b) 2015											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	C	\$ -	\$ -
2. Reserve for rate credits or policy experience rating refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	D	\$ -	\$ -
c) 2016											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	E	\$ -	\$ -
2. Reserve for rate credits or policy experience rating refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
d) Total for Risk Corridors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -

5) ACA Risk Corridors Receivable as of Reporting Date

	1	2	3	4	5	6
<i>Risk Corridors Program Year</i>	Estimated Amount to be filed/final amount filed with federal agency	Non-Accrued Amounts from Impairment of Other Reasons	Amounts received from CMS	Asset balance gross of non-admission (1-2-3)	Non-admitted amounts	Net admitted assets (4-5)
a. 2014	-	-	-	-	-	-
b. 2015	-	-	-	-	-	-
c. 2016	-	-	-	-	-	-
d. Total (a+b+c)	-	-	-	-	-	-

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Reserves for incurred claims as of December 31, 2023, was \$29.1M. As of March 31, 2024, \$24.0M has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years is now \$4.1M for incurred claims and unpaid claims adjustment expense as a result of re-estimation of unpaid claims and claims adjustment expenses, and evaluation of liabilities associated with legal actions that arise in the normal course of business. The Company experienced \$1.1M of favorable prior year development since December 31, 2023. Original estimates are increased or decreased as additional information becomes known regarding individual claims.
- B. There has been no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expense.

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangement.

- A. – G. N/A

27. Structured Settlements

None

28. Health Care Receivables

Healthcare receivables principally represent pharmacy rebates. Healthcare receivables are subject to various limits based on the nature of the receivable balance. Pharmacy rebates are recorded on an accrual basis and estimated using invoices that have been prepared using actual prescriptions filled. Pharmacy rebates receivable at March 31, 2024, were \$6,012,996, of which \$853,552 is aged ninety days or older and is nonadmitted.

29. Participating Policies

None

30. Premium Deficiency Reserves

As of March 31, 2024:

- 1. The liability for the premium deficiency reserves \$1,721,679
- 2. Date of most recent evaluation of this liability March 31, 2024
- 3. Was anticipated investment income utilized in the calculation? Yes

31. Anticipated Salvage and Subrogation

None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes No
- 1.2 If yes, has the report been filed with the domiciliary state? Yes No
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group 0001071739
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No NA
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2023
- 6.2 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. 12/31/2017
- 6.3 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). 06/17/2019
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No NA
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No NA
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes No
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

- 9.1 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 No
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

GENERAL INTERROGATORIES

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0

13. Amount of real estate and mortgages held in short-term investments: \$ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$
14.22 Preferred Stock	\$ 0	\$
14.23 Common Stock	\$ 0	\$
14.24 Short-Term Investments	\$ 0	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No NA
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
16.3 Total payable for securities lending reported on the liability page \$ 0

17. 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 No

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

1 Name of Custodian(s)	2 Custodian Address
US Bank Trust	555 SW Oak St., Portland, OR 97204

17.2 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)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes No

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

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

17.5 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
Affspring Global Investments LLC	U

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes No

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes No

17.6 For those firms or individuals listed in the table for 17.5 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
104973	Affspring Global Investments LLC	549300B3H2/002L85790	N/C	NO

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

18.2 If no, list exceptions:
.....

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

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

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

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

- The security was purchased prior to January 1, 2018.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

GENERAL INTERROGATORIES

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

Has the reporting entity self-designated PLGI securities?.....

Yes [] No [X]

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?.....

Yes [] No [X]

GENERAL INTERROGATORIES
PART 2 - HEALTH

1. Operating Percentages:
- 1.1 A&H loss percent..... 71.7 %
- 1.2 A&H cost containment percent..... 0.0 %
- 1.3 A&H expense percent excluding cost containment expenses..... 16.1 %
- 2.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ _____
- 2.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ _____
3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?..... Yes [X] No []
- 3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?..... Yes [] No []

STATEMENT AS OF MARCH 31, 2024 OF THE QualChoice Life and Health Insurance Company, Inc.

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Type of Reinsurer	9 Certified Reinsurer Rating (1 through 6)	10 Effective Date of Certified Reinsurer Rating
NONE									

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - 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 Program Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1. Alabama	AL	N							.0	
2. Alaska	AK	N							.0	
3. Arizona	AZ	N							.0	
4. Arkansas	AR	I	55,012,107				697,572		55,709,679	
5. California	CA	N							.0	
6. Colorado	CO	N							.0	
7. Connecticut	CT	N							.0	
8. Delaware	DE	N							.0	
9. Dist. Columbia	DC	N							.0	
10. Florida	FL	N							.0	
11. Georgia	GA	N							.0	
12. Hawaii	HI	N							.0	
13. Idaho	ID	N							.0	
14. Illinois	IL	N							.0	
15. Indiana	IN	N							.0	
16. Iowa	IA	N							.0	
17. Kansas	KS	N							.0	
18. Kentucky	KY	N							.0	
19. Louisiana	LA	N							.0	
20. Maine	ME	N							.0	
21. Maryland	MD	N							.0	
22. Massachusetts	MA	N							.0	
23. Michigan	MI	N							.0	
24. Minnesota	MN	N							.0	
25. Mississippi	MS	N							.0	
26. Missouri	MO	N							.0	
27. Montana	MT	N							.0	
28. Nebraska	NE	I							.0	
29. Nevada	NV	N							.0	
30. New Hampshire	NH	N							.0	
31. New Jersey	NJ	N							.0	
32. New Mexico	NM	N							.0	
33. New York	NY	N							.0	
34. North Carolina	NC	N							.0	
35. North Dakota	ND	N							.0	
36. Ohio	OH	N							.0	
37. Oklahoma	OK	N							.0	
38. Oregon	OR	N							.0	
39. Pennsylvania	PA	N							.0	
40. Rhode Island	RI	N							.0	
41. South Carolina	SC	N							.0	
42. South Dakota	SD	N							.0	
43. Tennessee	TN	N							.0	
44. Texas	TX	N							.0	
45. Utah	UT	N							.0	
46. Vermont	VT	N							.0	
47. Virginia	VA	N							.0	
48. Washington	WA	N							.0	
49. West Virginia	WV	N							.0	
50. Wisconsin	WI	N							.0	
51. Wyoming	WY	N							.0	
52. American Samoa	AS	N							.0	
53. Guam	GU	N							.0	
54. Puerto Rico	PR	N							.0	
55. U.S. Virgin Islands	VI	N							.0	
56. Northern Mariana Islands	MP	N							.0	
57. Canada	CAN	N							.0	
58. Aggregate other alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0	.0
59. Subtotal	XXX	55,012,107	.0	.0	.0	.0	697,572	.0	55,709,679	.0
60. Reporting entity contributions for Employee Benefit Plans	XXX								.0	
61. Total (Direct Business)	XXX	55,012,107	0	0	0	0	697,572	0	55,709,679	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	0

(a) Active Status Counts

1. L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG	2	4. Q – Qualified – Qualified or accredited reinsurer	0
2. R – Registered – Non-domiciled RRGs	0	5. N – None of the above – Not allowed to write business in the state	55
3. E – Eligible – Reporting entities eligible or approved to write surplus lines in the state	0		